

AUDITED FINANCIAL STATEMENTS

For The Period Ended 30, JUNE 2022

Universal Insurance Plc

RC 2460



Universal Insurance Plc

Shareholding Structure/Free Float Status

for the period ended 30 June 2022

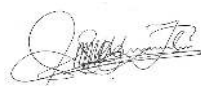
Description	30-Jun-22		30-Jun-21	
	Unit	percentage	Unit	percentage
Issued Share Capital	16,000,000,000	100%	16,000,000,000	100%
Substantial Shareholding (5% and above)				
African Alliance Plc	4,155,106,088	25.97%	4,155,106,088	25.97%
Stanbic Nominees Nigeria Limited	1,763,191,383	11.02%	1,488,738,210	9.33%
Total Substantial Shareholdings	5,918,297,471	37%	5,643,844,298	35%
Director's Shareholdings (direct and indirect), excluding directors with substantial interest				
Lt. Gen. J.N. Dogonyaro (Retd), CFR, Mni	Nil	Nil	Nil	Nil
Mr. Benedict Ujoatuonu	Nil	Nil	Nil	Nil
Mr. Reginald Anyanwu	150,000	Nil	150,000	Nil
Dr. Anthony Okocha	503,434	Nil	503,434	Nil
Mr. Paulinus Offorzor	Nil	Nil	Nil	Nil
Mr. Jasper Nduagwuike	Nil	Nil	Nil	Nil
Total Director's Shareholdings	653,434	-	653,434	-
Other Shareholdings	10,081,049,095	63%	10,355,502,268	65%
Total Other Shareholdings	10,081,049,095	63%	Nil	Nil
Free Float in Units and Percentage	-	-	-	-
Free Float in Value	-	-	-	-
Declaration:				
A	Universal Insurance Plc with a free float percentage ofNil.....as at 30th June 2022, is compliant with the Exchange's free float requirement for companies listed on the Univesa Insurance Plc.			
B	Universal Insurance Plc with a free float Value ofNil.....as at 30th June, 2022, is compliant with the Exchange's free float requirement for companies listed on Universal			

UNIVERSAL INSURANCE PLC
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at 30,JUNE 2022

COMPANY

	NOTES	30-Jun-22	30-Jun-21	31-Dec-21
Assets		N'000	N'000	N'000
Cash and Cash Equivalents	6	708,306	193,250	192,818
Financial Assets	7	2,688,391	1,984,636	2,325,185
Trade Receivable	8	219,121	274,458	65,346
Reinsurance Assets	9	437,710	562,725	437,703
Deferred Acquisition cost	10	371,547	176,636	153,093
Deferred tax assets	23.a	403,685	403,685	403,685
Other Receivables	11	621,048	435,294	349,401
Investment in Subsidiaries	12	2,449,516	2,449,516	2,449,516
Investment Properties	13	1,901,830	1,891,000	1,901,830
Intangible Asset	14	57,121	69,295	68,544
Property, Plant and Equipment	15	2,641,040	2,632,665	2,623,317
Statutory Deposits	16	335,000	335,000	335,000
Total Assets		12,834,315	11,408,160	11,305,438
Liabilities				
Insurance Contract Liabilities	17	2,450,975	1,510,355	1,558,508
Borrowings	18	-	-	-
Trade payable	19	73,940	200,090	206,119
Other payable	20	94,734	45,632	129,961
Employee benefit liability	21	-	-	-
Income Tax liabilities	22	14,039	9,925	5,921
Deferred tax liabilities	23	296,875	296,875	296,875
Total Liabilities		2,930,563	2,062,877	2,197,384
Equity				
Issued and paid Share capital	24. 1	8,000,000	8,000,000	8,000,000
Share Premium	24. 2	825,018	825,018	825,018
Contingency Reserves	24. 3	817,229	683,312	713,897
Fair value reserve	24. 4	6,460	6,460	6,460
Non Current assets revaluation reserve	24. 5	768,329	768,329	768,329
Retained earnings	24. 6	(513,283)	(937,836)	(1,205,650)
Shareholders funds		9,903,752	9,345,283	9,108,054
Other equity instruments		-	-	-
Non - controlling interests		-	-	-
TOTAL EQUITY & LIABILITIES		12,834,315	11,408,160	11,305,438

Signed on behalf of the Board of Directors on 26th July, 2022



BENEDICT UJOATUONU
CHIEF EXECUTIVE OFFICER
FRC/2013/CIIN/0000003282



SAMUEL U. NDUBUISI
CHIEF FINANCE OFFICER
FRC/2013/ICAN/0000003290

The accounting policies and the accompanying notes form an integral part of these financial :

Universal Insurance Plc

Statements of Comprehensive Income

For the PERIOD ENDED 30 JUNE 2022

Notes

		1/04/2022 to 1/04/2021 to			
		30-Jun-22	30/06/2022	31/06/2021	30-Jun-21
		N'000			N'000
Gross Premium written	25	3,444,384	1,095,613	609,786	2,083,131
Decrease/(increase) in unearned premium		(1,216,327)	(608,164)	(209,767)	(419,534)
Gross Premium Earned		2,228,057	487,449	400,019	1,663,597
Reinsurance Premium Expense	26	(484,877)	(190,671)	(190,901)	(225,094)
Net Insurance Premium Income		1,743,180	296,778	209,118	1,438,503
Fees and Commission income	27	48,829	8,130	35,870	44,149
Total Underwriting Income		1,792,009	304,908	244,988	1,482,652
<i>Insurance benefits</i>					
Claims expenses	28	(23,646)	(163,532)	(157,478)	(190,458)
Increase/(Decrease) in claims and IBNR reserves per actuarial valuation	28	-	-	-	-
Claims Expense Recovery from Reinsurance	28	7,420	7,410	40,344	120
Change in contract liabilities	28	-	-	-	-
Net insurance benefit and claims		(16,226)	(156,122)	(117,134)	(190,338)
Underwriting Expenses					
Acquisition expenses	29	(352,738)	(150,828)	(90,372)	(257,685)
Maintenance expenses	29	(468,364)	(323,998)	(135,391)	(295,375)
Total Underwriting Expenses		(821,102)	(474,826)	(225,762)	(553,060)
Underwriting Profit/(Loss)		954,680	(326,040)	(97,908)	971,576
Investment income	30	87,432	842	54,937	59,307
Other operating income		-	-	-	-
Total investment income		87,432	842	54,937	59,307
Net Income		1,042,113	(325,198)	(42,971)	1,030,882
Unrealised fair value loss		343,206	-	(60,819)	-
Net realised gains/(loss) on financial assets	31 (i)	-	-	-	-
Deferred tax derecognised on reclassification of financial assets	23	-	-	-	-
Net fair value gain/(loss) on investment properties		-	-	-	-
Other operating and administrative expenses	32	(581,501)	(355,882)	(324,273)	(594,670)
Total Expenses		(238,295)	(355,882)	(324,273)	(655,489)
Result of operating activities		803,818	(72,916)	(157,479)	375,393
Interest expense	33	-	-	-	-
Profit or (Loss) before Taxation		803,818	(72,916)	(157,479)	375,393
Income Tax Expense/ (Credit)	22.1a	(8,119)	(736)	3,087	(7,358)
Profit or Loss after Taxation		795,699	(73,652)	(154,392)	368,035
Profit/(Loss) to Equity holder		795,699	(73,652)	(154,392)	368,035
Other comprehensive income /(loss)		-	-	-	-
Revaluation surplus on PPE		-	-	-	-
Total other comprehensive income		-	-	-	-
Total comprehensive income / (loss) for the year					
Profit attributable to:					
Equity holders of the Company		795,699	(73,652)	(154,392)	368,035
Non-controlling interest		-	-	-	-
Profit/(loss) for the period		795,699	(73,652)	(154,392)	368,035
Other Comprehensive income					
<i>Items within OCI that may be reclassified to the profit or loss;</i>					
Fair value changes in AFS financial assets		-	-	-	-
Deferred tax impact of changes in AFS financial assets		-	-	-	-
<i>Items within OCI that will not be reclassified to the profit or loss;</i>					
<i>2020 impairment gain/loss on Financial Assets</i>		-	-	-	-
PPE revaluation gains		-	-	-	-
Deferred tax impact of revaluation gains		-	-	-	-
Other comprehensive income for the period		-	-	-	-
Total comprehensive income		795,699	(73,652)	(154,392)	368,035
Total comprehensive income attributable to:					
Equity holders of the company		795,699	(73,652)	(154,392)	368,035
Non-controlling interests		-	-	-	-
Total comprehensive income for the period		795,699	(73,652)	(154,392)	368,035
Earnings per share-(basic and diluted)(Kobo)	34	4.97	(0.45)	(0.96)	2

THE UNIVERSAL INSURANCE PLC

UNDERWRITING REVENUE ACCOUNT
FOR THE PERIOD ENDED 30 JUNE 2022

															1/04/2022 to 30/06/2022	1/04/2021 to 30/06/2021	Jun-21
				MOTOR	FIRE	GENERAL ACCIDENT	BOND	ENGINEERING	OIL & GAS	AVIATION	AGRIC INS	MARINE	Jun-22				
				N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Direct Premium Written				294,279	434,024	450,769	149,852	25,166	589,545	-	12,775	372,903	2,329,313	862,702	504,748	1,615,397	
Reinsurance Accepted				43,021	162,162	29,756	5,104	18,305	771,694	-	16,462	68,566	1,115,070	232,911	105,038	467,734	
Gross Premium Written				337,300	596,186	480,525	154,956	43,471	1,361,239	-	29,237	441,470	3,444,384	1,095,613	609,786	2,083,131	
Changes in Reserve for Unexpired Risk (*)				(20,438)	(212,979)	(197,057)	(59,835)	96,173	(686,924)	10,466	(4,238)	(141,497)	(1,216,327)	(608,164)	(209,767)	(419,534)	
Gross Premium Earned				316,861	383,208	283,468	95,121	139,644	674,315	10,466	24,999	299,973	2,228,057	487,449	400,019	1,663,597	
Net Reinsurance Recovery (UPR) per actuarial valuation																	
Reinsurance cost				(93,320)	(44,394)	(30,172)	-	-	(304,211)	-	-	(12,780)	(484,877)	(190,671)	(190,901)	(225,094)	
Net Premium Written				223,541	338,814	253,297	95,121	139,644	370,105	10,466	24,999	287,193	1,743,180	296,778	209,118	1,438,503	
Commission Received				27,829	10,905	7,098	-	-	-	-	-	2,998	48,829	8,130	35,870	44,149	
Net Income				251,370	349,719	260,394	95,121	139,644	370,105	10,466	24,999	290,191	1,792,009	304,908	244,988	1,482,652	
Claims Incurred:																	
Direct Claims Paid				76,620	49,343	95,853	34,629	24,613	19,220	34,269	545	12,414	347,507	163,532	157,478	322,049	
Provision for Outstanding claims (IBNR)				(22,461)	(107,141)	(31,497)	(1,800)	(5,907)	(32,780)	(19,627)	(1,473)	(26,634)	(249,321)	-	(145,036)	(290,073)	
Additional charge to claims reserve per actuarial valuation (IBNR)				-	-	-	-	-	-	-	-	-	-	-	-	-	
Changes in Provision for Outstanding Claims (**)				(26,396)	(27,204)	(27,671)	(35,000)	39,524	(21,807)	31,076	-	(7,061)	(74,540)	-	(18,952)	(37,904)	
Gross Claims Incurred				27,762	(85,002)	36,685	(2,171)	58,230	(35,367)	45,718	(928)	(21,281)	23,646	163,532	(6,510)	(5,928)	
Reinsurance Claims Recovery per actuarial valuation																	
Reinsurance Recovery (IBNR) per actuarial valuation				-	-	-	-	-	-	-	-	-	-	-	-	-	
Reinsurance Claims Recovery				(4,220)	-	-	(3,200)	-	-	-	-	-	(7,420)	(7,410)	(40,344)	(36,055)	
Net Claims Incurred				23,542	(85,002)	36,685	(5,371)	58,230	(35,367)	45,718	(928)	(21,281)	16,226	156,122	(46,854)	(41,983)	
Underwriting Expenses:																	
Commission Paid				35,410	120,052	97,952	30,507	8,328	203,990	-	6,282	68,671	571,192	150,828	90,372	325,259	
Changes in deferred commission				(3,738)	(41,045)	(41,604)	(11,986)	14,044	(116,549)	1,882	(877)	(18,580)	(218,453)	-	(33,787)	(67,574)	
Additional (DCA) per actuarial valuation report																	
Maintenance expenses				58,433	57,791	57,791	57,791	57,791	57,791	57,791	-	63,185	468,364	323,998	135,391	295,375	
Total Underwriting Expenses				90,106	136,798	114,138	76,313	80,163	145,231	59,673	5,404	113,276	821,102	474,826	191,976	553,060	
Total Expenses				113,648	51,796	150,823	70,942	138,393	109,865	105,391	4,477	91,995	837,328	630,948	145,122	511,076	
Underwriting Result				137,722	297,922	109,571	24,179	1,251	260,240	(94,925)	20,523	198,196	954,680	(326,040)	99,866	971,576	
Provision for Unexpired Risk- 1 JANUARY 2022				207,967	172,850	95,490	47,690	122,601	199,221	41,337	3,179	83,746	974,080	974,080	685,170	687,341	
Provision for Unexpired Risk- 30 June 2022				228,405	385,828	292,546	107,525	26,428	886,145	30,870	7,417	225,242	2,190,407	974,080	685,170	1,106,875	
Additional charge (UPR) per actuarial valuation				-	-	-	-	-	-	-	-	-	-	-	-	-	
Provision for Unexpired Risk- 30 June 2022				228,405	385,828	292,546	107,525	26,428	886,145	30,870	7,417	225,242	2,190,407	974,080	685,170	1,106,875	
* Changes in reserve for unexpired Risk				(20,438)	(212,979)	(197,057)	(59,835)	96,173	(686,924)	10,466	(4,238)	(141,497)	(1,216,327)	-	-	(419,534)	
Gross Claims Outstanding																	
Provision for Outstanding Claims- 1 JANUARY 2022				55,590	36,102	101,005	35,251	22,573	40,147	2,404	-	18,348	311,420	311,420	404,704	404,704	
Provision for Outstanding Claims- 30 June 2022				29,194	8,898	73,334	251	62,096	18,340	33,480	-	11,286	236,880	311,420	404,704	366,800	
** Changes in provision for outstanding claims				(26,396)	(27,204)	(27,671)	(35,000)	39,524	(21,807)	31,076	-	(7,061)	(74,540)	-	-	(37,904)	

Universal Insurance Plc
Statement Of Cash Flows

For the year ended 30 JUNE. 2022	COMPANY	
	30-Jun-22	30-Jun-21
	N'000	N'000
Cash flows from operating activities		
Insurance premium received from policy holders, Brokers & Agents, Cedants	3,499,721	2,118,078
Commission received	48,829	44,149
Reinsurance receipts in respect of claims	(295,952) -	295,952
Reinsurance premium paid	(484,877) -	225,094
Prepaid Minimum and Deposit on Oil & Gas	(52,312) -	209,319
Other operating cash payments	(821,576) -	594,910
Insurance benefits and Claims paid	(347,507) -	322,049
Payments to intermediaries to acquire insurance contracts	(571,192) -	325,259
Maintenance expenses	(468,364) -	295,375
Interest Received	7,515	3,749
Dividend Income Received	79,917	55,009
Cash generated from operations	594,203 -	46,972
Company Income Tax paid	- -	3,508
Net cash provided by operating activities	594,203	(50,480)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(71,490) -	9,772
Purchase of Intangible Assets	(7,657) -	15,817
Purchase of Listed Equities	-	-
Investment income and other receipts	-	548
Unlisted AFS Disposed	-	-
Net Cash provided by investing activities	(79,147)	193,250
Cash Flows from Financing Activities	-	-
Proceeds from borrowings	-	-
Net cash provided by financing activities	-	-
Net Increase/(decrease) in cash and cash equiv.		
Cash and Cash equivalent at the beginning	193,250	268,770
Net increase/decrease in cash and cash equivalents	515,056 -	75,520
Cash and Cash equivalent at the end of period	708,306	193,250

Universal Insurance Plc
Statements of Changes in Equity (COMPANY)
for the period ended 30, JUNE 2021

In thousands of Nigerian naira

	Share Capital	Share Premium	Revaluation reserve	Contingency reserve	Fair value reserves	Retained earnings	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2021	8,000,000	825,018	768,329	713,897	6,460	(1,205,650)	9,108,053
							-
	8,000,000	825,018	768,329	713,897	6,460	(1,205,650)	9,108,053
Total comprehensive income							
Profit and loss	-	-	-	-	-	795,699	795,699
Other comprehensive income							-
Gain on the revaluation of land and buildings			-				-
Foreign currency translation difference							-
Fair value reserve (available-for-sale) financial assets							-
Net change in fair value							-
Net amount transferred to profit or loss						-	-
Gain on the revaluation of land and buildings							-
Net Fair value changes in AFS financial assets							-
Net gain/loss on previous AFS reclassified to FVTPL						-	-
Fair value reserve derecognised on disposal							-
Transfer to contingency reserve				103,332		(103,332)	-
Other comprehensive income	-	-	-	103,332	-	(103,332)	-
Total comprehensive income for the period	-	-	-	103,332	-	692,368	795,699
Transfer during the year	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-
Total contribution and distributions to owners	-	-	-	-	-	-	-
Balance at 31 Dec. 2021	8,000,000	825,018	768,329	817,229	6,460	(513,283)	9,903,752
Balance at 1 January 2020	8,000,000	825,018	2,524,040	484,775	6,459	(2,654,885)	9,185,407
IFRS 9 Transition						-	-
Total comprehensive income for the period							-
Profit or loss						624,647	624,647
Other comprehensive income							-
Gain on the revaluation of land and buildings	-	-	-	-	-	-	-
Net Fair value changes in AFS financial assets	-	-	-	-	-	-	-
Fair value reserve derecognised on disposal						39,751	39,751
Transfer to contingency reserve	-	-	-	124,929	-	(124,929)	-
	-	-	-				-
Other comprehensive income for the period	-	-		124,929		(85,178)	39,751
Total comprehensive income for the period	-	-		124,929		539,469	664,398
Balance at 31 Dec. 2020	8,000,000	825,018	2,524,040	609,704	6,459	(2,115,416)	9,849,805

**UNIVERSAL INSURANCE PLC
COMPUTATION OF SOLVENCY MARGIN**

AS AT June. 2022

	TOTAL	Inadmissible	Admissible
	N'000	N'000	N'000
1 ASSETS			
Cash and bank balances	708,306		708,306
Financial Assets - Quoted	2,628,391		2,628,391
Financial Assets - Unquoted	60,000	-	60,000
Trade Receivable	219,121		219,121
Reinsurance Assets	437,710		437,710
Deferred Acquisition cost	371,547		371,547
Deferred tax assets	403,685	403,685	0
Other Receivable	621,048	556,189	64,859
Investment in Subsidiaries	2,449,516	778,937	1,670,579
Investment Properties	1,901,830	816,000	1,085,830
Intangible Asset	57,121	57,121	-
Property, Plant and Equipment	2,641,040	2,587,216	53,824
Statutory Deposits	335,000		335,000
	A		
	12,834,315	4,795,463	7,635,167
LIABILITIES			
Insurance Contract Liabilities	2,450,975		2,450,975
Trade payable	73,940		73,940
Other payable	94,734		94,734
Employee benefit liability	-		-
Income Tax liabilities	14,039		14,039
Deferred tax liabilities	296,875	296,875	-
	B		
	2,930,563	296,875	2,633,688
Excess of total admissible assets over admissible liabilities (A - B)			5,001,479
Higher of:			
Gross premium written			2,228,057
Less: Reinsurance expenses			(484,877)
Net Premium			1,743,180
15% of Net Premium	C		261,477
Solvency Margin	D		5,001,479
Minimum Paid up Capital	E		3,000,000
Excess of solvency margin over minimum capital base			2,001,479

Universal Insurance Plc
Notes to the financial statements
For the period ended 30 JUNE. 2022

1 General Information:

The financial statements of the Company for the period ended 30, JUNE 2022 were authorised for issue in accordance with a resolution of the Directors.

The Company is a public limited company incorporated and domiciled in Nigeria. The corporate head office is located at 8, Gbagada

Expressway, Anthony, Lagos.

The Company is principally engaged in the business of providing risk underwriting, related financial services and hospitality services to its customers.

2 Summary of significant accounting policies:

The principal accounting policies applied in the preparation of these financial statements are disclosed .

3 Critical accounting estimates and judgements:

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the period.

Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

3. (i) Fair value of financial assets:

Financial assets are deemed to be impaired when there has been a significant or prolonged decline in the fair value below its cost.

This determination of what is significant or prolonged requires judgement. In making this judgement, group evaluates the normal volatility

in share price, the financial health of the investee industry and sector performance, technological changes and cash flow among other factors

Valuation techniques.

The fair value of financial instruments where no active market exists or where quoted prices are not available are determined by using

In these cases, the fair values are estimated from observable data derived for that instrument and valued in the case of the group, by applying the ruling exchange rate at close of business.

3. (ii) Liabilities arising from insurance contract:

Liabilities for unpaid claims are estimated on case by case basis. The reserves made for claims fluctuate based on the nature and severity of the claim reported.

Claims incurred but not reported (IBNR) are determined using statistical analyses. The group believes that the reserves are adequate for the period.

4 Insurance and Financial risks management

The Company issues contracts that transfer insurance risk or financial risk or both.

4.1 Insurance Risks management

The Company accepts insurance risk through its insurance contracts and certain investments contracts where it assumes the risk of loss from persons or organisations to the underlying loss. The Company is exposed to the uncertainty surrounding the timing.

The Company manages its risk via its underwriting and reinsurance strategy within an overall risk management framework. Pricing is based on assumptions which have regard to trends and past experience. Exposures are managed by having documented underwriting limits and criteria. Reinsurance is purchased to mitigate the effect of potential loss to the Company from individual large or catastrophic events and also to provide access to specialist risks and to assist in managing capital. Reinsurance policies are written with approved reinsurers on either a proportional or excess of loss treaty basis.

The Company writes general insurance businesses. The most significant risks arise from persistency, longevity, morbidity, expense variations and investment returns. Concentration of risk may arise from geographic regions, epidemics, accumulation of risks and market risk.

4.2 Financial Risk Management

The company monitors and manages the financial risks relating to the operations of the company through internal risk reports magnitude of risks.

These risks include:

- Market risk
- Credit risk
- Liquidity risk

4.2.1 Market Risk

Market risk is the risk of adverse financial impact as a consequence of market movements such as currency exchange rates,

interest rates and other price changes.

Market risks arises due to fluctuations in both value of assets and liabilities. The company has established policies and procedures in order to manage market risks.

Interest rate risk management

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The company is exposed to interest rate risk as the company invest in short term investments at fixed interest rates.

Interest rate risk company also exists in products sold by the Company.

The company manages this risk by adopting close asset/liability matching criteria, to minimise the impact of mismatches between asset and liability values arising from interest rate movements.

4.2.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to honour its obligations and cause the Company to incur a financial loss.

The Company has adopted a policy of dealing only with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Credit exposure is controlled by counterparty limits that are reviewed and approved by the Risk Management Committee annually.

4.2.3 Liquidity risk

Liquidity risk is the risk that the Company cannot meet its obligations associated with financial liabilities as they fall due. The Company has adopted an appropriate liquidity risk management framework for the management of the Company's liquidity requirements. The Company manages liquidity risk by maintaining banking

and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of assets and liabilities.

The Company is exposed to liquidity risk arising from clients on its insurance contracts.

In respect of catastrophic events, there is liquidity risk from a difference in timing between claim payments and recoveries thereon from reinsurers.

Liquidity management ensures that the Company has sufficient access to funds necessary to cover insurance claims, and maturing liabilities. The Company's assets contain marketable securities which could be converted into cash when required.

4.3 Impairment assessment (Policy applicable from 1 January 2021)

The Company's ECL assessment and measurement method is set out below.

Significant increase in credit risk, default and cure

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers that there has been a significant increase in credit risk when any contractual payments are more than 30 days past due. In addition, the Company also considers a variety of instances that may indicate unlikelihood to pay by assessing whether there has been a significant increase in credit risk. Such events include:

The Company's process to assess changes in credit risk is multi-factor and has three main elements (or 'pillars'):

Quantitative elements

The quantitative element is the primary indicator of significant increases in credit risk, with the qualitative element playing a secondary role. The quantitative element is calculated based on the change in lifetime PDs by comparing:

- the remaining lifetime PD as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated based on facts and circumstances at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations)

Qualitative elements

In general, qualitative factors that are indicative of an increase in credit risk are reflected in PD models on a timely basis and thus are included in the quantitative assessment and not in a separate qualitative assessment. However, if it is not possible to include all current information about such qualitative factors in the quantitative assessment, they are considered separately in a qualitative assessment as to whether there has been a significant increase in credit risk. If there are qualitative factors that indicate an increase in credit risk that have not been included in the calculation of PDs used in the quantitative assessment, the Company recalibrates the PD or otherwise adjusts its estimate when calculating ECLs.

Backstop indicators

Instruments which are more than 30 days past due or have been granted forbearance are generally regarded as having significantly increased in credit risk and may be credit-impaired. There is a rebuttable presumption that the credit risk has increased significantly if contractual payments are more than 30 days past due; this presumption is applied unless the Company has reasonable and supportable information demonstrating that the credit risk has not increased significantly since initial recognition.

During the year, there has been no significant increase in credit risk on the financial asset of the company. However, a Corporate bond held by the company defaulted during the year and was considered credit impaired individually using lifetime PD.

Expected credit losses

The Company assesses the possible default events within 12 months for the calculation of the 12mECL and lifetime for the calculation of LTECL. Given the investment policy, the probability of default for new instruments acquired is generally determined to be minimal and the expected loss given default ratio varies for different instruments. In cases where a lifetime ECL is required to be calculated, the probability of default is estimated based on economic scenarios.

4.4 Impairment assessment (Policy applicable from 1 January 2021)

Amounts arising from ECL

Inputs, assumptions and techniques used for estimating impairment.

Where external credit ratings are not available, the Company allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of default (including but not limited to the audited financial statement, management accounts and cashflow projections, available regulatory and press information about the borrowers and apply experiences credit judgement.

Credit risk grades are defined by using qualitative and quantitative factors that are indicative of the risk of default and are aligned with the external credit rating definition from Moody's and standards and Poor.

The Company has assumed that the credit risk of a financial asset has not increased significantly since the initial recognition if the financial asset has low credit risk at reporting date.

The company considers a financial asset to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade".

As a back stop, the Company considers that a significant increase in credit risk occurs no later than when the asset is more than 30 days past due.

- The criteria do not align with the point in time when the asset becomes 30 days past due;
- The average time between the identification of a significant increase in credit risk and default appears reasonable
- Exposures are not generally transferred from 12-month ECL measurement to credit impaired and
- There is no unwarranted volatility in loss allowance from transfers between 12-month ECL and Lifetime ECL measurement.

Days past due are determined by counting the numbers of days since the earliest elapsed due date in respect of which full payments has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

The Company monitors the effectiveness of the criteria used to identify significant increase in credit risk by regular reviews to confirm that:

- The criteria are capable of identifying significant increase in credit risk before an exposure is in default;

Modified financial assets

The contractual terms of a financial asset may be modified for a number of reasons, including changing market conditions and other factors not related to a current or potential credit deterioration of the borrower. An existing financial asset whose terms have been modified may be derecognized and the renegotiated asset recognized as a new financial asset at fair value in accordance with the accounting policies. When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects a comparison of:

- Its risk of default occurring at the reporting date based on the modified term; with
- The risk of default occurring estimated based on data on initial recognition and The original contractual terms.

Definition of default

A default is considered to have occurred with regard to a particular obligor when either or both of the two following events have taken place.

- The Company considers that the obligor is unlikely to pay its credit obligations to the Company in full, without recourse by the insurer to actions such as realising security (if held).
- The obligor is past due more than 90 days on any material credit obligation to the Company.

The elements to be taken as indications of unlikelihood to pay include:

- The insurer puts the credit obligation on non-accrued status.
- The insurer makes a charge-off or account-specific provision resulting from a significant perceived decline in credit quality subsequent to the bank taking on the exposure.
- The insurer sells The credit obligation at a material credit-related economic loss.
- The insurer consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material forgiveness, or postponement, of principal, interest or (where relevant) fees

4.4.1 Analysis of inputs to the ECL model under multiple economic scenarios

An overview of the approach to estimating ECLs is set out in Note 2.11.4 Summary of significant accounting policies and in Note 2.5 Significant accounting judgements, estimates and assumptions.

To ensure completeness and accuracy, the company obtains the data used from third party sources (Central Bank of Nigeria, Trading Economies e.t.c.). The following tables set out the key drivers of expected loss and the assumptions used for the company's base case estimate, ECLs based on the base case, plus the effect of the use of multiple economic scenarios as at 31 December 2020 and 31 December 2021.

4.4.2 Analysis of inputs to the ECL model under multiple economic scenarios-continued

The tables show the values of the key forward looking economic variables/assumptions used in each of the economic scenarios for the ECL calculations. The figures for "Subsequent years" represent a long-term average and so are the same for each scenario.

The amount reported above is the gross exposure on cash and cash equivalent, staff loans and other receivables.

In measuring credit risk of other receivables to various counterparties, the Company considers the character and capacity of the obligor to pay or meet contractual obligations, current exposures to the counter party/obligor and its likely future developments, credit history of the counterparty/obligor; and the likely recovery ratio in case of default obligations.

4.4.4 Analysis of risk Concentration

The company's concentrations of risk are managed by client/counterparty, and industry sector. The maximum credit exposure to any client or counterparty as of 31 Dec 2021 was N2,982,913 million (2020: N3,117,927 million).

4.4.5 Analysis of risk Concentration

The following table shows the risk concentration by industry for the components of the statement of financial position.

5 Capital Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern and comply with the regulators' capital requirements of the markets in which the Company operates while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. Reinsurance is also used as part of capital management.

6 Cash and Cash Equivalent

COMPANY
30-Jun-22 31/06/2021

This comprises of:	N'000	N'000
Cash In Hand	72,431	39,065
Current Account Balances	409,644	96,627
Placement with banks	226,736	58,068
	<u>708,811</u>	<u>193,760</u>
Allowance for Impairment Losses	(505) -	510
	<u>708,306</u>	<u>193,250</u>

6.3 Reconciliation of ECL Impairment allowance

	COMPANY	
	30-Jun-22	30-Jun-21
	N'000	N'000
Opening balance as at January 1	255	255
Increase/(decrease) during the year (Note 31 (ii))	250	255
Closing balance as at June 30	<u>505</u>	<u>510</u>

7 Financial asset

Equity instrument at fair value through profit or loss	COMPANY	
	30-Jun-22	30-Jun-21
	N'000	N'000
-Mandatorily measured at FVPL	2,628,391	1,984,635
Equity instrument at fair value through OCI	60,000	-
Total Equity instruments	<u>2,688,391</u>	<u>1,984,635</u>
Current	-	-
Non-current	2,688,391	1,984,635

(a) Financial assets at fair value through profit or loss

	COMPANY	
	30-Jun-22	30-Jun-21
	N'000	N'000
<i>Listed Equity securities</i>		
Balance as at January 1	2,285,185	2,045,454
Addition during the year	-	-
Reclassification from FVOCI (MTN shares- Note 7(b))	-	-
Disposal during the year	-	-
Fair value gain/(loss)	343,206 -	60,819
Foreign Exchange gain/(loss)	-	-
Net impairment gain/(loss)	-	-
Balance as at JUNE 30	<u>2,628,391</u>	<u>1,984,635</u>

(b) Fair Value through Other Comprehensive Income (FVOCI) Financial Assets

	COMPANY	
	30-Jun-22	30-Jun-21
	N'000	N'000
<i>Unlisted Equity securities</i>		
Balance as at January 1	40,000	-
Addition during the year	20,000	-
Reclassification to FVTPL (MTN shares- Note 7(a))	-	-
Disposal during the year	-	-
Fair value gain/(loss)	-	-
Foreign Exchange gain/(loss)	-	-
Net impairment gain/(loss)	-	-
Balance as at December 31	<u>60,000</u>	<u>-</u>

(b.1) Returns on MTN shares

	=N=
2021	97,342
2020	155,093
2019	16,740

8 Trade Receivables

	COMPANY	
	30-Jun-22	30-Jun-21
	N'000	N'000
Insurance receivables	219,121	274,458
Other receivables (From subsidiary)	-	-
Impairment on Subsidiary	-	-
	<u>219,121</u>	<u>274,458</u>

8.1 Age Analysis of Trade receivables

Within 30 days	219,121	274,456
Above 30 days	-	-
	<u>219,121</u>	<u>274,456</u>

8.2 Premium receivable from agents, brokers and intermediaries

Due from agents	-	-
Due from brokers	23,856	49,608
Due from insurance companies	195,265	224,850
	<u>219,121</u>	<u>274,458</u>

8.3 Movements on the allowance for impairment of receivables arising out of direct insurance arrangements are as follows:

At beginning of year JANUARY 1	-	-
Provision for impairment	-	-
Amount written off during the year as uncollectible	-	-
At end of year (June 30, 2022)	<u>-</u>	<u>-</u>

9 Reinsurance Assets	COMPANY	
	30-Jun-22 N'000	30-Jun-21 N'000
Reinsurance Share of UPR	223,411	232,169
Reinsurance Share of Outstanding Claims	33,555	33,548
Reinsurance Share of IBNR	128,432	87,689
Total Reinsurance Assets	385,398	353,406
Prepaid Minimum and Deposit (M&D) on Oil & Gas	52,312	209,319
	<u>437,710</u>	<u>562,725</u>

9.1 Movements in Reinsurance share of UPR		
At the beginning of the year	176,382	182,586
Increase/(Decrease) during the year	-	(6,204)
Balance at the end of the year	<u>176,382</u>	<u>176,382</u>

9.2 Movement in Reinsurance Share of outstanding Claims		
Balance at the beginning of the year	114,181	133,878
Increase/(Decrease) during the year	7,055	(19,697)
Balance at the end of the year	<u>121,236</u>	<u>114,181</u>

9.3 Movement in Reinsurance Share of IBNR		
Balance at the beginning of the year	-	124,414
Increase/(Decrease) during the year	33,690	(124,414)
Allowance for impairment	-	-
Balance at the end of the year	<u>33,690</u>	<u>-</u>

9.4 Movement in Reinsurance Share of Prepaid (M&D)		
Balance at the beginning of the year	47,948	12,465
Increase/(Decrease) during the year	(4,476)	35,483
Balance at the end of the year	<u>43,472</u>	<u>47,948</u>

There were no indicators of impairments for re-insurance assets as balance are set-off against payable from retrocession at the end of every quarter
Reinsurance receivables are to be settled on demand and the carrying amount is not significantly different from the fair value

10 Deferred acquisition

Deferred acquisition costs represent commissions on unearned premium relating to the unexpired period of risks and comprise:

	COMPANY	
	30-Jun-22 N'000	30-Jun-21 N'000
Motor	24,544	15,737
Fire	75,234	44,838
General accident	59,865	26,351
Bond	21,228	4,712
Engineering	5,178	14,264
Oil & Gas	145,257	43,207
Aviation	5,795	11,695
Marine	32,932	15,832
Agric Insurance	1,514	-
Additional (DCA) per actuarial Valuation Report	-	-
	<u>371,547</u>	<u>176,636</u>

10.1 Movement in deferred acquisition cost

At beginning of year	176,638	231,818
Changes during the year	194,909	(55,181)
At end of year	<u>371,547</u>	<u>176,638</u>
	<u>371,547</u>	<u>176,638</u>
Due within 12 months	371,547	176,638
Due after more than 12 months	-	-

11 Other Receivables, Prepayments	30-Jun-22	30-Jun-21
The balance is analysed as follow:	N'000	N'000
Prepayments	517,687	367,185
Due from Related Parties	51,120	51,120
Staff Debtors	64,859	35,495
Staff Share Loan	-	-
Deposit for properties (reclassified from inv. Properties) (11(v))	720,000	720,000
Other receivables	4,617	3,910
Stock of Raw Materials	-	-
	<u>1,358,282</u>	<u>1,177,711</u>
Impairment of due from related parties	-	3,073
Impairment Charges on Staff loan	(238)	649
Impairment of other loans and receivables	<u>(736,996)</u>	<u>(738,695)</u>
	<u>621,048</u>	<u>435,294</u>
Current	621,048	435,294
Non-current		
Movement in staff share loan	COMPANY	
	30-Jun-22	30-Jun-21
	N'000	N'000
Balance as at January 1	-	-
Addition during the year	-	-
Prepayment during the year	-	-
Reclassified due to African Alliance Insurance Plc (Note 20.1(a))	-	-
Accrued Interest on staff share loan	-	-
Impairment loss	-	-
Balance as at 30, June	<u>-</u>	<u>-</u>
11.1 Inventories		
Stock of raw materials	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
	<u>621,048</u>	<u>-</u>
11.2 Prepayments	136483.6204	
Other Receivables	126,611	142,542
Prepaid Rent	29,725	29,397
Recapitalization Expenses	129,000	129,000
Dividend/Interest Payables(Lease)	52,576	39,800
FIRS WTH A/C	26,465	26,445
	<u>500,862</u>	<u>367,185</u>
11.2.a Other Receivables		
Other Receivable	28,737	29,217
Advance Debtors	10	10
Other Prepayments	<u>2,845</u>	<u>2,845</u>
	<u>31,592</u>	<u>32,072</u>
11.2.b Recapitalization Expenses		
Prepaid Merger Expenses	50,000	50,000
Recapitalization Expenses	<u>79,000</u>	<u>79,000</u>
	<u>129,000</u>	<u>129,000</u>
11.3 Staff Debtors		
Prepaid Staff Personal Loan	64,859	35,495
11.3.1 Movement in staff Debtors	30-Jun-22	30-Jun-21
	N'000	N'000
Balance as at January 1	35,495	4,148
Addition in the year	29,363	31,347
Interest earned during the year	-	-
Repayments during the year	-	-
Balance as at 30,June	<u>64,859</u>	<u>35,495</u>

In June 2008, Universal Insurance Plc paid for 20 units of Houses to be developed by Minaj Holdings Limited in the Vine Garden Estate Abuja. Commencement of this project is doubtful. Effort is being made to recover the fund as development of the property is no longer feasible. Minaj Holdings Limited, (the developer) have confirmed that the project was stalled and Union Bank of Nigeria eventually sold the debt to the Asset Management Corporation of Nigeria (AMCON). Universal Insurance Plc have registered their interest with AMCON and is waiting response while still in discussion with Minaj Holdings Limited. This amount has been fully provided for in the financial statement.

12 Investment in subsidiaries This comprises of investment in:	COMPANY	
	30-Jun-22 N'000	30-Jun-21 N'000
Universal Hotels Limited (Note 12(i))	2,449,516	2,449,516
Impairment charge on Universal Hotel	-	-
Investment in subsidiaries	<u>2,449,516</u>	<u>2,449,516</u>

12 (i) Universal Hotels Limited
The Company was established to carry on the business of providing hotel, accommodation, tourist and hospitality activities.
Universal Insurance Plc has 100% investments in the company.

13 Investment properties	COMPANY	
	30-Jun-22 N'000	30-Jun-21 N'000
Oyigbo Garden Avenue estate	548,400	532,000
Rumudumu For Model Estate	816,000	816,000
UHE Complex	-	-
Others (Nigeria Cement company; Progress Bank Ltd; Nigeria Tobacco Ltd; Ferdinand Oil Ltd)	-	-
Molit Mall	537,430	543,000
	<u>1,901,830</u>	<u>1,891,000</u>
Impairment loss on investment properties	-	-
	<u>1,901,830</u>	<u>1,891,000</u>

The properties of the Company at Oyigbo Garden Estate and Rumudumu For Model Estate were revalued on December 31,2021 by A.C.Otegbulu & Partners, Estate Surveyors & Valuers (FRC/2013/NIESV/00000001582) to ascertain the open market value of the Investment Properties. The fair value gain/(loss) on the investment properties were recognised in the Statement of Comprehensive Income for the period.

Investment properties represent buildings and un-developed landed properties acquired for subsequent disposal in the near future and not occupied substantially by the company or members of the group of the holding company. They are not subjected to periodic charges for depreciation. Valuation was carried out at point of purchase and this value has been carried at transition as fair value of the investment with provision made for impairment on Vine Estate investment as project development is yet to commence. Other investments have been fully provided for under NGAAP.

13.a Movement of Assets	Balance as at Jan 1	Addition	Disposal	Reclassi- fication	Transfer	Revalua- tion Gain	Balance as at 31 December	Status in Title
1 Oyigbo Garden Avenue Estate	543,000	-	-	-	-	-	543,000	Yes
2 Rumudumu For Model Estate	816,000	-	-	-	-	-	816,000	NO
3 Molit Mall	532,000	-	-	-	-	-	532,000	Yes
Total	<u>1,891,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,891,000</u>	

13.b Assets In The Name of Conau Limited:	30-Jun-22 N'000	30-Jun-21 N'000
Rumudumu Model Estate Portharcourt	816,000	816,000

These assets were introduced by Conau Limited in 2007 during the recapitalisation exercise, with deeds assigning the properties to Universal Insurance Plc

Status of Perfection of Title:

The firm of IBOM Partners, a firm of attorneys, solicitors, fraud examiners & legal consultants have been appointed to commence the process of perfecting the title to the properties in the name of Universal Insurance Plc.

14 INTANGIBLE ASSETS (2022)

	COMPANY	
	30-Jun-22 N'000	30-Jun-21 N'000
Cost		
Balance, beginning of period	140,713	115,319
Additions	7,657	15,817
Transferred from PPE (Computer)	-	-
Balance, end of period	<u>148,369</u>	<u>131,135</u>
Accumulated amortisation		
Balance, beginning of period	72,169	53,089
Amortisation expense/impairment charge	19,080	8,751

Transferred from PPE (computer)	-	-
Balance, end of period	91,249	61,840
Net book amount		
End of period	57,121	69,295

The intangible assets of the Company comprised of computer software. The computer softwares are accounted for using the cost model of IAS 38 i.e. cost less accumulated amortization and less accumulated impairment. The amortization is charged to the income statement in line with the Company's policy.

PROPERTY PLANTS AND EQUIPMENTS

COMPANY (2022)

	Land N'000	Building N'000	Plant & Machinery N'000	Furniture and Fittings N'000	Motor Vehicles N'000	Computer Hardware N'000	Total N'000
Cost/Revalued amount							
Balance, beginning of period	257,500	3,117,578	38,561	138,740	375,451	35,355	3,963,184
Additions during the year	-	-	2,191	4,740	61,275	3,285	71,490
Disposals	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Balance, end of period	257,500	3,117,578	40,751	143,480	436,726	38,639	4,034,674
Accumulated depreciation							
Balance, beginning of period	-	897,613	20,555	94,340	311,550	15,809	1,339,868
Charge for the year	-	31,176	1,724	5,670	13,516	1,679	53,766
On Disposal	-	-	-	-	-	-	-
Balance, end of period	-	928,789	22,279	100,010	325,067	17,488	1,393,634
Netbook value as at 30,June 2022	257,500	2,188,789	18,472	43,469	111,659	21,151	2,641,040
Netbook value as at 1 JANUARY 2022	257,500	2,219,965	18,006	44,399	63,901	19,546	2,623,316

15.c(ii) Movement in Land & Building (Company)	Balance as at Jan 1	Addition	Disposal	Reclassification	Transfer	Revaluation Gain	Depreciation	Balance as at 31 Dec
Property at Ridgeway Station Road Enugu	380,806	-	-	-	-	-	10,114	370,692
Property at New Owerri Road Behind CBN, Owerri	990,756	-	-	-	-	-	25,956	964,800
Property at no 2 Emole Street Enugu	75,275	-	-	-	-	-	2,010	73,265
49A,50A,51A,52A and 53A city Layout Enugu	607,405	-	-	-	-	-	16,100	591,305
Eliowahani Shell estate, Obior Akpor LGA, Portharcourt	276,244	-	-	-	-	-	7,114	269,130
Land at Awka ,Anambra State	257,500	-	-	-	-	-	-	257,500
Total	2,587,986	-	-	-	-	-	61,294	2,526,692

16 STATUTORY DEPOSIT

	30-Jun-22 N'000	30-Jun-21 N'000
Statutory deposit	335,000	335,000
Total	335,000	335,000

Non-current

Statutory deposit represents the amount deposited with the Central Bank of Nigeria in accordance with Section 10 (3) of the Insurance Act 2003.

17 Insurance Contract Liabilities

COMPANY

Aggregate Insurance Contract Liabilities	30-Jun-22 N'000	30-Jun-21 N'000
Unearned Premium	2,190,407	1,224,527
Outstanding Claims	236,880	475,292
IBNR	23,688	47,529
Total	2,450,975	1,747,348

17.(i) Insurance Contract Liabilities

17 b. Hypothecation of investment/assets

	30-Jun-22 Total Funds N'000	30-Jun-22 Policy Holder's Funds N'000	30-Jun-22 Shareholder's Funds N'000	30-Jun-21 Total Funds N'000	30-Jun-21 Policy Holder's Funds N'000	30-Jun-21 Shareholder's Funds N'000
Cash and Cash Equivalents	708,306	287,820	420,486	193,250	95,000	98,250
Financial Assets: Quoted	2,628,391	1,236,780	1,391,611	1,984,635	635,525	1,349,110
Financial Assets: UnQuoted	60,000	-	60,000	-	-	-
Trade Receivable	219,121	-	219,121	274,458	-	274,458
Reinsurance Assets	437,710	318,355	119,355	562,724	258,355	304,369

Deferred Acquisition cost	371,547		371,547	176,636		176,636
Other Receivable	621,048		621,048	435,294		435,294
Investment in Subsidiaries	2,449,516		2,449,516	2,449,516		2,449,516
Investment Properties	1,901,830	608,020	1,293,810	1,891,000	521,475	1,369,525
Intangible Asset	57,121		57,121	69,295		69,295
Property, Plant and Equipment	2,641,040		2,641,040	2,632,665		2,632,665
Statutory Deposits	335,000		335,000	335,000		335,000
Total Assets	12,430,630	2,450,975	9,979,655	11,004,473	1,510,355	9,494,118
Insurance Contract Liabilities		<u>2,450,975</u>			<u>1,510,355</u>	

18 BORROWINGS

-

19 Trade payables

Trade payables represent liabilities to agents, brokers and re-insurers on insurance contracts during the year

	COMPANY	
	30-Jun-22	30-Jun-21
Reinsurance payable	73,940	200,090
Insurance payable	-	-
Other trade creditors	-	-
Balance at year end	73,940	200,090
Current	73,940	200,090

19.(i) Other trade creditors

Due to Suppliers

	COMPANY	
	30-Jun-22 N'000	30-Jun-21 N'000
This is analysed as follow:		
Due to related parties	14,328	14,328
Deferred Fees and Commission (note 27b)	38,832	-
Provisions and accruals	39,259	26,278
Rent Received in Advance	2,314	5,027
	<u>94,734</u>	<u>45,632</u>
Current	94,734	45,632
Non-current		

20.1 Due to related companies

Conau Limited
African Alliance Insurance Plc
Due to other related parties

-	-
-	-
<u>14,328</u>	<u>14,328</u>
14,328	14,328

20.2 Provisions and accruals

Lease Rentals
Accrued Expenses
Payable to Associate

	30-Jun-22 N'000	30-Jun-21 N'000
Lease Rentals	-	-
Accrued Expenses	26,844	94,933
Payable to Associate	4,569	4,569
	<u>31,413</u>	<u>99,502</u>

20.3 Rent Received in Advance

Rent from Molit Mall in Advance

2,314	5,027
<u>2,314</u>	<u>5,027</u>

21 Employee benefit liabilities

Defined contributory scheme

The Company runs a defined contributory plan in accordance with the Pensions Reform Act where contributions are made to an approved pension fund administrator. The amount recognised as an expense for defined contribution plan in the income statement is NIL(2022) and NIL(2021).

	COMPANY	
	30-Jun-22 N'000	30-Jun-21 N'000
Staff pension scheme	-	-

Current	-	-
Balance as per January 1	-	-
Current Service Cost	-	-
Payment during the year	-	-
Interest Expense	-	-
Actuarial Re-Measurement	-	-
Balance as per 30 June	<u>-</u>	<u>-</u>
22 Income tax payable	30-Jun-22	30-Jun-21
	N'000	N'000
22.1 Per Profit and Loss Account		
Income Tax	7,234	5,631
Education Tax	482	1,502
Provision for NITDA Tax	402	225
	<u>8,119</u>	<u>7,358</u>
Deferred Taxation	-	-
Profit and Loss Account	<u>8,119</u>	<u>7,358</u>
22.2 Per Balance Sheet		
Taxation		
At beginning of year	5,921	6,075
Charge for the Year	8,119	7,358
Payment during the Year	-	(3,508)
At year end	<u>14,039</u>	<u>9,925</u>
23 Deferred Tax Liability		
At beginning of year	296,875	296,875
Derecognised on Reclassification of AFS FA	-	-
Charged to profit and loss	-	-
At year end	<u>296,875</u>	<u>296,875</u>
To be recovered after more than 12 months	296,875	296,875
To be recovered in 12 months	-	-
23.a Deferred Tax Assets		
Deferred Tax derecognized from the conversion of MTN from unquoted to quoted	<u>403,685</u>	<u>403,685</u>
	403,685	403,685
24 EQUITY		
24.1. Share capital		
The share capital comprises:	30-Jun-22	30-Jun-21
	N'000	N'000
Authorised -		
30,000,000,000 Ordinary shares of 50k each	<u>15,000,000</u>	<u>15,000,000</u>
Issued and fully paid -		
16,000,000,000 Ordinary shares of N0.50k each	8,000,000	8,000,000
24.2. Share premium		
Share premium is made up of payments in excess of par value of paid-in capital. This reserve is not ordinarily available for distribution.		
24.3. Contingency Reserve		
Balance, beginning of period	713,897	609,704
Transfer from profit and loss	103,332	73,607
Balance, end of period	<u>817,229</u>	<u>683,312</u>
Gross Written Premium	3,444,384	2,083,131
Percentage Rate for transfer	3%	3%
Increase in Contingency	103,332	62,494
20% of Profit after tax	159,140	73,607
In accordance with the Insurance act, a contingency reserve is credited with the greater of 3% of total premiums or 20% of total profits after tax. This shall accumulate until it reaches the amount of greater of minimum paid-up capital or 50 percent of net premium.		
24.4. Fair Value Reserve		
This is the net accumulated change in the fair value of available for sale asset until the investment is derecognised or impaired.		

Balance, beginning of period	6,460	6,460
Net Fair value gain/(loss) on available-for-sale unquoted equity	-	-
Net Fair Value decrecognised at reclassification	-	-
Balance as at period end	6,460	6,460

24. 5. Revaluation Reserve	30-Jun-22 N'000	30-Jun-21 N'000
Balance, beginning of period	768,329	768,329
Revaluation Surplus	-	-
Balance as at period end	768,329	768,329

24. 6. Retained earnings

The retained earnings represents the amount available for dividend distribution to the equity holders of the company. See statement of changes in equities for movement in retained earnings.

24.7 Contingencies and Commitments

The Company operates in the Insurance industry and is subject to legal proceedings in the normal course of business. There were 16 (2020 = (12)) outstanding legal proceedings against the Company as at 31 December 2021 with claims totalling N1,020,230,067 (2020 = NXXX). While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, professional legal advice showed that there will be no contingent liabilities resulting from the various litigations involving the Company. The Company is also subject to Insurance solvency regulations and has complied with all the solvency regulations. There are no contingencies associated with the Company's compliance or lack of compliance with such regulations.

25 Gross Premium Income	COMPANY	
	30-Jun-22 N'000	30-Jun-21 N'000
Gross premium written		
Direct Premium:		
Motor	294,279	229,492
Fire	434,024	318,623
General Accident	450,769	220,714
Bond	149,852	39,215
Engineering	25,166	109,811
Oil & Gas	589,545	430,056
Aviation	-	121,880
Agric Insurance	12,775	-
Marine	372,903	145,607
	2,329,313	1,615,397
Inward Reinsurance Premium:		
Motor	43,021	17,325
Fire	162,162	68,588
General Accident	29,756	19,251
Bond	5,104	3,000
Engineering	18,305	25,720
Oil & Gas	771,694	238,236
Aviation	-	-
Agric Insurance	16,462	-
Marine	68,566	95,613
	1,115,070	467,734
Gross premium written	3,444,384	2,083,131
Changes in unearned premium		
Motor	(20,438)	(20,580)
Fire	(212,979)	(89,555)
General Accident	(197,057)	(56,241)
Bond	(59,835)	5,522
Engineering	96,173	(17,994)
Oil & Gas	(686,924)	(284,000)
Aviation	10,466	47,028
Agric Insurance	(4,238)	-
Marine	(141,497)	(3,714)
Net change in unearned premium	(1,216,327)	(419,534)

	-	-			
<i>Change in UPR per Actuarial Valuation</i>	-	-			
<i>Net change in unearned premium</i>	<u>(1,216,327)</u>	<u>-</u>			
Gross premium earned	<u>2,228,057</u>	<u>1,663,597</u>			
Reinsurance expenses	<u>(484,877)</u>	<u>225,094</u>			
Net insurance premium income	<u>1,743,180</u>	<u>1,438,503</u>			
	-	-			
25(1) Net Premium Income			COMPANY		
	30-Jun-22	30-Jun-21			
	N'000	N'000			
Gross Premium Written	3,444,384	2,083,131			
Changes in Unearned Premium	<u>(1,216,327)</u>	<u>(419,534)</u>			
Gross Premium Earned	<u>2,228,057</u>	<u>1,663,597</u>			
Reinsurance expenses	<u>-</u>	<u>(225,094)</u>			
Net Insurance Premium Income	<u>2,228,057</u>	<u>1,438,503</u>			
26 Reinsurance expenses					
Reinsurance costs					
Motor	93,320	5,188			
Fire	44,394	50,601			
General Accident	30,172	30,631			
Bond	-	3,913			
Engineering	-	16,976			
Oil & Gas	304,211	75,420			
Aviation	-	-			
Agric Insurance	-	-			
Marine	12,780	42,365			
Movement in Reinsurance Share of UPR	<u>-</u>	<u>-</u>			
	<u>484,877</u>	<u>225,094</u>			
27 Fees and Commission Income	30-Jun-22	30-Jun-21			
	N'000	N'000			
Motor	27,829	29,520			
Fire	10,905	6,274			
General Accident	7,098	3,804			
Bond	-	-			
Engineering	-	804			
OIL & GAS	-	-			
Agric Insurance	-	-			
Marine	2,998	3,746			
	<u>48,829</u>	<u>44,149</u>			
Fee income represents commission received on direct business and transactions ceded to re-insurance during the year under re	-	-			
28 Claims expenses			COMPANY		
	30-Jun-22	30-Jun-21			
	N'000	N'000			
Direct claims paid during the year	347,507	322,049			
Changes in outstanding claims	<u>(74,540)</u>	<u>(37,904)</u>			
Additional charge to claims reserve per actuarial valuation (IBNR)	-	-			
Changes in Outstanding claims (IBNR)	<u>(249,321)</u>	<u>290,073</u>			
Gross claims incurred	<u>23,646</u>	<u>(5,928)</u>			
Reinsurance claims recoverable(Note 28(a))	<u>(7,420)</u>	<u>36,055</u>			
Reinsurance recovery per Actuarial Valuation	<u>-</u>	<u>-</u>			
	<u>16,226</u>	<u>(41,983)</u>			
28.a REINSURANCE CLAIMS RECOVERABLE					
Claims paid recovered from Reinsurance	<u>(295,952)</u>	<u>295,952</u>			
Changes in Outstanding claims and IBNR	<u>(323,860)</u>	<u>327,977</u>			
Total	<u>(619,812)</u>	<u>(623,929)</u>			
28.b Claims Ceded to Reinsurer					
Reinsurance claim received	-	-			
Increase/(Decrease) in Reinsurer's share of Outstanding claims recoverable	23,856	-			

Increase/(Decrease) in Reinsurer's share of IBNR	-	-
Increase/(Decrease) in Recovarable on claims paid	23,856	-

29 Underwriting expenses

preparation of statistics and reports, and other attributable incidental costs.

	COMPANY	
	30-Jun-22	30-Jun-21
	N'000	N'000
Gross commission paid	35,410	26,217
Motor	120,052	82,862
Fire	97,952	48,160
General Accident	30,507 -	42,067
Bond	8,328	27,270
Engineering	203,990	125,767
Oil & Gas	-	-
Aviation	-	-
Marine	68,671	57,051
Agric Insurance	6,282	-
Total Commission paid	571,192	325,259
Changes in differred commission		
Motor	(3,738) -	3,846
Fire	(41,045) -	18,171
General Accident	(41,604) -	10,525
Bond	(11,986)	2,677
Engineering	14,044 -	7,403
Oil & Gas	(116,549) -	27,359
Aviation	1,882 -	6,158
Marine	(18,580)	3,211
Additional (DCA) per acturial Report	-	-
Changes in differred commission	(217,576)	67,574
Acquisition expenses	352,738	257,685
Maintenance expenses	468,364	295,375
Underwriting expenses	821,102	553,060

30 INVESTMENT INCOME

	COMPANY	
	30-Jun-22	30-Jun-21
	N'000	N'000
Dividend - Quoted and unquoted investments	79,917	55,009
Interest on call deposits	7,515	3,749
Profit/(loss) on disposal of non-current assets	-	10
Other income	-	538
	87,432	59,307

30.a ANALYSIS OF INVESTMENT INCOME

Investment income attributable to policyholders	-	-
Investment income attributable to shareholders	87,432	59,307
	87,432	59,307

30.b Investment income attributable to shareholders

Dividend - Quoted and unquoted investments	79,917	55,009
Interest on call deposits	7,515	3,749
Profit/(loss) on disposal of non-current assets	-	10
Other Income	-	538
	87,432	59,307

30.c Investing Activities

Dividend - Quoted and unquoted investments	79,917	55,009
Interest on call deposits	7,515	3,749
	87,432	58,759

30.d Operating Activities

Other Income	-	538
	-	-

30.e Sundry Income

Profit/(loss) on disposal of non-current assets	-	-
	-	-

COMPANY

	30-06-2022	30-06-2021
	N'000	N'000
31 FAIR VALUE GAINS/(LOSS)		
31 (i) Net Fair Value Gains/(Loss)		
On Investment properties	-	-
On Financial Assets	343,206	-
Net Fair Value Gains/(Loss)	<u>343,206</u>	<u>-</u>

Credit loss expense (COMPANY)

The table below shows the ECL charges on financial instruments for the year recorded in the profit or loss:

	COMPANY	
	30-Jun-22	30-Jun-21
	N'000	N'000
32 Other operating and administrative expenses		
(i) <i>Employee benefits expense</i>		
Staff cost	(219)	122,446
Contributions to defined pension scheme	-	-
Other staff costs (Notes 32.(i.a))	161,255	146,780
	<u>161,036</u>	<u>269,226</u>
(i.a) Other staff costs		
Temporary Staff Salaries	52,252	26,491
Staff Training & Entertainment	7,777	3,220
Staff other benefits	96,359	85,425
Leave Allowance	153	24,279
Staff Gratuity	-	-
Nigeria Social Ins Trust Fund	-	2,803
Staff GPA Insurance	4,714	4,562
	<u>161,255</u>	<u>146,780</u>

(ii) Management expenses comprise;		
Bank charges	7,394	4,723
Other charges and expenses (Note 32.(iia))	221,809	157,468
General maintenance and running costs	44,317	33,760
Legal and professional fees	38,773	35,972
Audit fees	-	-
Insurance supervision fees	35,326	35,153
Depreciation	53,766	49,618
Amortisation of Intangible Assets	19,080	8,751
Impairment gain/(loss)	-	-
Interest on overdrafts	-	-
Cost of sales - Hotels	-	-
Other operating expenses	420,465	325,445
Other operating and administrative expenses	<u>581,501</u>	<u>594,670</u>

	COMPANY	
	30-Jun-22	30-Jun-21
	N'000	N'000
(ii.a) Other charges and expenses		
OTHER PROFESSIONAL CHARGES	-	-
TRANSPORT ALLOWANCE	3,592	2,154
TERMINAL PAY	220	1,097
HOTEL ACCOMMODATION	5,257	4,180
SECURITY EXPENSES	848	469
ENTERTAINMENT	13,065	11,653
BUSINESS PROMOTION	-	-
ADVERTISEMENT	29,472	15,374
NEWSPAPERS & PERIODICALS	96	97
TELEPHONE BILLS	1,281	1,573
INTERNET CONNECTIVITY	14,212	6,358
PRINTING COST	8,189	11,466
STATIONERY COST	2,844	7,819
LOCAL GOVT. LEVIES	610	742
VALUE ADDED TAX/STAMP DUTIES	20,561	636
LEVY/FEE/PENALTY	4,539	10
DIRECTORS EXPENSES	-	-
DIRECTORS SITTING ALLOWANCES	3,000	10,710
ASSETS INSURANCE EXPENSES	2,984	6,703
FILING FEE	500	550
DIRECTORS FEES	13,000	1,330
GIFTS	15,147	8,095
OFFICE CLEANING EXPENSES	1,408	2,430

CHRISTMAS GIFT/SUNDRY	21,083	17,036
SUBSCRIPTIONS TO PROFESSIONAL BODIES/CLUBS	1,477	3,508
MEDICAL EXPENSES	6,567	6,714
WATER BILL	510	436
COOKING GAS	-	-
ENTERTAINMENT ALLOWANCE	-	-
EXCHANGE VARIANCE A/C	-	872
POSTAGES & COURIER	1,172	-
INTEREST ON LOANS	113	33,388
OVERSEAS TRAVEL EXPENSES	39,127	-
SERVICE CHARGE - ABUJA	-	-
RENT & RATES	10,523	-
NIA LEVIES	-	-
INDUSTRIAL TRAINING FUND LEVY	-	-
ANNUAL GENERAL MEETING	-	-
TRAINING	-	-
REPAIRS AND MAINTENANCE TV SET + RADIO	410	68
SEVERANCE PACKAGE	-	2,000
REPAIRS AND MAINTENANCE TV SET + RADIO	-	-
RENT & RATES - ABAKALIKI	-	-
FUEL	-	-
	<u>221,809</u>	<u>157,468</u>

- 33 Interest expense
Interest expense represents finance cost recognized on the bank loan during the year under review.

Earnings per share

	30-Jun-22	30-Jun-21
	N'000	N'000
Profit attributable to equity holders	<u>795,699</u>	<u>368,035</u>
Weighted average number of ordinary shares in issue (in thousands)	16,000,000	16,000,000

- 34 Basic earnings per share (kobo per share) 4.973 2.300

The calculation of basic earnings per share at 30,June 2022 was based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares

35 RELATED PARTIES INTEREST

35.1 Related party transactions		
Other Loans and Receivables	51,120	51,120
Other payables	4,569	4,569
Due to Related Parties	<u>14,328</u>	<u>14,328</u>
	<u>70,017</u>	<u>70,017</u>

Other Loans And Receivables of N51,120,000.00 is due to related party-- Universal Hotels Limited

35.2 Related Party		
Conau Limited	-	-
Universal Hotels Limited	51,120	51,120
Frenchies Foods Nig. Ltd	4,569	4,569
Due to Related Parties	<u>14,328</u>	<u>14,328</u>
	<u>70,018</u>	<u>70,017</u>

- 36 Employees
The average number of persons employed by the Company during the year was as follows:

	COMPANY	
	31/06/2022	31/06/2021
	Number	Number
Executive directors	7	3
Management	37	24
Non-management	<u>62</u>	<u>70</u>
	<u>106</u>	<u>97</u>

37 Securities Trading Policy

Universal Insurance Plc. has adopted a Code of Conduct regarding securities transactions by its directors on terms which are no less exacting than the required standard set out in Rule 17.15, Rulebook of The Nigerian Stock Exchange, 2015 (Issuers' Rules) on Disclosure of Dealings in Issuers' Shares.

In relation to this Interim report (UFS Q4, 2019), we have made specific enquiry of all directors of the Company and we are satisfied that the directors have complied with the required standard set out in the listings rules and in our Company's Code of Conduct regarding securities transactions by directors.

38 CONTRAVENTIONS AND PENALTIES

During the year there was no noticed penalty by the National Insurance Commission (NAICOM) for any contravention of certain sections of the Insurance Act 2003 and certain circulars as issued by the NAICOM. Details of the contraventions and the related penalties are as follows.

	31/06/2022 N'000	31/06/2021 N'000
Penalty to Securities and Exchange Commission (SEC)(See (i) below)	-	-
Penalty to Financial Reporting Council of Nigeria (FRC)(See (ii) below)	-	-
	<u>-</u>	<u>-</u>