

**STANDARD ALLIANCE INSURANCE PLC**

**Unaudited Financial Statements for the Period  
ended 31 March 2017**

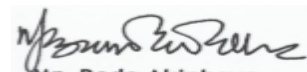
**CERTIFICATION PURSUANT TO SECTION 60(2) OF INVESTMENT AND SECURITIES  
ACT NO.29 OF 2007**

We the undersigned hereby certify the following with regards to our unaudited report for the quarter ended 31 March 2017 that:

- (a) We have reviewed the report;
- (b) To the best of our knowledge, the report does not contain:
  - (i) Any untrue statement of a material fact, or
  - (ii) Omit to state a material fact, which would make the statements, misleading in the light of circumstances under which such statements were made;
- (c) To the best of our knowledge, the financial statements and other financial information included in the report fairly present in all material respects the financial condition and results of operations of the company as of, and for the periods presented in the report;
- (d) **We:**
  - (i) are responsible for establishing and maintaining internal controls;
  - (ii) have designed such internal controls to ensure that material information relating to the Group is made known to such officers by others within the entity particularly during the period in which the periodic reports are being prepared;
  - (iii) have evaluated the effectiveness of the Group's internal controls as of date within 90 days prior to the report;
  - (iv) have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;
- (e) **We have disclosed to the auditors of the Group and audit committee:**
  - (i) all significant deficiencies in the design or operations of internal controls which would adversely affect the Group's ability to record, process, summarize and report financial data have been identified.
  - (ii) any fraud, whether or not material, that involves management or other employees who have significant roles in the Group's internal controls;
- (f) We have identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.



Mr. Ife-Olorun Ajayi  
Chief Finance Officer  
FRC/2013/ICAN/0000001103

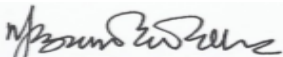


Mr. Bode Akinboye  
Chief Executive Officer  
FRC/2013/ICAN/00000005139

**STANDARD ALLIANCE INSURANCE PLC**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017**

		<b>31-Mar-17</b>	<b>31-Dec-16</b>
<b>ASSETS</b>	<b>NOTES</b>	<b>N'000</b>	<b>N'000</b>
Cash and Cash Equivalents	3	362,207	485,013
Financial Assets	4		
- <i>At fair value through profit or loss</i>		29,424	29,303
- <i>Loans &amp; Receivables</i>		90,159	84,095
- <i>Available for sale investment</i>		399,893	342,674
- <i>Held to maturities</i>		233,883	314,678
Reinsurance Assets	6	925,481	955,467
Trade Receivables	5	26,414	16,340
Other Receivables and Prepayments	8	452,496	44,294
Deferred Acquisition Costs	7	117,910	117,910
Investment Properties	10	3,824,589	3,824,589
Goodwill & Other Intangible Assets	12	12,304	13,480
Property, Plant and Equipment	13	6,203,205	6,257,177
Statutory Deposits	14	535,000	535,000
<b>TOTAL ASSETS</b>		<b>13,212,965</b>	<b>13,020,020</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>LIABILITIES</b>			
Insurance Contract Liabilities	15	4,485,335	5,022,163
Investment Contract Liabilities		616,174	590,676
Trade Payables	16	99,821	75,670
Other Payables and Accruals	17	921,816	538,464
Financial Liabilities	18	1,269,650	1,269,650
Finance Lease Obligation	19	71,400	80,676
Taxation	20	249,273	204,136
Deferred Tax Liabilities	21	368,664	586,662
<b>TOTAL LIABILITIES</b>		<b>8,082,133</b>	<b>8,368,097</b>
<b>SHAREHOLDERS' EQUITY</b>			
Ordinary Share Capital	22	5,996,587	5,996,587
Share Premium		7,667,476	7,667,475
Contingency Reserve	24	1,480,605	1,505,600
Retained Earnings	25	(13,298,331)	(13,870,648)
Revaluation Reserves	26	3,284,499	3,076,501
		<b>5,130,836</b>	<b>4,375,515</b>
Non controlling interest		-	276,408
<b>Total equity</b>		<b>5,130,836</b>	<b>4,651,923</b>
<b>LIABILITIES AND S/HOLDERS' EQUITY</b>		<b>13,212,965</b>	<b>13,020,020</b>

  
**Mr. Ife-Olorun Ajayi**  
**Chief Finance Officer**  
 FRC/2013/ICAN/00000001103

  
**Mr. Bode Akinboye**  
**Chief Executive Officer**  
 FRC/2013/ICAN/00000005139

## STANDARD ALLIANCE INSURANCE PLC

## STATEMENT OF COMPREHENSIVE INCOME FOR PERIOD ENDED 31 MARCH 2017

		31-Mar-17	31-Mar-16
		YTD	YTD
REVENUE	Notes	N'000	N'000
Gross Premium written	27	1,002,008	1,287,423
Unearned premium		272,973	165,423
		1,274,981	1,452,846
Reinsurance premium expenses	28	(164,906)	(320,707)
<b>Net premium income</b>		1,110,075	1,132,139
Fees and Commission income	29	13,233	41,059
<b>Net Underwriting income</b>		1,123,308	1,173,198
Claims expenses	30	(311,965)	(370,168)
Claims exp.recoveries from reins.		69,052	54,393
Net Claims expenses		(242,913)	(315,775)
Underwriting expenses	31	(305,981)	(411,039)
<b>Total underwriting expenses</b>		(548,894)	(726,814)
<b>Underwriting Profit</b>		574,414	446,384
Investment income	32	30,952	17,769
Operating expenses	34	(246,387)	(303,856)
Finance charges	35	(2,803)	(1,432)
Unrealised Fair value gains/(losses)	4.1	(32,889)	(3,617)
<b>(Loss)/Profit before taxation</b>		323,287	155,248
Income tax	20	(52,379)	(37,105)
Deferred tax	21	-	(1,894)
<b>(Loss)/Profit after taxation</b>		270,908	116,249
<b>Other comprehensive income</b>			
<b>Can subsequently be reclassified to P or</b>			-
FV gains on quoted shares (AVFS)	26	-	(48,903)
Total other comprehensive income		-	(48,903)
<b>Total compre(loss) income for the yr</b>		<b>270,908</b>	<b>67,346</b>
<b>EPS : Basic/Diluted (Kobo)</b>		<b>2.70</b>	<b>1.29</b>

STANDARD ALLIANCE INSURANCE PLC

FINANCIAL STATEMENT FOR PERIOD ENDED DECEMBER 31, 2016

STATEMENT OF CHANGES IN EQUITY

MARCH 31, 2017

	Share capital N'000	Share premium N'000	Revaluation reserve N'000	Fair value reserve N'000	Contingency Reserve N'000	Retained earnings N'000	Non Controlling N'000	Total N'000
<b>At 1 January 2017</b>	<b>5,996,587</b>	<b>7,667,476</b>	<b>3,284,499</b>	-	<b>1,461,315</b>	<b>(13,853,097)</b>	-	<b>4,556,780</b>
Profit for the year	-	-	-	-	-	(1,349,269)	-	<b>(1,349,269)</b>
Appropriation for Contingency reserve for the yr	-	-	-	-	19,290	(19,290)	-	-
FV gain on quoted shares(AVFS)	-	-	-	-	-	-	-	-
Adjustments from Life	-	-	-	-	-	1,923,325	-	<b>1,923,325</b>
Revaluation Surplus	-	-	-	-	-	-	-	-
<b>Transactions with owners</b>								-
Acquisition of shares	-	-	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-	-	-
Transfers for the year	-	-	-	-	-	-	-	-
<b>At March 31, 2017</b>	<b>5,996,587</b>	<b>7,667,476</b>	<b>3,284,499</b>	-	<b>1,480,605</b>	<b>(13,298,331)</b>	-	<b>5,130,836</b>

31ST DECEMBER, 2016

	Ordinary Share capital N'000	Share Premium N'000	Revaluation Reserve N'000	Fair value Reserve N'000	Contingency Reserve N'000	Retained Earnings N'000	Non Controlling N'000	Total N'000
At 1 January 2016	<b>5,996,587</b>	<b>7,667,475</b>	<b>1,671,832</b>	<b>63,606</b>	<b>1,411,579</b>	<b>(12,552,146)</b>	<b>393,596</b>	<b>4,652,529</b>
Loss for the year	-	-	-	-	-	(1,235,215)	(106,454)	<b>(1,341,669)</b>
Appr.for Contingency reserve for the year	-	-	-	-	93,484	(93,484)	-	-
Fair value gain on quoted shares (AVFS)	-	-	-	-	-	-	-	-
Revaluation surplus on building	-	-	1,612,667	-	-	-	-	<b>1,612,667</b>
Allotment of treasury shares	-	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-	-
Transfers for the year	-	-	-	(63,606)	-	-	-	-
<b>At 31 December 2016</b>	<b>5,996,587</b>	<b>7,667,475</b>	<b>3,284,499</b>	-	<b>1,505,063</b>	<b>(13,880,845)</b>	<b>287,142</b>	<b>4,859,921</b>

**STANDARD ALLIANCE INSURANCE PLC**  
**FINANCIAL STATEMENT FOR THE PERIOD ENDED MARCH 31, 2017**  
**STATEMENT OF CASH FLOW**

	<b>Company</b>	<b>Group</b>
	<b>31-Mar-17</b>	<b>31-Dec-16</b>
	<b>N'000</b>	<b>N'000</b>
<b>CASH-FIOWS FROM OPERATING ACTIVITIES</b>		
Premium received from policy holders	972,975	4,411,839
Cash received on DA	444,584	1,321,679
Interest received on investments	20,691	100,444
Dividend received	-	6,138
Rent and sundry income	3,543	14,175
Other income	3,001	-
Claim paid (net of recoveries)	(435,505)	(1,248,777)
Fees and commission	13,234	95,974
Cash payments for reinsurance	(164,906)	(773,676)
Brokers commissions and allowances	(120,078)	(672,823)
Agents allowances and commissions	(71,702)	-
Cash pmt to employees, suppliers and others	(337,118)	(1,732,363)
Loans against policy	(7,325)	(15,448)
Staff Loan repayment	42	-
Cash withdrawals on DA	(419,087)	(1,739,759)
	(97,651)	(232,597)
Tax paid: Income tax	(10,000)	(94,251)
Value Added Tax (VAT)	-	(2,986)
<b>NET O/FLOWS FROM OPERATING ACTIVITIES</b>	<b>(107,651)</b>	<b>(329,834)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property plant and Equipment	(452)	(44,211)
Purchase of HTM Financial Asset	(4,169)	275,010
Purchase of Intangible assets	-	(15,000)
Sale of Shares	-	-
Income from investment property	-	17,816
Proceeds from sale of PPE	-	4,400
Acquisition of Interest in Blueberry project	-	-
<b>NET CASH INFLOWS FROM INVESTING ACTIVITIES</b>	<b>(4,621)</b>	<b>238,015</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Finance charges	(944)	(45,399)
Repayment of borrowing - Daewoo securities bond	-	-
Loan obtained from FCMB	-	(56,062)
Lease financing (net)	(9,590)	(56,022)
<b>NET CASH OUTFLOWS TO FINANCING ACTIVITIES</b>	<b>(10,534)</b>	<b>(157,483)</b>
<b>NET INC./(DEC) IN CASH AND CASH EQUIVALENTS</b>	<b>(122,806)</b>	<b>(249,302)</b>
Cash and cash equivalent at 1 January	485,013	734,315
<b>NET CASH AND CASH EQUIVALENTS AT 31 DEC</b>	<b>362,207</b>	<b>485,013</b>
<b>NET CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Current and domiciliary accounts balances	148,531	283,355
Short term deposits - Local banks	213,676	201,658
Bank overdraft	-	-
	<b>362,207</b>	<b>485,013</b>

**STANDARD ALLIANCE INSURANCE PLC**

**FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2017**

**NOTES TO THE FINANCIAL STATEMENTS**

**1 THE COMPANY**

Please see the description of the Company as presented on pages below

**2 ACCOUNTING POLICIES**

The accounting policies adopted by the Company in the preparation of these financial statements and which have been consistently applied over the periods are as fully disclosed

**3 CASH AND CASH EQUIVALENTS**

	<b>Company</b>	<b>Group</b>
	<b>31-Mar-17</b>	<b>31-Dec-16</b>
	<b>N'000</b>	<b>N'000</b>
Cash at hand	2,990	2,183
Cash in bank - Unclaimed dividend	2,476	2,476
Current and Domiciliary accounts	143,065	278,696
	-	-
	<b>148,531</b>	283,355
Short term deposits with other Financial Institutions	213,676	201,658
	<b>362,207</b>	485,013
Impairment provision (Note 3.1)	-	-
	<b>362,207</b>	485,013
<b>3.1 Impairment provision</b>		
At 1 January	-	-
Impairment charged for the year (Note 35)	-	-
Impairment charges written back	-	-
Impairment provision now written off	-	-
At 31 March 2017	-	-
<b>4 FINANCIAL ASSETS</b>		
At fair value through Profit or loss (Note 4.1)	29,423	29,303
Loans & Receivables (Note 4.2)	90,159	84,095
Available for sale (Note 4.3)	399,893	342,674
Held to maturity	233,883	314,678
	<b>753,358</b>	770,750
<b>4.1 Financial assets at fair value through Profit or loss</b>		
Quoted securities		
Cost	391,859	391,859
Cost of Disposal	0	100
Fair value changes	(362,437)	(362,656)
Market value	<b>29,422</b>	29,303
The fair value changes are further analysed thus:-		
At 1 January	(359,094)	(355,464)
Fair value gains/(losses) during the year	(3,342)	(7,192)
At 31 March 2017	<b>(362,436)</b>	(362,656)

**STANDARD ALLIANCE INSURANCE PLC**  
**FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2017**

**NOTES TO THE FINANCIAL STATEMENTS**

	<b>Company</b>	<b>Group</b>
	<b>31-Mar-17</b>	<b>31-Dec-16</b>
	<b>N'000</b>	<b>N'000</b>
<b>4.2 Loans &amp; Receivables</b>		
SA Properties (Note 4.3.1)	0	0
Staff Debtors	4,212	78,623
Loan against policy	85,947	5,472
	<b>90,159</b>	<b>84,095</b>
<b>4.3 Available for sale financial assets</b>	<b>31-Mar-17</b>	<b>31-Dec-16</b>
	<b>N'000</b>	<b>N'000</b>
Investment in Blueberry Project	188,628	188,628
Quoted shares in Transcorp Plc (Note 4.3.2)	121,157	154,056
Preference Shares in Lagoon Homes	0	-
Other Financial Asset	90,108	-
	<b>399,893</b>	<b>342,684</b>
<b>4.3.1 Investment in Blueberry Project</b>		

This represents the company's investment in Blueberry Technology Solutions Limited under joint venture arrangement for the provision of Electronic Drivers' and Vehicle identification system for Kaduna State Government. Under the terms of the agreement, revenue from the project is to be shared by both parties

	<b>188,628</b>	<b>188,628</b>
<b>4.3.2 Investment in quoted shares</b>		
Cost		
At 1 January	120,835	120,835
Addition during the year	-	0
Disposal during the year	-	0
At 31 March 2017	120,835	120,835
Fair Value Gain	35,486	33,211
Market Value	156,321	154,046
The fair value changes are further analysed thus:		
At 1 January	135,485	135,485
Fair value gain/(loss) realised on disposal	0	0
Fair value gain/(loss) during the year	(99,999)	(102,274)
At 31 March 2017	35,486	33,211



STANDARD ALLIANCE INSURANCE PLC  
FINANCIAL STATEMENT FOR THE PERIOD ENDED MARCH 31 2017

NOTES TO THE FINANCIAL STATEMENTS

	Company 31-Mar-17 N'000	Group 31-Dec-16 N'000
<b>4.3.4 5% 5year Redeemable Preference Shares in Lagoon Homes</b>	162,848	162,848
During the year, the Company converted its term deposits with Less Impairmt Provision	-	-
	(162,848)	(162,848)
	-	-
<b>5 TRADE RECEIVABLES</b>		
<b>Premium receivable</b>		
Dues from brokers	26,414	16,340
Impairment allowance	0	
	<b>26,414</b>	<b>16,340</b>
<b>6 REINSURANCE ASSETS</b>		
Claims recoverable	742,138	772,125
Deferred reinsurance cost	183,342	183,342
	<b>925,480</b>	<b>955,467</b>
All of the above amounts are of current tenor.		
<b>7 DEFERRED ACQUISITION COSTS</b>		
Motor	23,058	23,058
Aviation	959	959
Engineering	5,190	8,192
Fire	27,028	19,774
General Accident	13,968	7,926
Marine	7,545	17,026
Bond	5,943	5,791
Oil & Gas	3,194	4,159
Life	31,025	31,025
	<b>117,910</b>	<b>117,910</b>
The movement in deferred acquisition cost are:		
At 1 January	86,885	131,238
Additions during the year	0	385,360
Amortization for the year	0	(398,688)
Life	0	
At March 31	<b>86,885</b>	<b>117,910</b>
<b>8 OTHER RECEIVABLES AND PREPAYMENTS</b>		
Prepayments	14,207	12,062
Loans and Receivables (Note 8.1)	17,843	31,576
Staff Debtors	1,107	-
Sundry	4,096	656
Inter Company Receivable	415,242	
	<b>452,495</b>	<b>44,294</b>
<b>10 INVESTMENT PROPERTIES</b>		
At 1 January	3,824,589	2,177,001
Additions during the year	-	0
Disposal during the year	0	-
Changes in FV		1,647,588
At March 31	<b>3,824,589</b>	<b>3,824,589</b>
These comprise the following properties:		
Property on Plot 456, Cadastral Zone B13, Abuja	0	
250 Hecters of farmland at Mydumbi, Kaduna - Zaria	100,000	100,000
10 2 B/room Terrace hs and a wing of 4 B/room duplex	0	
6 storey lettable office complex	0	
11 units of 4-Bedroom terrace houses at New County Terrace	1,200,000	1,200,000
Property on No 1207, Yakubu Gowon Street, Abuja	0	
Fair value changes in Investment Property	0	
Life	<b>2,524,589</b>	2,524,589
	<b>3,824,589</b>	<b>3,824,589</b>

STANDARD ALLIANCE INSURANCE PLC  
 FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2017  
 NOTES TO THE FINANCIAL STATEMENTS

	<b>Company</b> <b>31-Mar-17</b> <b>N'000</b>	<b>Group</b> <b>31-Dec-16</b> <b>N'000</b>
<b>12 GOODWILL AND INTANGIBLE ASSET</b>		
<b>COMPUTER SOFTWARE</b>		
<b>COST</b>		
AT 1 January	15,000	-
Additions	-	15,000
	<b>15,000</b>	<b>15,000</b>
<b>AMORTISATION</b>		
AT 1 January	1,520	-
Amortisation for the period	1,176	1,520
	<b>2,696</b>	<b>1,520</b>
<b>CARRYING AMOUNT</b>		
	<b>12,304</b>	<b>13,480</b>

The intangible asset above relate to the Company's accounting software packages (GIBS) recently purchased

**STANDARD ALLIANCE INSURANCE PLC**  
**FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2017**  
**NOTES TO THE FINANCIAL STATEMENTS**

**13 PROPERTY, PLANT AND EQUIPMENT**

Company						31-Mar-17	31-Dec-16
	Land	Building	Motor vehicles	Furniture and fittings	Computer and other equipments	Total	Total
COST	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1/1/2017	2,490,433	3,573,067	843,350	225,377	451,579	7,583,806	4,149,151
Additions	-	-	-	-	397	397	44,211
Transfer from NCAHFS	-	-	-	-	-	-	1,890,433
Revaluation surplus	-	-	-	-	-	-	1,612,666
Reclassification	-	-	-	-	-	-	(57,082)
Disposals	-	-	-	-	-	-	(55,573)
<b>At March 31, 2017</b>	<b>2,490,433</b>	<b>3,573,067</b>	<b>843,350</b>	<b>225,377</b>	<b>451,976</b>	<b>7,584,203</b>	<b>7,593,806</b>
<b>DEPRECIATION</b>							
At 1/1/2017	-	303	759,792	169,547	406,987	1,336,629	1,251,258
Charge for the year	-	10,793	18,463	5,016	10,097	44,369	194,044
Disposals	-	-	-	-	-	-	(108,673)
<b>At March 31, 2017</b>	<b>-</b>	<b>11,096</b>	<b>778,255</b>	<b>174,563</b>	<b>417,084</b>	<b>1,380,998</b>	<b>1,336,629</b>
<b>CARRYING AMOUNT</b>							
<b>At 31 March 2017</b>	<b>2,490,433</b>	<b>3,561,971</b>	<b>65,095</b>	<b>50,814</b>	<b>34,892</b>	<b>6,203,205</b>	
<b>31 December 2016</b>	<b>2,490,433</b>	<b>3,582,763</b>	<b>83,556</b>	<b>55,830</b>	<b>44,595</b>	<b>6,257,177</b>	<b>6,257,177</b>

## STANDARD ALLIANCE INSURANCE PLC

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2017

## NOTES TO THE FINANCIAL STATEMENTS

	<b>Company</b>	<b>Group</b>
	<b>31-Mar-17</b>	<b>31-Dec-16</b>
	<b>N'000</b>	<b>N'000</b>
<b>14 STATUTORY DEPOSIT</b>	<b>535,000</b>	<b>535,000</b>
<p>This represents the mandatory deposit maintained with Central Bank of Nigeria in accordance with the Insurance Act CAP 117 LFN 2004 as a general business insurance company. The deposit is entirely non-current.</p>		
<b>15 INSURANCE CONTRACT LIABILITIES</b>		
Unearned Premium reserve (Note 15.1)	2,467,800	1,091,889
Outstanding claims (Note 15.2)	2,017,535	3,930,274
	<b>4,485,335</b>	5,022,163
Less: Reinsurance assets (Note 8)	<b>(925,480)</b>	(562,646)
	<b>3,559,855</b>	<b>4,459,517</b>
<p>The insurance contract liabilities balances above are covered by the company's dedicated assets as thus</p>		
Cash and cash equivalent (Note 3)	500,148	480,494
Financial assets (Note 4)	588,143	576,650
Available for sale financial assets		188,627
Investment Properties (Note 9)	2,862,044	1,719,261
Property, plant and equipment	0	165,000
Statutory Deposit	535,000	335,000
	<b>4,485,335</b>	<b>3,465,032</b>
<b>INVESTMENT CONTRACT LIABILITIES</b>		
Deposit Administration Fund	1,035,261	-
Withdrawals during the year	(419,087)	-
	<b>616,174</b>	<b>-</b>
<b>15.1 Unearned Premium Reserve</b>		
Aviation	10,420	13,894
Bond	22,334	29,778
Engineering	12,463	49,855
Fire	173,406	231,209
General Accident	71,664	95,553
Marine	92,750	123,667
Motor	139,798	186,398
Oil & Gas	60,884	81,180
Life	1,929,239	280,355
	<b>2,512,958</b>	<b>1,091,889</b>
<b>15.2 Outstanding Claims</b>		
Accrued Claims (Note 15.2.1)	1,870,704	1,987,728
Provision for claims (IBNR) (Note 15.2.2)	146,831	1,942,546
	<b>2,017,535</b>	<b>3,930,274</b>
<b>15.2.1 Accrued Claims</b>		
At 1 January	1,338,313	1,768,744
Reported claims in the current year	768,181	1,750,891
Claims paid during the current year	(235,790)	(1,531,907)
	<b>1,870,704</b>	<b>1,987,728</b>

## STANDARD ALLIANCE INSURANCE PLC

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2017

## NOTES TO THE FINANCIAL STATEMENTS

	31-Mar-17	31-Dec-16
	N'000	N'000
<b>15.2.2</b> Claims incurred but not reported (IBNR)		
At 1 January	293,663	1,942,546
Movement charged to claims expenses	(146,831)	0
	<b>146,832</b>	<b>1,942,546</b>
The breakdown of the outstanding claims per class of general business is:		
Aviation	103,957	103,957
Bond	18,505	18,505
Engineering	43,851	43,851
Fire	325,154	325,154
General Accident	221,244	221,244
Marine	57,514	57,514
Motor	109,751	109,751
Oil & Gas	371,812	458,357
Life	618,916	649,395
	<b>1,870,704</b>	<b>1,987,728</b>
<b>16 TRADE PAYABLES</b>		
Due to Reinsurers	<b>99,821</b>	<b>75,670</b>
<b>17 OTHER PAYABLES AND ACCRUALS</b>		
Due to Government Agencies	18,998	43,538
Rent received in advance (Note 17.1)	3,466	4,523
Due to Staff	152,051	80,025
Accrued Expenses	148,079	152,289
Unclaimed Dividend	2,383	2,476
Other credit balances	421,838	80,613
Preference dividend payable (Note 17.2)	175,000	175,000
	<b>921,815</b>	<b>538,464</b>
The above amounts are further analysed as:		
Current	682,069	538,464
Non-Current	239,746	-
	<b>921,815</b>	<b>538,464</b>
<b>17.1 Rent received in advance</b>		
This is the rent received from the office space let out in the HO building and from the investment properties @ new county estate	<b>4,028</b>	<b>4,523</b>
<b>17.2 Preference dividend payable</b>		
At 1 January	175,000	175,000
Paid during the year	-	-
Due for the year	-	-
	<b>175,000</b>	<b>175,000</b>

STANDARD ALLIANCE INSURANCE PLC

FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2017

NOTES TO THE FINANCIAL STATEMENTS

	31-Mar-17 N'000	31-Dec-16 N'000
<b>18 FINANCIAL LIABILITIES/BORROWINGS</b>		
Daewoo Securities Bond (Note 18.1)	1,177,335	1,177,335
First City Monument Bank Plc - Term Loan(Note 18.2)	92,315	92,315
Bank Overdrafts	0	-
Unreconciled bank balances	0	-
	<b>1,269,650</b>	<b>1,269,650</b>
<b>18.1 Daewoo Securities Facility</b>		
Balance, at beginning of the year	1,177,335	-
Additions during the year(Exchange Rate Differential)	0	-
Repayments during the period	0	-
Balance, at end of period	1,177,335	-
<b>18.2 First City Monument Bank Plc -Term Loan</b>		N'000
Balance, at beginning of the year	92,315	148,377
Additions during the year	0	-
Repayments during the year	0	(56,062)
Balance, at end of period	92,315	92,315
The loan attracts interest at the rate of 18% per annum.		
Current maturities	48,770	92,315
Non-current maturities	43,545	-
	0	
	<b>92,315</b>	<b>92,315</b>

**STANDARD ALLIANCE INSURANCE PLC**  
**FINANCIAL STATEMENT FOR PERIOD ENDED MARCH 31, 2017**  
**NOTES TO THE FINANCIAL STATEMENTS**

	<b>Company</b> <b>31-Mar-17</b> <b>N'000</b>	<b>Group</b> <b>31-Dec-16</b> <b>N'000</b>
<b>19 FINANCE LEASE OBLIGATIONS</b>		
Balance, at beginning of the period	<b>80,676</b>	136,698
Additions during the period	<b>0</b>	24,000
Repayments during the period	<b>(9,275)</b>	(80,022)
Balance, at end of period	<b>71,401</b>	<b>80,676</b>

The Company obtained lease facilities totalling =N=48,836,000 at 21% rate of interest from Diamond Bank to finance the acquisition of motor vehicles in 2013

These motor vehicles are included in the property, plant and equipment of the company as at March 31, 2017.

The rentals due as at 31 March are further analysed as follows

Less than 3 months	<b>21,262</b>	19,344
Between 3 and 6 months	<b>22,272</b>	19,214
Between 6 and 12 months	<b>23,726</b>	11,929
Over 12 months	<b>4,140</b>	30,189
	<b>71,400</b>	<b>80,676</b>

<b>20 Current income tax liabilities</b>	N'000	N'000
Per Statement of comprehensive income		
Company income tax	<b>0</b>	74,934
Education tax	-	9,440
Information technology development levy	-	0
	<b>0</b>	<b>84,374</b>
<b>Per Statement of Financial Position</b>	N'000	N'000
<i>Balance at beginning of the year</i>		
Company income tax	<b>206,895</b>	187,436
Education tax	-	26,577
Information technology development levy	-	-
Tax expense for the year	<b>206,895</b>	214,013
<i>Provisions for the year:</i>		
Company income tax	<b>42,378</b>	74,934
Education tax	-	9,440
Information technology development levy	-	-
Overprovision in prior years		-
<i>Payments during the year:</i>		
Company income tax	<b>0</b>	(83,227)
Education tax	<b>0</b>	(11,024)
Information technology development levy	-	-
At 31 March 2017	<b>249,273</b>	<b>204,136</b>
<b>21 DEFERRED TAX LIABILITIES</b>		
At 1 January	<b>368,664</b>	326,273
Charge for the year	<b>0</b>	42,391
At 31 March 2017	<b>368,664</b>	<b>368,664</b>
<b>22 ORDINARY SHARE CAPITAL</b>		
<b>Authorised (Note 22.1)</b>		
14,000,000,000 units of ordinary shares of 50	<b>7,000,000</b>	7,000,000
	<b>7,000,000</b>	<b>7,000,000</b>

### 22.1 Authorised Share Capital

The Company at its 15th Annual General Meeting held on Friday, 16th DECEMBER 2011 approved the increase in its authorised share capital from N6.0 billion to N7.0 billion by the creation of additional 2,000,000,000 units of ordinary shares of 50k each, such shares ranking pari passu in all respects with existing ordinary shares of the Company.

The newly created shares have been duly registered with the Corporate Affairs Commission and the requisite stamp duties paid subsequently in 2012.



**22.2 Issued and Fully Paid Share Capital:**

## Ordinary shares

- 11,993,173,000 units of ordinary shares for **5,996,587** 5,996,587
- 8,493,173,450 units of ordinary shares for 2011 and 2010.

## Preference shares

- Nil for 2012 (Note 16.1) - -
- 17,500,000 units of N100 each 2011 and 2010

**5,996,587****5,996,587**

STANDARD ALLIANCE INSURANCE PLC  
 FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2017  
 NOTES TO THE FINANCIAL STATEMENTS

	31-Mar-17	31-Dec-16
	N'000	N'000
<b>24 CONTINGENCY RESERVE</b>		
Contingency reserve is provided for at the rate of 3% of the total premium or 20% of net profit (whichever is greater for the year) in accordance with section 22 (1)(b) of the Insurance Act 2003.		
At 1 January	1,461,315	1,411,579
Charge for the year	19,290	93,484
Post acquisition reserve	0	-
	<b>1,480,605</b>	<b>1,505,063</b>
<b>25 ACCUMULATED LOSS</b>		
At 1 January	(13,853,098)	(12,552,146)
(Loss)/Profit for the year	(1,349,269)	(1,224,481)
Appropriation to contingency reserve	(19,290)	(93,484)
Pre and Post acquisition adjustments	1,923,326	-
	<b>(13,298,331)</b>	<b>(13,870,111)</b>
<b>OTHER RESERVES</b>		
Revaluation Reserve (Note 25.1)	3,284,499	1,671,832
Fair Value Reserve (Note 25.2)	0	1,612,667
	<b>3,284,499</b>	<b>3,284,499</b>
<b>26 REVALUATION RESERVES</b>		
At 1 January	3,284,499	1,671,832
Addition during the year(Note 12)	-	-
	<b>3,284,499</b>	<b>1,671,832</b>
<b>27 FAIR VALUE RESERVE</b>		
This is the net accumulated changes in fair value of available for sale assets.		
Further details are:		
At 1 Jan	0	63,606
Transfer to P or L during the year	0	(63,606)
Fair value loss	0	0
	<b>0</b>	<b>0</b>

STANDARD ALLIANCE INSURANCE PLC

FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2017

NOTES TO THE FINANCIAL STATEMENTS

									Non Life 31-Mar-17	Life 31-Mar-17	Company 31-Mar-17	Company 31-Mar-16
27 GROSS PREM.INCOME	Aviation	Bonds	Engineering	Fire	General Accident	Marine	Motor Accident	Oil & Gas				
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Premium written	3,171	9,989	17,182	36,573	137,082	60,405	82,050	296,569	643,021	358,986	1,002,007	1,287,423
Inward reinsurance premium	-	-	-	-	-	-	-	-	-	-	-	-
	3,171	9,989	17,182	36,573	137,082	60,405	82,050	296,569	643,021	358,986	1,002,007	1,287,423
Movements in unexpired ris	3,473	7,444	12,463	57,802	23,888	30,916	46,599	20,295	202,880	70,093	272,973	165,423
<b>Gross premium</b>	<b>6,644</b>	<b>17,433</b>	<b>29,645</b>	<b>94,375</b>	<b>160,970</b>	<b>91,321</b>	<b>128,649</b>	<b>316,864</b>	<b>845,901</b>	<b>429,079</b>	<b>1,274,980</b>	<b>1,452,846</b>
<b>28 REINSURANCE</b>												
<b>PREMIUM EXPENSES</b>												
Expense	-	1,897	3,967	8,441	4,417	5,816	-	121,887	146,425	164,906	164,906	320,707

## STANDARD ALLIANCE INSURANCE PLC

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2017

## NOTES TO THE FINANCIAL STATEMENTS

	31-Mar-17 N'000	31-Dec-16 N'000
<b>29 COMMISSION EARNED ON REINSURANCE</b>		
Aviation	0	5
Bond	521	360
Engineering	1,091	2,727
Fire	2,743	10,915
General Accident	1,325	5,826
Marine	1,598	3,166
Motor	0	37
Oil & Gas	0	1,770
Life	5,952	16,253
	<b>13,230</b>	<b>41,059</b>
<b>30 CLAIMS EXPENSES</b>		
Claim paid	263,165	345,566
Increase in outstanding Claims (Note 14.2.1)	193,664	349,931
Increase/(Decrease)in Claims IBNR(Note 14.2.2)	(144,864)	(325,329)
Gross claims incurred	<b>311,965</b>	<b>370,168</b>
<b>31 UNDERWRITING EXPENSES</b>		
Acquisition Cost	-	
Aviation	218.00	(2)
Bond	1,998	2,202
Engineering	115	6,531
Fire	6,500	8,687
General Accident	65,834	28,481
Marine	12,055	7,081
Motor	9,434	18,974
Oil & Gas	6,550	3,725
Others	0	22,976
Life - Acquisition Cost/Brokers Commission	14,682	76,432
Agents Allowance and Commission	49,754	59,386
Medical Expenses	495	0
Salaries and other admin expenses	116,204	154,571
	<b>283,839</b>	<b>389,044</b>
Maintenance Cost	22,142	21,995
Deffered comission	-	-
	<b>305,981</b>	<b>411,039</b>
<b>32 INVESTMENT INCOME</b>		
Interest on deposits	22,467	24,818
Lease rental income	5,901	5,859
Dividend received	0	0
Sundry income	2,584	(8)
	<b>30,952</b>	<b>30,669</b>
Profit/Loss on Investment Contract	-	(28,391)
Investment Income on Annuity	-	-
Investment Income on Insurance Contract	-	14,420
Fair Value Gain on Investment Properties	-	-
Foreign Exchange difference	-	-
Gain on disposal of Quoted Shares	-	-
Others	0	1,073
	<b>30,952</b>	<b>17,771</b>
<b>33 Loss/Gain on investment property disposal</b>	-	-
	-	-

## STANDARD ALLIANCE INSURANCE PLC

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2017

## NOTES TO THE FINANCIAL STATEMENTS

**34 MANAGEMENT EXPENSES**

Salaries and allowances	168,510	183,303
Other staff costs	14,939	22,006
Director fees and allowances	13,825	14,368
Insurance expenses	2,632	467
Rent and rates	11,131	11,057
Repairs and maintenance	35,299	36,131
Depreciation and amortisation	45,228	58,822
Professional fees	30,090	39,116
Bank charges	1,410	2,234
Printing and stationery	4,899	4,404
Advertisement	839	3,694
Books and periodicals	702	284
Telephone and postages	4,412	5,823
Other administrative expenses	321	1,318
Supervisory levies	0	369
Staff training and development	0	120
Audit fee	0	-
Fines and Penalties	1,349	13,308
Misc office expenses	802	15,169
Travelling, outstation and hotel expenses	7,027	898
Annual General Meeting expenses	0	-
Share capital expenses	0	-
Corporate expenses	9,203	7,076
Others	12,270	38,458
	<b>364,888</b>	<b>458,423</b>
Management Expenses Total	364,888	458,423
Less - Allocation to Underwriting Expenses	(118,500)	(154,570)
	<b>246,388</b>	<b>303,853</b>

**35 FINANCIAL CHARGES**

	Mar-17	Dec-16
	N'000	N'000
Bank interests	1,861	-
Lease charges	942	1,432
Interest on Daewoo bond	-	-
	<b>2,803</b>	<b>1,432</b>