IEI

ANNUAL REPORT & ACCOUNTS

for the year ended 2012, 2013, 2014 & 2015

IEI INSURANCE

INTERNATIONAL ENERGY INSURANCE PLC

FINANCIAL STATEMENTS

31 DECEMBER 2015

Corporate information	
Interim Chairman	Mr. Muhammad K. Ahmad (Appointed by Regulatory Intervention on 15 May 2015)
Chairman	Sir. Patrick Sule Ugboma (Removed by Regulatory Intervention on 14 May 2015)
Interim Managing Director	Mr. Peter Irene (Appointed by the interim Board with effect from 18 May 2015)
Managing Director	Mrs. Roseline Ekeng (Compulsory leave) by Regulatory Intervention on 14 May 2015)
Executive Director	Mr.Callistus Udalor (Finance & Admin) (Removed by Regulatory Intervention 14 May 2015)
Interim Directors	
Non-Executive	Ms. Ibiyemi Adeyinka
Non-Executive	Ms. Daisy Ekineh (Appointed by Regulatory Intervention on 15 May 2015)
Directors	
Non-Executive	Mr. Christopher Briggs (mni) - Removed 14/5/2015
Non-Executive	Chief Glory Emeh - Removed 14/5/2015
Non-Executive	Mr.Francis Okwedy - Removed 14/5/2015
Non-Executive	Alhaji Shehu Badamasi - Removed 14/5/2015
Non-Executive	Mr.Tosa Ogbomo - Removed 14/5/2015
Ag. Company Secetary	H. Michael & Co 48B, Lasode Crescent Victoria Island, Lagos. (Appointed by Interim Board of Directors on 28 May 2015)
Company Secetary	Mr. Paul Ekpenisi (Compulsory leave) by the directive of the Interim Board with effect from 28 May 2015. Plot 294, Jide Oki Street, Victoria Island, Lagos.
Registered office	Plot 294, Jide Oki Street, Victoria Island, Lagos.
Solicitors	Pius Ogene & Associates 3B, Ayojagun Street, Off Omission Hotel, Lekki Phase 1, Lekki Lagos Solola & Akpana 3B, Tokunbo Omisore Street, Off Wole Olateju, Lekki Phase 1, Lagos
Auditors	BDO Professional Services (Chartered Accountants) ADOL House, 15 CIPM Avenue Central Business District Alausa, Ikeja, Lagos. P.O.Box 4929,GPO, Marina Lagos. www.bdo-ng.com
Actuaries	Alexander Forbes Nigeria Limited FRC/2012/0000000000504 Plot 235, Muri Okunola Street, Rio Plaza, 2nd Floor, Victoria Island, Lagos.
Bankers	Access Bank Plc United Bank for Africa Plc Diamond Bank Plc Keystone Bank ltd Wema Bank Plc Fidelity Bank Plc Zenith International Bank Plc Heritage Banking Company Limited
RC. No.	6126

RESULTS AT A GLANCE

	Company 2015 N'000	Company 2014 N'000	%Increase/ (Decrease)
Gross Premium written	3,847,583	4,830,486	(20)
Gross Premium income	4,170,684	4,898,377	(15)
Underwriting results	992,563	1,233,348	(20)
Net operating income	1,387,116	1,472,832	(6)
Loss before tax	(698,383)	(1,871,233)	(63)
Taxation	(11,626)	(293,529)	(96)
Loss after tax	(710,009)	(2,164,762)	(67)
Total Assets	8,071,742	8,735,757	(8)
Total Equity	(2,121,064)	(1,522,561)	39
Net assets per share (kobo)	(2)	(0.24)	597
Earnings Per Share:			
Basic EPS (Kobo)	(55)	(169)	(67)
Adjusted EPS (Kobo)	(55)	(169)	(67)

Statement of Directors' Responsibilities in relation to the Financial Statements for the Year Ended 31 December 2015

The directors accept responsibility for the preparation of financial statements that give a true and fair view of the statement of financial position of the Company at the end of the year and of its profit or loss and other comprehensive income in the manner required by the Companies and Allied Matters Act, CAP C20, LFN 2004 and the Insurance Act, CAP I17, 2004. The responsibilities include ensuring that the Company:

i keep proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act CAP C20 LFN 2004 and the Insurance Act, CAP I17, 2004.

ii establish adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

iii prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, that are consistently applied and comply with.

- International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);
- the requirements of the Insurance Act, CAP I17, LFN 2004
- relevant guidelines and circulars issued by the National Insurance Commission (NAICOM)
- the requirements of the Companies and Allied Matters Act, CAP C20, LFN 2004 and;
- the requirements of the Financial Reporting Council of Nigeria Act, No 6, 2011.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial position of the Company and of the loss for the year. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal control.

In the opinion of the Directors, the Company complied with the requirements of International Financial Reporting Standards (IFRS) and in a manner specified by the provisions of the Financial Reporting Council (FRC) of Nigeria, Companies and Allied Matters Act, CAP C20, LFN 2004, Insurance Act, CAP I17, LFN 2004 and relevant guidelines and circulars issued by the National Insurance Commission (NAICOM); however, the requirements of IFRS override the provisions of other Acts where there is conflict.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

....	....
Mr. Peter Irene	**Mr. Muhammad K. Ahmad**
Interim Managing Director	**Interim Chairman**
FRC/2014/ICAN/00000006610	**FRC/2015/IODN/0000002581**
....	....

DATE: 20TH APRIL 2016

INTERNATIONAL ENERGY INSURANCE PLC

RC 6126

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2015

The directors are pleased to submit their report together with the audited financial statements for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The Company carry on the business of providing non -life insurance for individuals and registered companies.

STATE OF AFFAIRS

In the opinion of the Directors, the state of the Company's affairs is satisfactory.

RESULTS FOR THE YEAR

	Company 31 December 2015 N'000	Company 31 December 2014 N'000
Loss before taxation	(698,383)	(1,871,233)
Taxation	(11,626)	(293,529)
Loss after taxation	(710,009)	(2,164,762)
Loss after taxation attributable to owners of the parent	(710,009)	(2,164,762)
Other comprehensive income	111,506	(36,428)
Total comprehensive income for the year attributable to owners of the parent	(598,503)	(2,201,190)

DIVIDEND

The Directors do not recommend payment of any dividend for the year ended 31 December, 2015 (2014: nil).

BONUS

The Directors do not recommend issue of any bonus shares for the year ended 31 December 2015 (2014: nil).

FUTURE PROSPECTS

The Directors are confident that the Company is appropriately placed to continue its current activities and to explore available commercial opportunities within Nigeria and the West African region. Necessary procedures are being considered to enhance its capital structure.

DIRECTORS

The Directors of the Company during the year under review were:

Sir Patrick Sule Ugboma	Chairman
Mrs. Roseline Ekeng	Managing Director/CEO
Callistus Udalor	Executive Director (Finance & Admin)
Mr. Christopher Briggs	Non Executive Director
Chief Glory Emeh	Non Executive Director
Mr. Francis Okwedy	Non Executive Director
Alhaji Shehu Badamasi	Non Executive Director
Tosa Ogbomo	Non Executive Director

Pursuant to the powers conferred on National Insurance Commission by the enabling laws, the aforementioned Directors were removed as Directors of International Energy Insurance Plc with effect from 14 May 2015 with the exception of the Managing Director who was advised to proceed on compulsory leave by the same regulatory intervention.

Consequently, a new Interim Board of Dire ctors was constituted by the Regulatory Intervention as follows:

Mr. Muhammad K. Ahmad	Interim Chairman
Mr. Peter Irene	Interim Managing Director
Ms. Ibiyemi Adeyinka	Interim Non - Executive
Ms. Daisy Ekineh	Interim Non - Executive

DIRECTORS INTERESTS

The Directors direct and indirect interest in the paid up shares of the Company are as follows:

	Representing	2015 No.	2014 No.
Roseline Ekeng		134,666	134,666
Ibiyemi Adeyinka		38,888	38,888

CONTRACTS

In accordance with section 277 of the Companies and Allied Matters Act of Nigeria, none of the directors has notified the Company of any declarable interest in contracts during the year.

COMPLAINT MANAGEMENT POLICY FRAMEWORK

Complaint Management Policy has been prepared in compliance with requirement of The Nigerian Capital Market (SEC Rules) issued by the Securities & Exchange Commission and The Nigerian Stock Exchange Directives (the NSE Directives). This policy has been prepared in recognition of the importance of effective engagement in promoting shareholder/investor confidence in the Company and the capital market.

SECURITIES TRADING POLICY

The Company has in place a Securities Trading Policy which is applicable to all employees and Directors which took effect from 2016. As at the period under review, the policy was awaiting the approval of the Board of Directors.

COMPANY SECRETARY

The Company Secretary, Mr. Paul Ekpenisi was advised to proceed on compulsory leave for 6 months by the Interim Board with effect from 28 May 2015 and the Firm of H. Michael & Co. was appointed as the Ag. Company Secretary by the Interim Board.

DIRECTORS RESPONSIBILITIES

The Companies and Allied Matters Act, CAP C20, LFN 2004 requires the directors, to prepare financial statements, in respect of each financial year, that give a true and fair view of the state of affairs of the Company at the end of the year and of the profit or loss generated by the Company for the year ended on that date.

In preparing the financial statements the directors are required to :

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are responsible and prudent;
- ensure that the applicable accounting standards have been followed and in the case of any material departures that these have been fully disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is deemed inappropriate to assume that the Company will continue in business. The directorsare responsible for keeping proper accounting records, which disclose with reasonable accuracy, at any point in time, the financial position of the Company and which enables them to ensure that the financial statements comply withthe Companies and Allied Matters Act, CAP C20, LFN 2004, the insurance Act 2003, the applicable International Financial Reporting Standards issued by the International Accounting Standards Board and the regulations set out by the Securities and Exchange Commission through the guidelines and requirements of the Investment and Securities Act, 2007.

The directors are also responsible for safeguarding the assets of the Company, and therefore, taking reasonable steps for the prevention and detection of fraud and other irregularities.

AGENTS AND BROKERS

The Company maintains a network of licensed agents. The Company also renders services directly to its customers as well as through a varied network of brokers who are licensed by the National Insurance Commission.

REINSURANCE

The Company had reinsurance treaty arrangements with the following companies during the year.

- African Reinsurance Corporation
- Continental Reinsurance Company Limited
- Nigerian Reinsurance
- Munich Reinsurance

RESEARCH AND DEVELOPMENT

The Company is not involved in any research and development activities.

DISABLED PERSONS

The Company believes in giving full and fair consideration to all current and prospective staff. No disabled person (2014: Nil) is currently employed by the Company. There are procedures in respect for those employees who became disabled, to be assigned duties that are commensurate to their disabilities.

GIFTS AND DONATIONS

The Company made charitable donations of N80,000 (2014:N110,250) during the year under review. The beneficiaries were:-

	2015	2014
	N'000	N'000
Ifeoma Ndolo- Book launch	80	-
Modupe Cole Memorial Child Care & Treatment Home	-	110
Total	**80**	**110**

HEALTH AND SAFETY AT WORK OF EMPLOYEES

The Company places a high premium on the health and welfare of its employees. Medical facilities are provided for the staff and their families at private hospitals retained within the respective localities of the staff residence. Firefighting equipment have also been installed in strategic positions within the offices of the Company. The Company incurred N37.5million (2014:N37.485 million) in providing such medical benefits during the year.

EMPLOYEE INVOLVEMENT AND TRAINING

In addition to in-house training, the Company, where necessary sends its employees on various seminars, conference, workshops and courses both locally and abroad. The staff are encouraged to improve themselves academically in any chosen profession, which is relevant to their job. The Company refunds a substantial proportion of all expenses incurred on such courses on the successful completion of the course. The Company incurred N10.9million (2014: N37.2million) on employees training during the year.

By Order of the Interim Board

H. MICHAEL & CO
Solicitors/Advocates/Notary Public

H. Michael & Co.
Ag. Company Secretary
FRC/2013/NBA/00000000001060
Lagos, Nigeria

CORPORATE GOVERNANCE REPORT

Corporate Governance is concerned with the entrenchment of practices and procedures which are aimed at ensuring that a Company is well governed which in turn fosters the achievement of its objectives. Corporate governance in public companies and regulated entities are also guided by the various codes issued by regulators.

Following the regulatory intervention in the company by NAICOM, the new Board having identified weak governance as a factor leading to the slide in the company, took concrete efforts to improve corporate governance standards and practices in the company.

In view of these efforts, IEI has strived to operate within the framework of appropriate rules and regulations under which it was incorporated, as well as global best practices, corporate governance codes and guidelines released by relevant regulatory authorities such as the National Insurance Commission, the Nigerian Stock Exchange and the Securities and Exchange Commission.

These best practices have indeed been an integral part of how we now conduct our business affirming our belief that good corporate governance is a means of retaining and expanding our clientele,sustaining the viability of the business in the long term and maintaining the confidence of investors. IEI believes that the attainment of its business objectives is, among others, directly aligned to good corporate behavior as it provides stability and growth to the enterprise. In line with this objective and the need to meet its responsibility to its stakeholders, the Company strives to meet the expectations of its operating environment. That is why we have continued to challenge ourselves and to reinvent our processes to effectively tackle the unfolding challenges and exploit emerging opportunities. Inspite of our current challenges, we are determined to remain an important player in the industry.

The Company has put in place systems of internal control and risk management to safeguard the interest of all stakeholders. As indicated in the statement of responsibility of Directors and notes to the Financial Statements, IEI adopts standard accounting practices to engender transparency in the disclosure of information and to give assurance to the reliability of the financial statements.

CORPORATE STRUCTURE

SHAREHOLDERS MEETING

The Company in actualization of its corporate governance objectives recognizes its shareholders as the highest decision making body in line with the provisions of its Memorandum and Articles of Association. The Annual General Meeting of the Company by statutory requirement is to be held once in a year. An Extra-Ordinary General Meeting of the Company may be convened at the behest of the Board or shareholders holding not less than 10% of the Company's paid up capital. Attendance at these meetings is open to shareholders and/or their proxies and sufficient notice is given to ensure maximum attendance of the shareholders. IEI held its 41st Annual General Meeting on June 5, 2013 and decisions affecting the strategic development and direction of the Company were taken under the watchful eyes of representatives of regulatory authorities such as the National Insurance Commission, Corporate Affairs Commission, Nigerian Stock Exchange, Securities and Exchange Commission and members of the press.

Owing to squabbles on the Board of the Company between 2014 and four and half months of 2015, there had been backlog of Financial Statements of the Company that were not approved by the Regulators. The Interim Board has ensured approval of all outstanding accounts and this has led us to today's meeting.

BOARD OF DIRECTORS

Before the regulatory intervention of May 15, 2015 that ushered in the Interim Board and dissolved the erstwhile Board, the Board was comprised of 8 Directors, Two (2) Executive Directors and six (6) Non-Executive Directors one of who was the Chairman of the Company during the period under review. The Board met to set policies for the operations of the Company, and ensured that it maintained a professional relationship with the Company's Auditors to promote transparency in financial and non-financial reporting.

The InterimBoard held its first meeting on May 18, 2015 and subsequently, it appointed an Interim Managing Director/CEO and Ag. Company Secretary with effect from May 18, 2015. The reconstituted Members of the Board are:

Mr. Muhammad K. Ahmad (OON)	-	Interim Chairman
Mr. Peter Irene	-	Interim Managing Director
Ms. Ibiyemi B. Adeyinka	-	Interim Non-Executive Director
Ms. Daisy Ekineh	-	Interim Non-Executive Director
Secretary	-	H. Michael & Co

ROLE OF THE BOARD

- Establish corporate strategies, set performance indices, monitor implementation and performances
- Review alignment of goals, major plans of action and annual budget
- Ensure the integrity of the Company accounting and financial reporting systems (including the independent audit) and that appropriate system are in place for monitoring risks financial control and compliance with the law
- Formulate risk strategies and make decisions on business acquisitions and expansions/investments into foreign markets
- Ensure that the interests of the stakeholders are balanced
- Ensure that the Company's operations are in accordance with high business and ethical standards

The Board meets regularly to review financial performance and reports on the contribution of the various business units to the overall performance of the company as well as consider other matters. Adequate advance notice of the meeting, the agenda and reports to be considered are circulated to members. Emergency meetings are convened as the need arises. The Board met 11 (Eleven) times in the course of the 2015 financial year.

DIRECTORS' ATTENDANCE

In accordance with Section 258(2) of the Companies and Allied Matters Act, CAP C20 LFN 2004 the record of the Directors attendance at Directors and Committee meetings during the year under review is as shown below.

S/N	DATE OF MEETING	MUHAMMAD K. AHMAD (OON)	DAISY EKINEH	IBIYEMI B. ADEYINKA	PETER IREN E
1.	18-5-2015	✓	✓	✓	✓
2.	28-5-2015	✓	✓	✓	✓
3.	10-6-2015	✓	✓	✓	✓
4.	18-6-2015	✓	✓	✓	✓
5.	09-7-2015	✓	✓	✓	✓
6.	30-7-2015	✓	✓	✓	✓
7.	28-8-2015	✓	✓	✓	✓
8.	05-10-2015	✓	✓	✓	✓
9.	29-10-2015	✓	✓	✓	✓
10.	30-11-2015	✓	✓	✓	✓
11.	15-12-2015	✓	✓	✓	✓

BOARD COMMITTEES

Due to the peculiarity of its appointment, the Interim Board carries out its oversight functions with the assistance of only one Committee of the Board; The Finance and General Purposes Committee.

BOARD FINANCE AND GENERAL PURPOSES COMMITTEE

The Board Finance and General Purposes Committee has the mandate to review and make recommendations on all staff and related matters, approve within set limits review and make recommendations on branch expansions and/or closures, implement safeguarded measures as recommended from time to time, and to ensure an adequate platform by which the company will adequately protect its finances. Other functions of the Committee include but not limited to, determining the policies, strategies and financial objectives of the company, overseeing and monitoring the implementation of these policies, with a view to maximizing its overall economic value. It also reviews the community, environmental, health and safety issues and incidents to determine, that management takes appropriate action in respect of those matters and that management is diligent in carrying out its responsibilities and activities in relation to sustainability issues.

The members of the Committee meet at least once every month, and they are as follows;

Ms. Daisy Ekineh	Interim Chairman
Ms. Ibiyemi B. Adeyinka	Interim Non-Executive Director
Mr. Peter IreneInterim	Interim Managing Director
Secretary	H. Michael & Co

The Committee met six (6)times during the year under review as shown below

S/N	DATE OF MEETING	DAISY EKINEH	IBIYEMI B. ADEYINKA	PETER IRENE
1.	16 -9 - 2015	✓	✓	✓
2.	17 -9 - 2015	✓	✓	✓
3.	25 -9 - 2015	✓	✓	✓
4.	10 - 10 - 2015	✓	✓	✓
5.	11 - 11 - 2015	✓	✓	✓
6.	16 - 12 - 2015	✓	✓	✓

AUDIT COMMITTEE

In compliance with the provisions of Section 359 of the Companies and Allied Matters Act, Cap C20, LFN, 2004, the Company had an Audit Committee comprisedof three (3) Non-executive Directors and three (3) shareholders as follows:

Mrs. Oluseyi Ifaturoti	Chairman
Mr. Augustine Anono	Shareholder representative
Mr. Eleojo Peters	Shareholder representative
Mr. Christopher Briggs	Removed by regulatory intervention WEF 14/05/2015
Mr. Francis Okwedy	Removed by regulatory intervention WEF 14/05/2015
Alhaji Shehu Badamasi	Removed by regulatory intervention WEF 14/05/2015

THE MANAGEMENT TEAM

The Management team consists of Executive and Senior Management Staff led by the Interim Managing Director. It formulates programmes and assigns responsibilities and resources for the achievement of set goals. The Management team is also charged with the responsibility of identifying and assessing the risk profile within which the Company is operating, with a view to eliminating or minimizing the impact of such risks to the achievement of set Company objectives.

Other functions of the Management team include; determining the long term strategic direction of the company and developing annual business plan and budget that drives the long term strategy, ensuring that the company complies with all relevant laws and corporate governance principles, ensuring proper staffing and establishment of appropriate organizational structure that support effective succession plan for the company, putting the right structure in place to ensure that accounts and financial affairs are carried out in a reliable manner. The Management also take steps to ensure successful implementation of the company policies as well as creating effective ethical environment within the company. The leadership team meets regularly to review the performance of the Company, and assess progress against the achievement of laid down objectives.

COMPLIANCE AND DISCLOSURE

We have achieved 85% compliance to applicable regulatory requirements against previous years records. This was due to non-submission of our audited financial statements as at June 30, 2015 to the National Insurance Commission and non-submission as at March 31, 2015 to the Nigerian Stock Exchange and Securities and Exchange Commission. This infringement attracts a fine of N100,000 per week from the due date until the date of submission.

The National Insurance Commission levied the total sum of N765,000 on the company as infractions and infringements for late submission of 2014 audited accounts.

This disclosure of non-compliance is in conformity with the provisions of Appendix III, Clause 14 (g) of the Nigerian Stock Exchange Rules which requires companies to state in the Annual Report contraventions and sanctions imposed for such contraventions. A cumulative total of N42,860,000 has been levied as fine against the company post 2015 accounting period, due to regulatory infractions. The Interim Board is however paying concerted attention to totally eliminate incidences of infractions.

CORPORATE SOCIAL RESPONSIBILITY

Today's corporate existence goes beyond profitability, service delivery and returns on investment. Corporate Social Responsibility (CSR), has become a topical issue in corporate policy framework the world over. This is why IEI has remained unbent through the years in championing eco- friendly projects that have impacted on life and society.

HEALTH AND SAFETY AT WORK FOR EMPLOYEES

The Company ensured that the robust HSE plan, process and procedure that had been previously put in place was reviewed for improvements and maintained for the safety of its workforce which has reduced work related discomfort, accidents and injury, litigation and non-compliance issues. Consequently, the employees have become more confident as regards their health and wellbeing in the manner, which the Company has invested in HSE issues, that has reduced overtime, health related costs to the Company as well.

GOVERNANCE & FORENSIC AUDIT

The Interim Board initiated a Corporate Governance and Forensic Audit exercise putting into consideration key global elements of an effective Corporate Governance framework which include:

- Leadership
- Strategy & Planning
- Transparency & Accountability
- Financial Audit and Information Performance
- Risks Management & Compliance
- Corporate Structure
- Board Structures & Operations

The following key observations and recommendations were therefore made:

Communication

The Company had a well-articulated website with which to communicate with shareholders, potential investors and other stakeholders. The website however was not up to date and did not have an Investor Relations portal which should contain the Company's Annual Report and other relevant information. Management has however been instructed to activate this.

Risks Management Framework, Internal Control & Compliance

It was observed that there was no consistent monitoring of Risk Management Framework and Internal Control and Compliance. The Interim Board has however put in place a robust Enterprise Risk Management to guide the Company's Risk Management process.

Rendition of Mandatory Regulatory Returns

Most regulatory returns were filed as and when due, however the major returns relating to Financial Statements were not filed timely due to failure to secure regulatory approvals for the Company's accounts from 2012-2015. The Interim Board has ensured the approval of the Financial Statements and all regulatory returns are now filed as and when due.

Board Structure

The size and structure of the Board is not in compliance with NAICOM or SEC Corporate Governance Codes. The size and scale is not adequate for the complexity of the Company's business. The Interim Board currently has only one Board Committee – Finance and General Purpose Committee. It is believed that appropriate Board Composition would be made upon the composition of a Substantive Board. NAICOM Code of Corporate Governance recommends a minimum of 7 -member Board for an Insurance Company.

Board and Top Management Succession Plan

There was no robust succession planning policy for the Board and Top Management. The Interim Board appreciates the importance of the policy for the injection of fresh ideas, attraction of investments and diversity to the Board and to ensure perpetuity of the Board. Having a clear process on Succession plan would avert uncertainty upon the exit of the Interim Board. The Interim Board has therefore prescribed that a Succession Plan Policy through a rigorous and transparent process should be emplaced.

Amongst other policies prescribed by the Interim Board for the Corporate Administration of the Company are; Whistle blowing Policy, Conflict of Interest and Dispute Resolution Policies.

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 audited financial statements for the year ended 31 December 2015 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 Company is made known to such officers by others within those entities particularly during the period in which the periodic reports are being prepared;
(iii) have evaluated the effectiveness of the Company'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 Company and audit committee:
(i) all significant deficiency in the design or operations of internal controls which would adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's auditors any material weakness in internal controls, and
(ii) any fraud, whether or not material, that involves management or other employees who have significant role in the Company'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.

....	....
Olushina Olaogun	**Mr. Peter Irene**
Chief Financial Officer	**Interim Managing Director**
FRC/2013/ICAN/00000005263	**FRC/2014/ICAN/00000006610**

RISK MANAGEMENT DECLARATION

The Board of International Energy Insurance Plc hereby provides a Risk Management Declaration and state that, to the best of its knowledge and belief, having made appropriate enquiries:

a. The company has systems in place for the purpose of ensuring compliance with this guideline;

b. The Board is satisfied with the efficacy of the processes and systems surrounding the production of financial information of the company;

c. The company has in place a Risk Management Strategy, developed in accordance with the requirements of this guideline, setting out its approach to risk management; and

d. The systems that are in place for managing and monitoring risks, and the risk management framework, are appropriate to the company, having regard to such factors as the size, business mix and complexity of the company's operations.

.... DIRECTOR

.... DIRECTOR

REPORT OF THE AUDIT COMMITTEE

TO THE SHAREHOLDERS OF INTERNATIONAL ENERGY INSURANCE PLC

Section 359 (6) of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2004, prescribed the objectives and functions of the audit to include;

(a) Ascertain whether the accounting and reporting policies of the Company are in accordance within legal requirements and agreed ethical practices.

(b) Review the scope and planning of the audit requirements.

(c) Review the findings on management letters in conjuction with the external auditors and departmental responses thereon.

(d) Keep under review the effectiveness of the Company's system of accounting and internal control.

(e) Make recommendations to the Board in regard to the appointment, removal and remuneration of the external auditors of the Company and

(f) Authorize the internal auditor to carry out investigations into any activities of the Company which may be of interest or concern to the committee.

Having disolved the Board of the Company due to regulatory intervention, the Audit committee of the Board was not in the position to carry on the prescribed function.

MEMBERS OF THE AUDIT COMMITTEE

Members of the Audit committee during the period under review were:

1. Mrs Seyi Ifaturoti - Chairman
2. Mr. Austin Anono
3. Mr. Eleojo Peters
4. Mr. Christopher Briggs
5. Mr. Francis Okwedy
6. Alhaji Shehu Badamasi

Removed by Regulatory Intervention with effect from 14 May 2015

H. MICHAEL & CO
Solicitors/Advocates/Notary Public

H. Michael & Co
Ag Company Secretary
FRC/2013/NBA/00000000001060

Management Discussion and Analysis

The nature of the business

International Energy Insurance Plc is a leading insurance Company in Nigeria. It is the first energy-sector focused insurance Company in the country providing first class underwriting solutions for offshore, Onshore as well as general business risks using a combination of strategic initiatives and excellent service delivery.

We are a market oriented Company that focuses on customers' satisfaction. Our business model is "Superior Service Delivery" which is customer–centric. It is aimed at meeting and surpassing the expectations of internal and external customers'.

Management Objectives:

The Company has commendably executed many strategic initiatives. However, the need to build and sustain competitive advantage in the dynamic market place informed the articulation of the following objectives.

1. To become one of the leading insurance companies of choice in Nigeria within the next three to five years
2. To grow our Premium Income on an annual average of 25% within the next five years.
3. To deploy cutting-edge Information Communication Technology for world class service delivery.

Our strategies:

Our strategies are aimed at meeting our objectives. In doing this, we shall;

1. Maintain a good corporate governance culture whilst monitoring the regulatory environment to ensure compliance as good corporate citizen and also anticipate change.
2. Institute an excellent customer service and operational efficiency system through the execution of internal service agreement
3. Always scan the external environment to identify market opportunities and threats with a view to converting the former and mitigating the latter.
4. Be proactive and remove all forms of bureaucratic bottlenecks so as to optimise our process for market leadership
5. Monitor the activities of competitors and analyse them to identify gaps, benchmark and fashion productivity improvement strategies so as to gain competitive edge.

Our Human Resource:

Our human capital drives the operations to execute our strategies. The Company is an employer of choice. It attracts and retains good quality staff. The Management and staff are well remunerated, continually trained both locally and abroad to enhance skills and quality. Excellent performance is the basis for upward mobility and sustenance of employment. The culture is defined by the discipline of getting things done through the right attitude and teaming to create competitive value for the Company's stakeholders.

The Company's Business Model is professionally driven by a structure that analyses its Strengths, Weaknesses, Opportunities and Threats for responsive bonding.

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REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF INTERNATIONAL ENERGY INSURANCE PLC

We have audited the financial statements of International Energy Insurance Plc for the financial year ended 31 December 2015, which comprises of the statement of financial position, statement of profit or loss and other comprehensive income, statements of changes in equity, statements of cash flows for the year then ended, and a summary of siginificant accounting policies and other explanatory notes to the financial statements.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, and in compliance with relevant provisions of the Financial Reporting Council of Nigeria Act, No 6, 2011, the Companies and Allied Matters Act, CAP C20 LFN 2004 and the Insurance Act, CAP I17, LFN 2004 and its interpretations issued by the National Insurance Commission in its Insurance Industry Policy Guidelines. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting polices and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

BDO

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the International Energy Insurance Plc financial position as at 31 December 2015 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria Act No 6, 2011, the Companies and Allied Matters Act, CAP C20 LFN 2004 and Insurance Act, CAP I17, LFN 2004 and its interpretations issued by the National Insurance Commission in its Insurance Industry Policy Guidelines.

Emphasis of matter

Without qualifying our opinion, we draw your attention to note 46 to the financial statements which indicate that the Company incurred a loss before taxation of N698million (2014:N1.9billion) during the year ended 31 December 2015 and at that date it had accumulated losses of N13.44billion (2014:N12.62billion) and negative shareholders' funds of N2.10billion (2014:N1.52billion). The total amount required to settle Insurance contract liabilities, trade and other payables, current income tax liabilities and foreign loan liabilities amounted to N9.7billion while the total amount available to meet the Company's obligations is only N3.7billion on the basis that they are all realisable within the year leaving a deficit of N6billion. The Company also has a deficit of N5.4billion in its solvency margin and a deficit of N5.4billion in capital adequacy. In effect the Company is having a serious working capital problems and its future operations might be threatened. To meet the shortfall the shareholders would have to introduce additional capital not only to provide for the shortfall but also to ensure the adequacy of working capital for future operations.

Report on other legal requirements

The Companies and Allied Matters Act, CAP C20 LFN, 2004 requires that in carrying out our audit, we

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

ii) in our opinion, proper books of account have been kept by the entity; and

iii) the statement of financial position and profit or loss account and other comprehensive income statement is in agreement with the books of account.

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
A1120678

Ebenezer O. Olabisi
FRC/2012/ICAN/00000000104
For: BDO Professional Services
Chartered Accountants

Lagos, Nigeria
2 June 2016

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

1) Going concern

The directors assess the Company's future performance and financial position on a going concern basis and have no reason to believe that the company will not be a going concern in the year ahead as noted in note 46. For this reason, these financial statements are prepared on a going-concern basis.

2) Basis of preparation and compliance with IFRS

The financial statements of International Energy Insurance Plc have been prepared on a going concern basis in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) that are effective as at 31 December 2014 and requirements of the Companies and Allied Matters Act, CAP C20 LFN, 2004,the Insurance Act, CAP I17 LFN 2004 and the Financial Reporting Council of Nigeria Act No 6, 2011 to the extent that they are not in conflict with IFRS.

The financial statements were authorised for issue by the Board of Directors on 19 May, 2016

....These financial statements are presented in Nigerian Naira, rounded to the nearest thousand, and prepared under the historical cost convention, as modified by the revaluation of land, available-for-sale financial assets, and financial assets at fair value through profit or loss.

3) Basis of measurement

(i) Historical cost

The financial statements have been prepared on historical cost basis except as detailed below:

- Financial instruments at fair value through profit or loss are measured at fair value;
- Property, plant and equipment are carried at cost except land and buildings which are measured at revalued amount
- Available for sale financial assets are measured at fair value ; and
- Investment properties are measured at fair value.

(ii) Functional currency and translation of foreign currencies

- Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in Nigerian Naira (N), which is the functional and presentation currency.

- Transactions and balances in Company entities

Foreign currency transactions are translated into the functional currency of the respective entity using the exchange rates prevailing on the dates of the transactions or the date of valuation where items are re- measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the income statement within 'other (losses)/gains – net'.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised as differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

(iii) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and the future periods if the revision affects both current and future periods.

The critical accounting estimates and judgements applied in the preparation of these financial statements are disclosed in Note 3.

4) New standards, interpretations and amendments effective from 1 January 2015

The following new/amended accounting standards and interpretations have been issued, but are not mandatory for the financial year ended 31 December 2015. They have not been adopted in preparing the financial statements for the year ended 31 December 2015 and are expected to affect the entity in the period of initial application. In all cases the entity intends to apply these standards from application date as indicated in the table below.

Standards and amendments issued but yet to take effect

IFRS Reference	Title and Affected Standard(s)	Nature of change	Application date	Impact on initial Application
IFRS 14 Issued in January 2014	Regulatory Deferral Accounts	IFRS 14 applies to entities that conduct 'rate-regulated activities' i.e. activities that are subject to rate regulation. The rate regulation is a framework that establishes prices for goods and/or services that are subject to the oversight/approval of a 'rate regulator'. The Standard permits an entity in the rate regulated industry to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements. Regulatory deferral account balances, and movements in them, are presented separately in the statement of financial position and statement of profit or loss and other comprehensive income, and specific disclosures are required.	1 January 2016	The provision of the standard will not have any impact on the Company's financial statements when it becomes effective in 2016 as the Company is not operating in a rate regulated industry.
IFRS 15 Issued in May 2014	Revenue from contracts with customers	IFRS 15 contains comprehensive guidance for accounting for revenue and will replace existing requirements which are currently set out in a number of Standards and Interpretations. The standard introduces significantly more disclosures about revenue recognition and it is possible that new and/or modified internal processes will be needed in order to obtain the necessary information. The Standard requires revenue recognised by an entity to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five - step model framework: (i) Identify the contract(s) with a customer (ii)Identify the performance obligations in the contract (iii)Determine the trans action price (iv)Allocate the transaction price to the performance obligations in the contract (v)Recognise revenue when (or as) the entity satisfies a performance obligation.	1 January 2018	The Board is currently reviewing the impact the standard may have on the preparation and presentation of the financial statements when the standard is adopted. Consideration will be given to the following: (i)At what point in time the company recognises revenue from each contract whet her at a single point in time or over a period of time; (ii) whether the contract needs to be 'unbundled' into two or more components; (iii)how should contracts which include variable amounts of consideration be dealt with; (iv)what adjustments are required for the effects of the time value of money; (v) what changes will be required to the company's internal controls and processes.

Standards and amendments issued but yet to take effect

IFRS Reference	Title and Affected Standard(s)	Nature of change	Application date	Impact on initial Application
IFRS 9 (2014) (issued Jul 2014)	Financial Instruments	Classification and measurement Financial assets will either be measured - at amortised cost, comprehensive income (FVTOCI) or (FVTPL). Impairment The impairment model is a more 'forward looking' model in that a credit event no longer has to occur before credit losses are recognised. For financial assets measured at amortised cost or fair value through other comprehensive income (FVTOCI), an entity will now always recognise (at a minimum) 12 months of expected losses in profit or loss. Lifetime expected losses will be recognised on these assets when there is a significant in crease in credit risk after initial recognition.	Annual reporting periods commencing on or after 1 January 2018	The first time application of IFRS 9 will have a wide and potentially very significant impact on the accounting for financial instruments. The new impairment requirements are likely to bring significant changes for impairment provisions for trade receivables, loans and other financial assets not measured at fair value through profit or loss. Due to the recent release of this standard, the entity has not yet made a detailed assessment of the impact of this standard.
		Hedging The new hedge accounting model introduced the following key changes: -Simplified effectiveness testing, including removal of the 80 -125% highly effective threshold -More items will now qualify f or hedge accounting, e.g. pricing components within a non -financial item, and net foreign exchange cash positions -Entities can hedge account more effectively the exposures that give rise to two risk positions (e.g. interest rate risk and foreign exch ange risk, or commodity risk and foreign exchange risk) that are managed by separate derivatives over different periods -Less profit or loss volatility when using options, forwards, and foreign currency swaps -New alternatives available for economic hedges of credit risk and 'own use' contracts which will reduce profit or loss volatility.		

5) Cash and cash equivalents

For the purposes of statement of cash flows, cash comprises cash in hand and deposits held at call with banks. Cash equivalents comprise highly liquid investments (including money market funds) that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value with original maturities of three months or less being used by the Company in the management of its short-term commitments. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

6) Financial Assets

The Company classifies its financial assets into the following categories: Financial assets at fair value through profit or loss (or held-for-trading), Held-to-maturity, Available-for-sale and loans and receivables. The classification is determined by management at initial recognition and depends on the purpose for which the investments were acquired.

(i) Financial assets at fair value through profit or loss (Held-for-trading)

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit loss at inception. Financial assets are designated at fair value through profit or loss or as Held-for-trading if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. The investments are carried at fair value, with gains and losses arising from changes in their value recognised in the income statement in the period in which they arise. Such investments are the Company's investments in quoted equities.

(ii) Held-to-maturity financial assets

The Company classifies financial assets as Held-to-maturity financial assets when the company has positive intent and ability to hold the financial assets (i.e. investments) to maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortized cost using effective interest method less any impairment losses. Any sale or reclassification of more than insignificant amount of held-to-maturity investments, not close to maturity, would result in the reclassification of all held-to-maturity financial assets as available-for-sale, and prevent the Company from classifying investment securities as held- to-maturity for the current and the following two financial years. Held-to-maturity investments are largely bonds. Quoted equities and debt securities e.g. bonds that are initially classified as held-to-maturity are subsequently moved to available-for-sale financial assets whenever the market price is higher than the purchase price in order to sell and take profit. Interest on held-to-maturity investments are included in the income statement and are reported as 'Investment income'.

(iii) Available –for–sale investments

Available-for-sale financial assets are non-derivative financial assets that are classified as available-for-sale or are not classified in any of the two preceeding categories and not as loans and receivables which may be sold by the company in response to its need for liquidity or changes in interest rates, exchange rates or equity prices.They include investment in unquoted shares.These investments are initially recognised at cost. After initial recognition or measurement, available-for-sale financial assets are subsiquently measured at fair value using 'net asset valuation basis'. Fair value gains and losses are reported as a separate component in other comprehensive income until the investment is derecognised or the investment is determined to be impaired. On derecognition or impairment, the cumulative fair value gains and losses previously reported in equity are transferred to the statement of profit or loss and other comprehensive income.

(iv) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than: those that the Company intends to sell in the short term which are reclassified as fair value through profit or loss and those that the company upon initial recognition designates at fair value through profit or loss. those that the Company upon initial recognition designates as Available for Sale those for which the holder may not recover substantially all of its initial investment other than because of credit risk. They include:

(a) Trade receivables

Trade receivables, arising from insurance contracts are initially recognised at fair value and subsequently measured at amortised cost less provision for impairment. An allowance for impairment is made when there is an objective evidence (such as the probability of solvency or significant financial difficulties of the debtors) that the Company will not be able to collect all the amount due under the original terms of the invoice. Allowances are made based on an impairment model which considers the loss given default for each customer, probability of default and emergence period which serves as an impairment trigger based on the age of the debt. Impaired debts are derecognised when they are assessed as uncollectible. If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised cost at the reverse date. Any subsequent reversal of an impairment loss is recognised in the profit and loss.

Trade receivables are recognised for insurance cover for which payments have been received indirectly through duly licensed insurance brokers or lead insurers in Co-insurance arrangements. Premium collected on behalf of the Company is expected to be received within 30 days from insurance brokers and lead insurers. The "No

Premium, No cover" Policy by NAICOM has been adhered to strictly during the year under review.

(b) Other receivables and prepayments
Other receivables are made up of prepayments and other amounts due from parties which are not directly linked to insurance or investment contracts. Other receivables are stated after deductions of amount considered bad or doubtful of recovery. When a debt is deemed not collectible, it is written-off against the related provision or directly to the profit and loss account to the extent not previously provided for. Any subsequent recovery of written-off debts is credited to the profit and loss account. Prepayments are carried at cost less amortisation.

(v) Impairment of financial assets
(a) Impairment of Financial assets carried at amortised cost

The Company assesses at each end of the reporting period whether there is objective evidence that a financial asset or company of financial assets is impaired. A financial asset or company of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events (a 'loss event') that have occurred after the initial recognition of the asset and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or company of financial assets that can be reliably estimated. Objective evidence that a financial asset or company of assets is impaired includes observable data that comes to the attention of the Company from the following events:

- i Default or delinquency by a debtor;
- ii Restructuring of an amount due to the Company on terms that the Company would not consider favourable;
- iii Indications that a debtor or issuer will enter bankruptcy;
- iv The disappearance of an active market for the security because of financial dificulties; and
- v Observable data indicating that there is a measurable decrease in the estimated future cash flow from a company of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the company.

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the Company determines that no objective evidence of impairment exists for individually assessed financial asset, whether significant or not, the Company includes the asset in a company of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred on loans and receivables or held-to-maturity financial assets carried at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, and the amount of the loss is recognised in the income statement. If a held-to-maturity financial asset or a receivable has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As is practically expedient, the Company may measure impairment on the basis of an instrument's fair value using an observable market price.

For the purpose of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics. Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the holder's ability to pay all amounts due under the contractual terms of the debt instrument being evaluated. If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the assets. The amount of the reversal is recognised in the income statement as other income in the period the decrease is occured.

(b) Impairment of Assets classified as available-for-sale
The Company assesses at each date of the statement of financial position whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or a prolonged decline in the fair value of the security below its cost is an objective evidence of impairment resulting in the recognition of an impairment loss. In this respect, a decline of 10% or more is regarded as significant, and a period of 1 year or longer is considered to be prolonged. If any such quantitative evidence exists for available-for-sale financial assets, the asset is considered for impairment, taking qualitative evidence into account. The cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on those financial assets previously recognised in profit or loss, is removed from equity and recognised in the income statement. If in a particular subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the income statement.

(c) Reclassification of financial assets
Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near-term. In addition, the Company may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if the Company has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.
Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date

are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date.

(d) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or has assumed an obligation to pay those cash flows to one or more recipients, subject to certain criteria. Impaired debts are derecognised when they are assessed as uncollectible. If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previous recognised impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised cost at the reversed date. Any subsequent reversal of an impairment loss is recognised in the income statement.

(e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

7) Reinsurance assets

Reinsurance assets consist of short-term balances due from reinsurers, as well as longer term receivables that are dependent on the expected claims and benefits arising under the related reinsurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsurance contracts and in compliance with the terms of the reinsurance contract. The reinsurers' share of unearned premiums (i.e. the reinsurance assets) are recognised as an asset using principles consistent with the Company's method for determining unearned premium liability. The amount reflected on the statement of financial position is on a gross basis to indicate the extent of credit risk related to the reinsurance and its obligations to policy holders.

The Company assesses its reinsurance assets for impairment at each statement of financial position date. If there is objective evidence that the reinsurance asset is impaired, the Company reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in the income statement. The Company gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortised cost.

8) Deferred acquisition costs (DAC)

Commissions and other acquisition costs that are related to securing new contracts and renewing existing contracts are capitalised as Deferred Acquisition Costs (DAC) if they are separately identifiable, can be measured reliably and its probable that they will be recovered. All other acquisiton costs are recognised as expenses when incurred. The DAC is subsequently amortised over the life of the contracts in line with premium revenue using assumptions consistent with those used in calculating unearned premium. It is calculated by applying to the acquisition expenses the ratio of unearned premium to written premium. The DAC is tested for impairment annually and written down when it is not expected to be fully recovered.

9) Non-current assets held for sale and disposal companys

Non-current assets and disposal companys are classified as held for sale when:

- They are available for immediate sale
- Management is committed to a plan to sell
- It is unlikely that significant chnages to the plan will be made or that the plan will be withdrawn
- An active programme to locate a buyer has been initiated
- The asset or disposal company is being marketed at a reasonable price in relation to its fair value, and
- A sale is expected to complete within 12 months from the date of classification.

Non-current assets and disposal companys classified as held for sale are measured at the lower of:

- Their carrying amount immediately prior to being classified as held for sale in accordance with the company's accounting policy; and
- Fair value less costs of disposal

Following their classification as held for sale, non-current assets (including those in a disposal company) are not depreciated.

10) Investment properties

Investment properties comprise of completed property and property under construction that are held by the company to earn rental income or for capital appreciation or both. Investment properties are measured initially at their cost, including related transaction costs. Transaction costs include professional fees for legal services and other commissions to bring the properties to the condition necessary for them to be capable of operating. After initial recognition, investment properties are carried at fair value with any changes therein recognised in the profit or loss component of the Company's statement of comprehensive income.

An external, independent valuer, having appropriate recognised professional qualifications, certified by the Financial Reporting Council (FRC) of Nigeria and with recent experience in the location and category of the Investment properties being valued, values the Company's investment properties annually. The fair value are based on market value, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefit is expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the property) is recognised in the profit or loss component of the statement of comprehensive income in the period of the derecognition.

11) Deferred tax assets and liabilities

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability differs from its tax base. Deferred taxes are recognised using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (tax bases of the assets or liability). The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted by the reporting date.

Deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

12) Intangible Assets

Intangible assets comprise computer software purchase from third parties. They are measured at cost less accumulated amortisation and accumulated impairment losses. Purchased computer software are capitalised on the basis of costs incurred to acquire and bring into use the specific software. These costs are amortised on straight line basis over the useful life of the asset.

Expenditure that enhances and extends the benefits of computer software beyond their original specifications and lives, is recognised as a capital improvement cost and is added to the original cost of the software. All other expenditure is expensed as incurred.

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life of software is 10years. The residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate. An Intangible asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
The estimated useful lives for the current and comparative period of the computer software is 10%

13) Property, plant and equipment

(a) Recognition and measurement

Items of property, plant and equipment are are initially recognised at cost and are subsequently carried at revalued amount less subsequent accumulated depreciation and impairment losses. The cost of property plant and equipment includes expenditures that are directly attributable to the acquisition of the asset. Property, plant and equipment under construction are disclosed as capital work-in-progress.

(b) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement as incurred.

(c) Depreciation

Depreciation is recognised in the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held-for-sale in accordance with IFRS 5 - Non-current Assets Held-for-Sale and Discontinued Operations.

Land is shown at fair value based on periodic valuations by external independent valuers less subsequent depreciation for buildings. All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts over their estimated useful lives.
The estimated useful lives for the current and comparative period are as follows:

Buildings	1%
Leasehold improvements	20%
Plant and Machinery	25%
Furniture, fittings and office equipment	10%
Computer equipmen	10%
Motor vehicles	25%

The assets' residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate. An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(d) Revaluation of land and building

Property, plant & equipment are initially recorded at cost. Land and building are subsequently carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. When an individual property is revalued, any increase in its carrying amount (as a result of revaluation) is transferred to a revaluation reserve, except to the extent that it reverses a revaluation decrease of the same property previously recognised as an expense in the statement of profit or loss. When the value of an individual property is decreased as a result of a revaluation, the decrease is charged against any related credit balance in the revaluation reserve in respect of that property. However, to the extent that it exceeds any surplus, it is recognised as an expense in the statement of profit or loss.

(e) De-recognition

An item of property, plant and equipment is derecognised on disposal or when no future economic benefit is expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceed and the carrying amount of the asset) is included in the statement of profit or loss in the year the asset is derecognised.

(f) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and compared to its carrying amount to determine the value of the impairment.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit (CGU) is the smallest identifiable asset company that generates cash flows that are largely independent from other assets and companys. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any intangible asset allocated to the units and then to reduce the carrying amount of the other assets in the unit on a prorata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are recognised in the income statement.

14) Statutory deposit

The Company's Statutory deposit represents the fixed deposit with the Central Bank of Nigeria in accordancewith section 10(3) of the Insurance Act, 2003.The deposit isrecognised at the cost in the statement of financial positionbeing 10% of the statutory minimum capital requirement of N3 billion for General insurance business. Interest income on the deposit is recognised in the income statement in the period the interest is earned.

15) Insurance contracts and Insurance contract liabilities

The Company issues contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts that transfer significant insurance risk. Such contracts may also transfer financial risk. These contracts include General accident, workmens compensation, motor, marine and aviation and fire insurance.

Insurance contracts protect the Company's customers against the risk of harm from unforeseen events to their properties resulting from their legitimate activities. The typical protection offered is designed for employers who become legally liable to pay compensation to injured employees (employers' liability) and for individual and business customers who become liable to pay compensation to a third party for bodily harm or property damage (public liability). Property insurance contracts mainly compensate the Company's customers for damage suffered to their properties or for the value of property lost.
Others forms of Insurance contracts include but are notlimited to workmens compensation, motor, marine and aviation insurance.

Claims and loss adjustment expenses are charged to income statement as incurred based on the estimated liability for compensation owed to contract holders or third parties for damaged incurred or lost suferred by the contract holders. They include direct and indirect claims settlement costs arising from events that have occurred up to the end of the reporting period even if they have not yet been reported to the Companies i.e. Claims incurred but not reported (IBNR) which is actuarial valuation. The Company does not discount its liabilities for unpaid claims other than for workmen compensation claims. Liabilities for unpaid claims are estimated using the impute of assessments of provision reported to the Company and analysis for the claimsincurred but not reported (IBNR).

Reinsurance contracts held

The Company holds the under-noted reinsurance contracts:

- Treaty Reinsurance Outward is usually between the Company and Reinsurers.
- Facultative Reinsurance Outward is usually between the Company and other insurance companies or between the Company and Reinsurers.
- Facultative reinsurance inwards is usually between the Company and other insurance Companies or between the Company and Reinsurers.

Premiums due to the reinsurers are paid and all claims and recoveries due from reinsurers are received. Contracts entered into by the Company with reinsurers under which the Company is compensated for losses on one or more contracts issued by the Company and that meet the classification requirements for insurance contracts are classified as re-insurance contracts held while contracts that do not meet these classification requirements are classified as financial assets. Insurance contracts entered into by the Company under which the contract holder is another insurer (inward re-insurance) are included within insurance contracts.

The benefits to which the Company is entitled under its re-insurance contracts held are recognized as re- insurance assets. These assets consist of short-term balances due from reinsurers, as well as long term receivables that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts. Amount recoverable from or due to reinsurers are measured consistently with the amount associated with the primary insurance contracts and in accordance with the terms of each reinsurance contract. Re-insurance liabilities are primarily premiums payable for the reinsurance contracts and are recognized as an expense when due. The Company's Insurance liabilities or balances arising from insurance contracts primarily include those insurance contract liabilities that were valued by the Actuaries. These include Unearned premiums reserve and Outstanding claim reserve.

(i) Unearned premium reserve

Unearned premium provision is calculated using a time - apportionment basis, in particular, the 365ths method.

(ii) Outstanding claims reserve

Individual loss estimates are provided on each claim reported. In addition, provisions are made for adjustment expenses, changes in reported claims and for claims incurred but not reported (IBNR), based on past experience and business in force which are ultimately valued by the Actuaries.

The reserve for outstanding claims is maintained as the total amount of outstanding claims incurred and reported plus claims incurred but not reported ("IBNR") as at the statement of financial position date. The IBNR is based on the liability adequacy test carried out by an Actuary.

(iii) Liability adequacy test

At the end of each reporting period, liability adequacy tests are performed by an Actuary to ensure the adequacy of the contract liabilities net of related Deferred Acquisiton Cost assets. In performing these tests, current best estimates of future contractual cash flows and claims handling and administration expenses, as well as investment income from the assets backing such liabilities, are used. Any deficiency is immediately charged to profit or loss initially by writing off DAC and by subsequently establishing a provision for losses arising from liability adequacy tests.

The provisions of the Insurance Act ,CAP I17 LFN 2004 require an actuarial valuation for life reserves only however, IFRS 4 requires a liability adequacy test for both life and non-life insurance reserves. The provision of section 59 of the Financial Reporting Council Act No.6, 2011 gives superiority to the provisions of IFRS and since it results in a more conservative reserving than the provision of the Insurance Act, CAP I17 LFN 2004, it supports the company's prudential concerns.

(iv) Salvage and subrogation reimbursements

Some insurance contracts permit the Company to sell (usually damaged) property acquired in settling a claim (for example, salvage). The Company may also have the right to pursue third parties for payment of some or all costs (for example, subrogation). Estimates of salvage recoveries are included as an allowance in the measurement of the insurance liability for claims, and salvage property is recognized in other assets when the liability is settled. The allowance is the amount that can reasonably be recovered from the disposal of the property.

Subrogation reimbursements are also considered as allowance in the measurement of the insurance liability for claims and are recognized in other assets when the liability is settled. The allowance is the assessment of the amount that can be recovered from the action against the liable third party.

16) Trade payables

Trade payables (i.e insurance payables) are recognised when due and measured on initial recognition at the fair value of the consideration received less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest rate method. Trade payables include payables to agents and brokers, payables to reinsurance companies, payables to coinsurance companies and commission payable.

The effective interest method is a method of calculating the amortised cost of the financial liabilities and of allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liabilities, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year discounting is omitted. Trade payables are derecognised when the obligation under the liability is settled, cancelled or expired.

17) Provisions and other payables

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are measured at the Director's best estimate of the expenditure required to settle the obligation at the end of the reporting period. The provisions are reviewed at the end of the reporting period and adjusted to reflect the current best estimate.

Other payables are recognised initially at fair value and are subsequently measured at amortised cost using effective interest method. They comprise of other short-term monetary liabilities such as professional fees payable, Insurance levy payable, and staff pension liability.

18) Retirement obligations and Employee benefits

The Company operates the following contribution and benefit schemes for its employees:

(i) Defined contribution pension scheme

The Company operates a defined contributory pension scheme for eligible employees. Employers and employees contribute 10% and 8% respectively of the employees' Basic, Housing and Transport allowances in line with the provisions of the Pension Reform Act 2004. The Company pays the contributions to a pension fund administrator. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefits expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(ii) Short-term benefits

Wages, salaries, paid annual leave, bonuses and non-monetary benefits are recognised as employee benefit expenses and paid in arrears when the associated services are rendered by the employees of the Company.

Income Taxes - Company income tax and deferred tax liabilities

34Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income. Current income tax is the estimated income tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

The tax currently payable is based on taxable results for the year. Taxable results differs from results as reported in the income statement because it includes not only items of income or expense that are taxable or deductible in other years but it further excludes items that are never taxable or deductible. The Company's liabilities for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

20) Financial liabilities at amortised cost

The Company classifies its financial liabilities as financial liabilities measured at amortised cost. The classification depends on the purpose for which the liabilities were incurred. Management determines the classification of its financial liabilities at initial recognition.

(a) Recognition of Financial Liabilities

Financial liabilities carried at amortised cost are mainly bond facilities. They are recognised initially at cost, being their issue proceeds (fair value of consideration received) net of transaction costs incurred.

Financial liabilities are subsequently stated at amortised cost and any difference between net proceeds and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

The effective interest method is that method of calculating the amortised cost of a financial liability and of allocating the interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(b) Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

21) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as a transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw -down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates. Borrowings are classified as current liabilities unless the company has an unconditional right to defer the settlement of the liabilities for at least twelve months after the date of the statement of financial position.

22) Borrowing costs

Borrowing costs are interest and other costs incurred by the Company directly attributable to the acquisition of qualifying assets which are assets that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs are capitalised as part of the cost of a qualifying asset only when it is probable that they will result in future economic benefits to the Company and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred.

When the carrying amount or the expected ultimate cost of the qualifying asset exceeds its recoverable amount or net realizable value, the carrying amount is written down to its recoverable amount. The Company deducts those investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets from the borrowing costs eligible for capitalisation.

23) Deposit for share

Deposit for share is recognised at cost, being the amount of deposit received from potential share holders of the company. The deposit is derecognised when the Company's equity instruments have been issued to the depositors or refund made.

24) Share capital and Share premium

Shares are classified as equity when there is no obligation to transfer cash or other assets. Any amounts received over and above the par value of the shares issued are classified as 'share premium' in equity. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

25) Contingency reserves

In compliance with Section 21(2) of Insurance Act, CAP I17 LFN 2004, contingency reserve is credited with the greater of 3% of total premium, or 20% of the net profits. This shall accumulate until it reaches the amount of greater of minimum paid-up capital or 50 percent of net premium.

26) Dividend on ordinary shares

Dividends on the Company's ordinary shares are recognised in equity in the period in which they are paid or, if earlier, approved by the Company's shareholders. Dividends for the year that are declared after the date of the statement of financial position are dealt with in the subsequent events note.

27) Revenue reserve

Revenue reserve represents amount set aside out of the profits of the Company which shall at the discretion of the directors be applicable for meeting contingencies, repairs or maintenance of any works connected with the business of the Company, for equalising dividends, for special dividend or bonus, or such other purposes for which the profits of the Company may lawfully be applied.

28) Related party transactions or insider dealings

In accordance with International Accounting Standard (IAS) 24, parties are considered related if, directly or indirectly, one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions.Where there is a related party transaction with the Company, the transactions are disclosed separately as to the type of relationship that exists with the Company and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

29) Contingent Assets and Contingent liabilities

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or the company has a present obligation as a result of past events but is not recognized because it is not likely that an outflow of resources will be required to settle the obligation; or the amount cannot be reliably estimated.

Contingent liabilities and contingent assets are never recognized rather they are disclosed in the financial statements when they arise.

30) Premiums and Unearned Premiums
Premiums written comprise the premiums on contracts incepting in the financial year. Premiums written are stated gross of commissions payable to agents and exclusive of taxes levied on premiums. The Company earns premium income evenly over the term of the insurance policy generally using the pro rata method. The portion of the premium related to the unexpired portion of the policy at the end of the fiscal year is reflected in unearned premiums.

31) Reinsurance expenses
Reinsurance expenses represent outward premium paid to reinsurance companies less the unexpired portion as at the end of the accounting year.

32) Commission income
Commission earned are recognised on ceding businesses to reinsurers and other insurance companies and are credited to the income statement.

33) Claims expenses
Claims expenses incurred consist of claims and claims handling expenses paid by the Company during the financial year together with the movement in the provision for outstanding claims.(See the accounting policy for reserve for outstanding claims above). The gross provision for claims represents the estimated liability arising from claims in the current and preceding financial years which have not yet given rise to claims paid. The provision includes an allowance for claims management and handling expenses.
The gross provision for claims is estimated based on current information and the ultimate liability may vary as a result of subsequent information and events and may result in significant adjustments to the amounts provided. Adjustments to the amounts of claims provision for prior years are reflected in the income statement in the financial period in which adjustments are made, and disclosed separately if material.

34) Acquisition costs
Acquisition costs represent commissions and other expenses related to the acquisition of insurance contract revenues written during the financial year.

35) Maintenance expenses
Maintenance expenses are expenses incurred in servicing existing policies/contract. These expenses are charged to the income statement in the accounting period in which they are incurred.

36) Investment income
This includes interest income and dividend income. Interest income is recognised in the income statement as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognised as an adjustment to the effective interest rate of the instrument. Dividend income from available-for-sale equities is recognised when the right to receive payment is established.

37) Management expenses
Management expenses are expenses other than claims, investment expenses, employee benefits, expenses for marketing and administration and underwriting expenses. They include wages, professional fee, depreciation expenses and other non-operating expenses. Management expenses are accounted for on accrual basis and recognized in the income statement upon utilization of the service or at the date of their origin.

38) Finance income and expenses
Finance income and expense for all interest-bearing financial instruments are recognised within 'finance income' and 'finance costs' in the income statement using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or liability (or company of assets and liabilities) and of allocating the finance income or finance costs over the relevant period. The effective interest rate is the rate that exactly discounts the expected future cash payments or receipts through the expected life of the financial instrument, or when appropriate, a shorter period, to the net carrying amount of the instrument. The application of the method has the effect of recognising income (and expense) receivable (or payable) on the instrument evenly in proportion to the amount outstanding over the period to maturity or repayment. In calculating effective interest, the Company estimates cash flows considering all contractual terms redemption, are included in the calculation to the extent that they can be measured and are considered to be an integral part of the effective interest rate. Cash flows arising from the direct and incremental costs of issuing financial instruments are also taken into account in the calculation. Where it is not possible to otherwise estimate reliably the cash flows or the expected life of a financial instrument, effective interest is calculated by reference to the payments or receipts specified in the contract, and the full contractual term. Once a financial asset or a company of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

39) Income tax expenses
Income tax expense comprises current income tax, education tax levy, information technology tax and deferred tax. (See policy on taxation above)

40) Earnings per share
The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

International Energy Insurance Plc

Statements of Financial Position, 31 December 2015

	Notes	2015 ₦'000	2014 ₦'000
Assets			
Cash and cash equivalents	6	697,968	952,573
Held-for-trading financial assets	7(a)	43,341	50,610
Available-for-sale financial assets	7(b)	1,105,291	1,051,628
Loans and receivables	7(c)	107,228	119,240
Trade receivables	8	13,381	12,629
Other receivables and prepayments	9	133,868	138,140
Reinsurance assets	10	381,651	739,092
Deferred acquisition costs	11	145,373	176,039
Non-current assets held for sale	12	1,044,068	986,225
Investment in subsidiaries	13	-	-
Investment properties	14	2,355,000	2,355,000
Intangible asset	15	1,079	2,158
Property, plant and equipment	16	1,720,994	1,829,924
Statutory deposit	17	322,500	322,500
Total assets		8,071,742	8,735,757
Liabilities			
Insurance contract liabilities	18	3,354,543	4,007,977
Trade payables	19	454,906	315,652
Provisions and other payables	20	1,070,172	1,064,840
Current income tax liabilities	21(b)	318,638	307,012
Deferred tax liability	21(c)	152,226	152,226
Borrowings	22	4,460,739	4,016,850
Deposit for shares	23	381,582	393,761
Total liabilities		10,192,806	10,258,318
Net liabilities		(2,121,064)	(1,522,561)
Share capital	24(b)	642,043	642,043
Share premium	25	963,097	963,097
Statutory Contingency reserve	26	1,410,580	1,295,153
Capital reserve	27	7,926,398	7,926,398
Property revaluation reserve	28	302,407	302,407
Available-for-sale financial assets revaluation reserve	29	76,310	(35,196)
Revenue reserve	30	(13,441,899)	(12,616,463)
Total equity		(2,121,064)	(1,522,561)

Signed on behalf of the Board by:

Olushina Olaogun
Chief Financial Officer
FRC/2013/ICAN/00000005263

Mr. Peter Irene
Interim Managing Director
FRC/2014/ICAN/00000006610

Mr. Muhammad K. Ahmad
Interim Chairman
FRC/2015/IODN/0000002581

The accounting policies on pages 20 to 37 and notes on pages 43 to 85 and other national disclosures on pages 86 and 87 form part of these financial statements

Auditors' report, pages 18 and 19

DATED: 20TH APRIL 2016

International Energy Insurance Plc
Statements of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2015

	Notes	2015 N'000	2014 N'000
Income			
Gross premium written			
Gross premium income	31	3,847,583	4,830,486
Reinsurance expenses	31	4,170,684	4,898,377
Net premium income	32	(1,175,816)	(734,203)
Commission income		2,994,868	4,164,174
Net underwriting income	33	94,057	132,017
Expenses		3,088,925	4,296,191
Claims expenses			
Acquisition costs	34	(1,225,156)	(1,932,706)
Maintenance expenses	35	(622,196)	(675,908)
Underwriting expenses	36	(249,010)	(454,229)
Underwriting results		(2,096,362)	(3,062,843)
Investment income		992,563	1,233,348
Other income	37	62,971	77,562
Net operating income	38	331,582	161,922
Management expenses		1,387,116	1,472,832
Finance expenses	39	(1,670,949)	(2,883,388)
Allowance for impairment of other assets	40	(398,692)	(458,486)
Loss before taxation	41	(15,858)	(2,191)
Taxation		(698,383)	(1,871,233)
	21(a)	(11,626)	(293,529)
Loss after tax			
		(710,009)	(2,164,762)
Other comprehensive income:			
Items within OCI that may be reclassified to the Profit or loss:			
Net gain/(loss) on valuation of available-for-sale financial assets	7(b)	111,506	(36,428)
Items within OCI that will not be reclassified to the Profit or loss:			
Total other comprehensive income/(loss) for the year		111,506	(36,428)
Total comprehensive loss for the year		(598,503)	(2,201,190)
Earnings per share:			
Basic (kobo)	43	(55)	(169)
Adjusted (Kobo)	43	(55)	(169)

The accounting policies on pages 20 to 37 and notes on pages 43 to 85 and other national disclosureson pages 86 and 87 form part of these financial statements

Auditors' report, pages 18 and 19

International Energy Insurance Plc.
Statements of Changes in Equity -Company
for the year ended 31 December 2015

	Note	Issued Share capital N'000	Share premium N'000	Statutory Contingency reserve N'000	Capital reserve N'000	Property revaluation reserve N'000	Reserve for available for sale financial assets N'000	Revenue reserve N'000	Total N'000
Balance 1 January 2015		642,043	963,097	1,295,153	7,926,398	302,407	(35,196)	(12,616,463)	(1,522,561)
Total comprehensive income for the year:									
Loss for the year		-	-	-	-	-	-	(710,009)	(710,009)
Other comprehensive income:									-
Changes in fair value of available for sale financial assets	29	-	-	-	-	-	111,506	-	111,506
		-	-	-	-	-	111,506	(710,009)	(598,503)
Transactions with owners recorded directly in Equity:									
Transfer to contingency reserve		-	-	115,427	-	-	-	(115,427)	-
		-	-	115,427	-	-	-	(115,427)	-
Balance 31 December 2015		642,043	963,097	1,410,580	7,926,398	302,407	76,310	(13,441,899)	(2,121,064)

The accounting po licies on pages 20 to 37 and notes on pages 43 to 85 and other national disclosures on pages 86 and 87 form part of these financial statements

Auditors' report, pages 18 and 19

International Energy Insurance Plc.
Statements of Changes in Equity -Company
for the year ended 31 December 2014

	Note	Issued Share capital N'000	Share premium N'000	Statutory Contingency reserve N'000	Capital reserve N'000	Property revaluation reserve N'000	Reserve for available for sale financial assets N'000	Revenue reserve N'000	Total N'000
Balance 1 January 2014		642,043	963,097	1,144,455	7,926,398	302,407	1,232	(10,301,003)	678,629
Total comprehensive income for the year:									
Loss for the year		-	-	-	-	-	-	(2,164,762)	(2,164,762)
Other comprehensive income:									
Changes in fair value of available-for-sale financial assets	29	-	-	-	-	-	(36,428)	-	(36,428)
		-	-	-	-	-	(36,428)	(2,164,762)	(2,201,190)
Transactions with owners recorded directly in Equity:									
Transfer to contingency reserve		-	-	150,698	-	-	-	(150,698)	-
		-	-	150,698	-	-	-	(150,698)	-
Balance 31 December 2014		642,043	963,097	1,295,153	7,926,398	302,407	(35,196)	(12,616,463)	(1,522,561)

The accounting policies on pages 20 to 37 and notes on pages 43 to 85 and other national disclosures on pages 86 and 87 form part of these financial statements

Auditors' report, pages 18 and 19

International Energy Insurance Plc.
Statements of Cash Flows
for the year ended 31 December, 2015

Cashflows from operating activities	Notes	2015 N'000	2014 N'000
Premium received from policy holders		3,846,831	4,837,631
Commission received	33	94,057	132,017
Commission Paid	35	(591,530)	(699,028)
Claims paid	34	(1,528,285)	(1,179,548)
Investment income	37	62,971	77,562
Other income		22,583	230
Operating costs and payment to employees		(2,189,549)	(2,714,314)
Tax paid	21(b)	-	(23,392)
Net cash (absorbed)/provided by operating activities	44	(282,922)	431,158
Cashflow from investing activities			
Purchase of property, plant and equipment	16	(13,769)	(152,239)
Liquidation of Held -to-maturity financial assets		-	13,964
Cancellation of IEI Anchor disposal		-	(537,500)
Proceeds from disposal of subsidiary		-	128,000
Proceeds from disposal of investment property		-	315,000
Proceeds from disposal of property, plant and equipment		8,934	8,398
Net cash outflow from investing activities		(4,835)	(224,377)
Cashflow from financing activities			
Payment of long term liability	22(e(i))	-	(184,000)
Payment of Term loan	22(d)	-	(350,000)
Deposit for shares refunded	23	(12,179)	-
Net cash outflow from financing activities		(12,179)	(534,000)
Net decrease in cash and cash equivalents		(299,936)	(327,219)
Cash and cash equivalents at the beginning of the year		926,811	1,254,030
Cash and cash equivalents at the end of the year	45	626,876	926,811

The accounting policies on pages 20 to 37 and notes on pages 43 to 85 and other national disclosures on pages 86 and 87 form part of these financial statements

Auditors' report, pages 18 and 19

International Energy Insurance Plc.
Statements of Cash Flows
for the year ended 31 December, 2015

1) General Information

The Company was incorporated as Nigeria Exchange Insurance Limited on 26 March,1969. The name was changed to Mutual Life and General Insurance Limited in 1995. In the year 2000, the name of the Company was changed to Global Assurance Limited. In 2003, the Company's name was changed to International Energy Insurance Limited following the acquisition of 70% of the shares of Global Assurance Limited by SKI Consult. The Company merged its operations with Rivbank Insurance Limited on 30 November, 2006 with the name of the combined business changing to International Energy Insurance Plc, thereafter, the Company was listed on the Nigeria Stock Exchange in 2007.

Principal activities

The activities of the Company include general insurance business with special focus on Oil and Energy. The activities include insurance underwriting, claims administration and management of liquidity by investing the surplus in fixed deposits, bonds and treasury bills.

2) Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are disclosed on pages 20-37. These policies have been consistently applied to all the years presented, unless otherwise stated.

3) Critical accounting estimates and judgments

The Company makes estimates and assumptions about the future that affects the reported amounts of assets and liabilities. Estimates and judgments 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. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in income statement in the period of the change, if the change affects that period only; or in the period of the change and future periods, if the change affects both.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to 'the carrying amounts of assets and liabilities within the next financial year are discussed below.

i Income taxes

The Company periodically assesses its liabilities and contingencies related to income taxes for all years open to audit based on the latest information available. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

ii Impairment of property, plant and equipment

The company assesses assets or groups of assets for impairment annually or whenever events or changes in circumstances indicate that carrying amounts of those assets may not be recoverable. In assessing whether a write-down of the carrying amount of a potentially impaired asset is required, the asset's carrying amount is compared to the recoverable amount. Frequently, the recoverable amount of an asset proves to be the Company's estimated value in use.

The estimated future cash flows applied are based on reasonable and supportable assumptions and represent management's best estimates of the range of economic conditions that will exist over the remaining useful life of the cash flow generating assets.

iii Insurance contracts

The uncertainty inherent in the financial statements of the Company arises principally in respect of the technical provisions. The technical provisions of the Company include Provision for Unearned Premiums and Outstanding claims (including IBNR).

(a) Estimates of future claims payments

Outstanding claims provision is determined based upon knowledge of events, terms and conditions of relevant policies, on interpretation of circumstances as well as previous claims experience. Similar cases and historical claims payment trends are also relevant.

The Company employs a variety of techniques and a number of different bases to determine appropriate provisions. These include:

terms and conditions of the insurance contracts;
knowledge of events;
court judgements;
economic conditions;
previously settled claims;
triangulation claim development analysis;
estimates based upon a projection of claims numbers and average cost; and expected loss ratios.

Large claims impacting each relevant business class are generally assessed separately, being measured either at the face value of the loss adjuster's recommendations or based on management's experience.

Provisions are calculated gross of any reinsurance recoveries. A separate estimate is made of the amounts that will be recoverable from reinsurers based upon the gross provision and having due regard to collectability.

(b) Sensitivity

The reasonableness of the estimation process is tested by an analysis of sensitivity around several different scenarios and the best estimate is used.

(c) Uncertainties and judgements

The uncertainty arising under insurance contracts may be characterised under a number of specific headings; such as:

- uncertainty as to whether an event has occurred which would give rise to a policy holder suffering an insured loss;
- uncertainty as to the amount of insured loss suffered by a policyholder as a result of the event occuring;
- uncertainty over the timing of a settlement to a policyholder for a loss suffered.

The degree of uncertainty will vary by policy class according to the characteristics of the insured risks. For certain classes of policy, the maximum value of the settlement of a claim may be specified under the policy terms while for other classes, the cost of a claim will be determined by an actual loss suffered by the policyholder.

There may be some reporting lags between the occurrence of the insured event and the time it is actually reported. Following the identification and notification of an insured loss, there may still be uncertainty as to the magnitude and timing of the settlement of the claim. There are many factors that will determine the level of uncertainty such as judicial trends, unreported information etc.

iv Reinsurance

The Company is exposed to disputes on, and defects in, contract wordings and the possibility of default by its reinsurers. The Company monitors the financial strength of its Reinsurers. Allowance is made in the financial statements for non recoverability due to reinsurers default.

v Held-to-maturity financial assets

The Company follows the guidance of International Accounting Standard (IAS) 39. Financial Assets "Recognition and Measurement" on classifying non-derivative financial assets with fixed or determinable payments and fixed maturity as held-to-maturity finacial assets. This classification requires significant judgement. In making this judgement, the Company evaluates its intention and ability to hold such investments to maturity.

If the Company fails to keep these investments to maturity other than for specific circumstances explained in IAS 39, It will be required to reclassify the whole class as available -for-sale. The investments would therefore be measured at fair value not amortised cost.

vi **Impairment of available -for-sale financial assets**

The Company follows the guidance of IAS 39 on determining when a financial asset is other than temporarily impaired. This determination requires significant judgement. In making this judgement, the Company evaluates, among other factors, the duration and extent to which the fair value of a financial asset is less than its cost, and the financial health of and n ear-term business outlook of the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

vii **Impairment of other assets**

At each statement of financial position date, management reviews and assesses the carrying amounts of the other assets and where relevant, writes them down to their recoverable amounts based on best estimates.

viii **Fair value estimation**

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date.

4) **Fair Value Hierarchy**

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of fair value hierarchy. This grouping is determined based on the lowest level of 'significant inputs used in fair value measurement, as follows:

- level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities
- level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e as prices) or indirectly (ie derived from prices)
- level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The hierarchy of the fair value measurement of the Company's financial assets and financial liabilities are as follows:

Company

31 December 2015	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Fair value through profit or loss	43,341	-	-	43,341
Available-for-sale fiancial assets	-	-	1,105,291	1,105,291
Loans and receivables	-	-	107,228	107,228
Trade receivables	-	-	13,381	13,381
Other receivables excluding prepayments	-	-	104,967	104,967
Total	43,341	-	1,330,867	1,374,208
Liabilities				
Trade payables	-	-	454,906	454,906
Other payables excluding accruals and provision	-	-	695,576	695,576
Borrowings	-	-	4,460,739	4,460,739
Total	-	-	5,611,221	5,611,221
Net fair value	43,341	-	(4,280,354)	(4,237,013)

Company

31 December 2014	Level 1	Level 2	Level 3	Total
Assets				
Fair value through profit or loss	50,610	-	-	50,610
Available-for-sale financial assets	-	-	1,051,628	1,051,628
Loans and receivables	-	-	119,240	119,240
Trade receivables	-	-	12,629	12,629
Other receivables excluding prepayments	-	-	104,792	104,792
Total	50,610	-	1,288,289	1,338,899
Liabilities				
Trade payables	-	-	315,652	315,652
Other payables excluding accruals and provision	-	-	687,347	687,347
Borrowings	-	-	4,016,850	4,016,850
Total	-	-	5,019,849	5,019,849
Net fair value	50,610	-	(3,731,561)	(3,680,951)

For held for trading, fair values have been determined by reference to their quoted bid prices at the reporting dates.

5a) **Management of insurance and financial risk**

The Company iss ues contracts that transfer insurance risk. This section summarises the main risks linked to short-term insurance business and the way they are managed.

i Insurance risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is fortuitous and therefore unexpected and unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Company faces under its insurance contracts is that the actual claims and indemnity payments exceed the carrying amount of the insurance liabilities.

The Company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

ii Frequency and severity of claims

The frequency and severity of claims can be affected by several factors the most significant resulting from events like fire and allied perils and their consequences and liability claims. Inflation is another factor that may affect claims payments.

Underwriting me asures are in place to enforce appropriate risk selection criteria or not to renew an insurance contract.

The reinsurance arrangements for proportional and non-proportional treaties are such that the Company is adequately protected and would only suffer predetermined amounts.

iii Concentration of insurance risk

The following table discloses the concentration of claims by class of business and the gross future claims paid that are incurred by the Company:

Outstanding claims

Class of Business	2015			2014		
	Gross OCR	Gross IBNR	Total	Gross OCR	Gross IBNR	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Fire	158,018	98,126	256,144	458,649	33,047	491,696
General accident	273,840	45,258	319,098	340,878	100,914	441,792
Marine	68,888	23,356	92,244	248,400	47,344	295,744
Motor	241,941	73,252	315,193	281,989	121,024	403,013
Oil and gas	1,066,083	106,135	1,172,218	599,528	147,940	747,468
Bond	211,503	1,025	212,528	295,978	2,555	298,533
Workmen	-		-	4,749	14,763	19,512
	2,020,273	347,152	2,367,425	2,230,171	467,587	2,697,758

The Company manages insurance risks through the underwriting strategy, adequate reinsurance arrangements and proactive claims handling. The underwriting strategy attempts to ensure that t he underwritten risks are well diversified in terms of type and amount of risk and class of business.

iv **Sources of uncertainty in the estimation of future claim payments**

Claims are payable on a claims-occurrence basis. The Company is liable for all insur ed events that occurred during the term of the contract, even if the loss is discovered after the end of the contract term. As a result, liability claims are settled over a long period of time and a larger element of the claims provision relates to incurred but not reported claims (IBNR). There are several variables that affect the amount and timing of cash flows from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and the risk management procedures they adopted. The compensation paid on these contracts is the monetary awards granted.

The Company claims are short term and are settled within a short time and the Company's estimation processes reflect with a higher degree of certainty all the factors that influence the amount and timing.

The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty establishing claims provisions, it is li kely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprise a provision for IBNR and a provision for reported claims not yet paid at the balance sheet date. The Company has ensured that liabilities on the balance sheet at year end for existing claims whether reported or not, are adequate.

The Company has in place a series of quota-share and excess of loss covers in each of the last four years to cover for losses on these contracts.

v **Financial risk**

The Company is exposed to financial risks through its financial assets, financial liabilities and insurance and reinsurance assets and liabilities. In particular, the key financial risk is that investme nt proceeds are not sufficient to fund obligations arising from insurance contracts.

The most important components of this financial risk are:

- Market risk (which includes currency risk, interest rate risk and equity price risk)
- Credit risk;
- Liquidity risk;
- Capital management; and
- Fair value estimation

These risks arise from open position in interest rate, currency and equity products, all of which are exposed to general and open market movements.

The Company' s risk management policies are designed to identify and analyse risks, to set appropriate risk limits and control, and monitor the risks and adherence to limits by means of reliable and up -to-date administrative and information systems.

The Company regularly reviews its risk management policies and systems to reflect changes in ma rkets, products and emerging best practice.

The Board recognises the critical importance of having efficient and effective risk management policies and systems in place.

To this end, there is a clear organisational structure with delegated authorities and responsibilities from the Board to Board Committees, executives and senior management, individual responsibility and accountability are designed to deliver a disciplined, conservative and constructive culture of risk management and control.

vi **Market risk**

Market risk is the risk of adverse financial impact due to changes in fair value of future cashflows of financial instruments from fluctuations in foreign currency exchange rates, interest rates and equity prices.

The Company has established policies which set out the principles that they expect to adopt in respect of management of the key market risks to which they are exposed. The Company monitors adherence to this market risk policy through the Company's Investment Committee. The Company's Investment Committee is responsible for managing market risk.

The financial impact from market risk is monitored at board level through investment reports which examine impact of changes in market risk in investment returns and asset values. The Company's market risk policy sets out the principles for matching liabilities with a ppropriate assets, the approaches to be taken when liabilities cannot be matched and the monitoring processes that are required.

vii Currency risk

The Company has a number of investments in foreign currencies which are exposed to this currency risk. The Investment Committ ee closely monitors currency risk exposures against pre-determined limits. Exposure to foreign currency exchange r isk is not hedged.

The Company total assets and liabilities by currency is detailed below:

At December 31 2015	N'000	¥'000	£'000	$'000	€'000	Total
Assets:						
Non-currents assets	6,548,932	-	-	-	-	6,548,932
Current assets	824,842	-	-	-	-	824,842
Bank balances, deposits and cash	- 618,446	-	107	73,923	5,492	697,968
TOTAL ASSETS	7,992,220	-	107	73,923	5,492	8,071,742
Liabilities:						
Current liabilities	5,579,841	-	-	-		5,579,841
Non-current liabilities	223,318	4,389,647	-	-		4,612,965
TOTAL LIABILITIES	5,803,159	4,389,647	-	-		10,192,806

Sensitivity

If the Naira had weakened/strengthened against the following currencies with all variables remaining constant, the impact on the results for the year would have been as shown below mainly as a result of foreign exchange gains/losses:

Impact on Results :	NGN	Pounds (Converted to NGN)	USD (Converted to NGN)	Euro (Converted to NGN)	Carrying Value N'000	+ 5% N'000	- 5% N'000
Company							
At 31 December 2015							
Bank balances and deposits	618,446	107	73,923	5,492	697,968	3,976	(3,976)
At 31 December 2014							
Bank balances and deposits	667,130	96	280,725	4,622	952,573	14,272	(14,272)

Limitations of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non -linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Company's assets and liabilities are actively managed . Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Company's views of possible near -term market changes that cannot be predicted with any certainty.

viii **Interest rate risk**

Interest rate risk arises from the Company's investments in long term debt securities and fixed income securities (Held -to-Maturity financial assets), bank balances and deposits which are exposed to fluctuations in interest rates. Exposure to interest rate risk on short term business is monitored by the Investment Committee through a close matching of assets and liabilities. The impact of exposure to sustained low interest rates is also regularly monitored.

The impact on the Company's results, had interest rates varied by plus or minus 1% would have been as follows:

Company	Carrying value	Impact on results	
		+ 1%	- 1%
At 31 December 2015		N'000	N'000
- Bank balances and deposits	697,968	704,948	690,988
- Borrowings	4,460,739	4,505,346	4,416,132
		+ 1%	- 1%
At 31 December 2014		N'000	N'000
- Bank balances and deposits	952,573	962,099	943,047
- Borrowings	4,016,850	4,057,019	3,976,682

ix **Equity price risk**

The Company is subject to price risk due to daily changes in the market values of its equity securities portfolio. Equity price risk is actively managed in order to mitigate anticipated unfavourable market movements. In addition, local insurance regulations set the capital required for risks associated with type of assets held, investments above a certain concent ration limit, policy liabilities risk, catastrophes risks and reinsurance ceded.

The Investment Committee actively monitors equity assets owned directly by the Company as well as concentrations of specific equity holdings. Equity price risk is also mitiga ted as the Company holds diversified portfolios of local investments in various sectors of the economy.

Sensitivity

The impact on the Company's shareholders' equity, had the equity market values increased/decreased by 1% and 5% with other assumptions left unchanged, would have been as follows:

2015

Company	Carrying value	Increase by 1%	Increase by 5%	Decrease by 1%	Decrease by 5%
Financial assets					
Listed equities (HFT)	43,341	433	2,167	(433)	(2,167)
Unlisted equities (AFS)	1,105,291	11,053	55,265	(11,053)	(55,265)
Impact on profit before tax		11,486	57,432	(11,486)	(57,432)
Tax charge of 30%		3,446	17,229	(3,446)	(17,229)
Impact on profit after tax		8,040	40,202	(8,040)	(40,202)

2014

Company		Increase by 1%	Increase by 5%	Decrease by 1%	Decrease by 5%
Financial assets					
Listed equities (HFT)	50,610	506	2,531	(506)	(2,531)
Unlisted equities (AFS)	1,051,628	10,516	52,581	(10,516)	(52,581)
Impact on profit before tax		11,022	55,112	(11,022)	(55,112)
Tax charge of 30%		3,307	16,534	(3,307)	(16,534)
Impact on profit after tax		7,716	38,578	(7,716)	(38,578)

The amounts presented in the balance sheets are net of allowances for estimated irrecoverable amount receivables, based on management's prior experience and the current economic environment.

The Company has no significant concentration of credit risk in respect of its insurance business with exposure spread over a large number of clients, agents and brokers. The Company has policies in place to ensure that sales or services are made to clients, agents and brokers with sound credit history.

x **Reinsurance credit exposures**

The Company is however exposed to concentrations of risks with respect to their reinsurers due to the nature of the reinsurance market and the restricted range of reinsurers that have acceptable credit ratings. The Company is exposed to the possibility of default by their reinsurers in respect of share of insurance liabilities and refunds in respect of claims already paid.

The Company manages it s reinsurance counterparty exposures and the reinsurance department has a monitoring role over this risk.

This exposure is monitored on a regular basis for any shortfall in the claims history to verify that the contract is progressing as expected and thatno further exposure for the Company will arise.

Management also monitors the financial strength of reinsurers and there are policies in place to ensure that risks are ceded to top-rated and credit worthy reinsurers only.

- **Premium and Reinsurance Receivables**

Reinsurance is used to manage insurance risk. This does not, however, discharge the Company's liability as a primary insurer. If a reinsurer fails to pay a claim for any reason, the Company remains liable for the payment to the policyholder. The creditworthiness of reinsurers is considered on an annual basis by reviewing their financial strength prior to finalization of any contract.

The Credit Control Committee works closely with the Underwriting and Reinsurance Committees to a ssess the creditworthiness of all reinsurers and intermediaries by setting and reviewing regularly the credit rating of each reinsurer using internal records and other publicly available financial information.

Individual operating units maintain records of the payment history for significant contract holders with whom they conduct regular business. The exposure to individual counterparties is also managed by other mechanisms, such as the right of offset where counterparties are both debtors and creditors of the Company. Management information reported to the Company includes details of provisions for impairment on loans and receivables and subsequent write-offs. Internal audit makes regular reviews to assess the degree of compliance with the Company's proc edures on credit.

Exposures to individual policyholders and groups of policyholders are collected within the ongoing monitoring of the controls associated with regulatory solvency. Where there exists significant exposure to individual policyholders, or hom ogenous companys of policyholders, a financial analysis equivalent to that conducted for reinsurers is carried out by the Company's risk department.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for companys of similar assets in re spect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

International Energy Insurance Plc
Financial Statements, 31 December 2015
Notes to the Financial Statements

5 (b) ENTERPRISE RISK MANAGEMENT (ERM)

ERM as defined Under COSO framework is "a process, effected by an entity's board of directors, management and other personnel, applied in a strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risk to be within its risk appetite, to provide reasonable assurance regarding the achievement of entity objectives".

At International Energy Insurance Plc, we recognize the presence of risk in our value chain, business model and other processes of delivering value to our stakeholders. We are therefore committed to establishing due processes for identifying, assessing, monitoring, controlling and mitigating all material risks in the business of the company as embedded in the Company's ERM framework.

IEI Plc in adopting COSO ERM framework, defines ERM in its framework as the discipline by which International Energy Insurance Plc assesses, controls, exploits, finances, and monitors risks from all sources for the purpose of increasing the IEI Plc short- and long-term value to its Stakeholders.

Risk Management Philosophy, Principles and Culture

The Enterprise Wide Risk Management process of the company is guided by the following core principles:

Embedding

ERM and Internal Control framework shall be fully embedded within the major functional and operational processes just as strategic planning and performance measurement system.

Consistency

The company shall adopt a consistent method for the identification, assessment, monitoring, mitigation, control and communication of risks associated with all of its activities, functions, processes, and events in an effort to efficiently and effectively achieve its corporate objectives.

Risk Awareness

A result driven and risk awareness culture shall be nurtured to move the company to a position where decisions are taken with full consideration of relevant risks and their implications.

Ownership

Specific risk owners within the company's workforce as well as the members of the Board shall have sound understanding of the risk impacting their operations or areas of responsibility and beable to respond with appropriate strategies and mechanisms to identify, assess, monitor and control those risks.

Accountability

risk owners within the company's workforce shall be accountable for the risk management actions in their respective areas of responsibility. The Board shall provide adequate oversight, control, review and approve risk strategies, plans and budgets prepared by management.

Authority

Risk owners must have the required level of authority and flexibility to determine and execute the proper course of action to manage the risk in their respective areas of responsibility.

Communication

The Company's information system will be continually updated to accommodate data output necessary for proper assessment and monitoring of risks.

Risk Management Process

The Company's disciplined approach to risk management is iterative, scalable, and includes the steps below. Consistent application of this process enables continuous improvement in decision making and performance.

Communication and Dialogue: Communication and dialogue with internal and external stakeholders should take place at every relevant stage of the risk management process.

Establishing the Context: This defines the internal and external parameters to be taken into account when managing risk, and setting the scope and risk criteria for the remaining process.

Risk Identification: The purpose of this step is to generate a comprehensive list of risks based on those events that might enhance, prevent, degrade, or delay the achievement of the objectives.

Risk Analysis: Risk analysis is about developing an understanding of the risk by considering the causes and sources of risk, their positive and negative consequences, and the likelihood that those consequences can occur. Existing risk controls and their effectiveness should be taken into account.

Risk Evaluation: The purpose of risk evaluation is to assist in making decisions based on the outcomes of risk analysis about which risks need treatment and to prioritize treatment implementation for those unacceptable risks (i.e. those that exceed risk tolerance).

Risk Treatment: This involves the selection of one or more options for modifying unacceptable risks and implementing those options. Risk treatment options include: avoiding the risk, seeking out an opportunity, removing the source of risk, changing the likelihood, changing the consequence, sharing the risk with another party, and retaining the risk by choice.

Monitoring and Review: This step encompasses all aspects of the risk management process to:·

- Analyze and learn lessons from events, changes, and trends.
- Detect changes in the external and internal context including changes to the risk itself.
- Ensure that the risk controls and treatment measures are effective in both design and operation.
- Identify emerging risks.

Risk Identification

IEI Plc's focus in risk identification is capturing all the possible risks associated with an event, activity, project, roles or management decisions. It also covers the impact of an event occurring on the identified success criteria.

Risk Assessment
Risks is measured in terms of likelihood and consequences on both inherent and residual basis (pre and post controls). IEI in accessing the likelihood and consequences of risk uses both qualitatively or quantitatively measures depending on the risks being considered.

Risk Appetite
Risk appetite is the level of risk that the company is willing to accept in fulfilling its business objectives. The purpose of the risk appetite is to assist in the process of setting the company's strategic objective and in the management of risks.

At IEI, we have an articulated risk appetite limits for various classes of risk in it is written which has been approved by Management and Board.

Risk Culture:
Risk culture is the system of values and behaviors present in the organization that shapes risk decisions of management and employees. IEI ensures a common understanding of the organization and its business purpose amongst its employees. Employees understand that risk and compliance rules apply to everyone as they work towards business goals. This understanding is to ensure that IEI "does the right thing" all the time.

IEI propagates a strong risk culture and supports employee's training to understand how to make educated risk-related decisions to ensure consistent risk behavior in the organization.
To ensure a good risk culture IEI:
i. Propagates a positive corporate culture
ii. Actively ensures observation of policy and procedures
iii. Ensures effective use of technology in its management processes.

Governance Structure:
The Company has a structure in place for the management of enterprise-wide risk. Within this structure, clearly defined roles and responsibilities are assigned at three distinct levels:

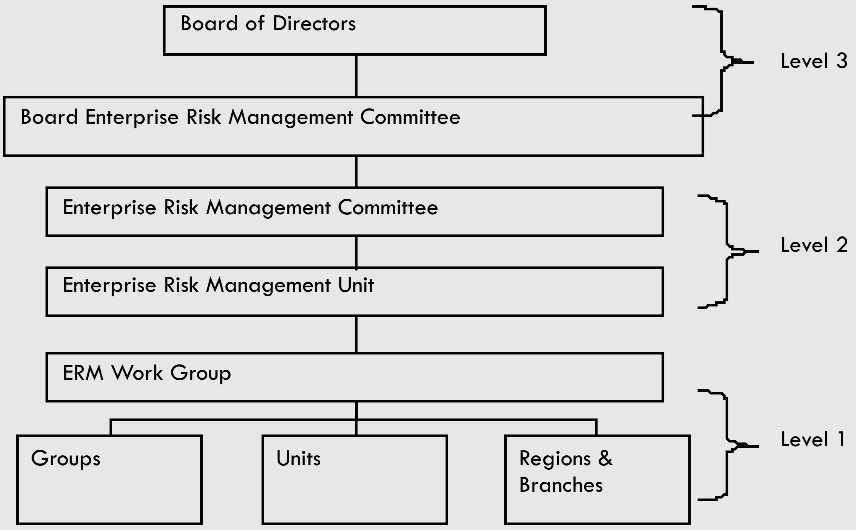
I. **Level 3** is the Board oversight function which is performed by the Board of Directors and the Board Enterprise Risk Management Committee (BERMC).

ii. **Level 2** is the Executive/Senior Management function which is performed by the Enterprise Risk Management Committee (ERMC), the Chief Risk Officer and the Group/Unit Risk Managers. This level will have direct responsibility for implementing the enterprise risk framework, methodologies, policies and procedures approved by the Board of Directors.

iii. **Level 1** is the operational function which is performed by all enterprise wide Business, Functional and Support Units. The Business, functional and Support Units are expected to comply with all established policies and procedures, and to manage the risk exposures that arise as a result of their daily operations.

Enterprise risks exist within all processes, systems and products. The Business / Support Units and the ERM Group staff shall jointly be responsible for defining and reviewing controls to mitigate identified risks. The Business and Support Units are fully accountable and responsible for risk exposures within their areas of responsibility.

The central ERMC, under the leadership of the Chief Risk Officer shall provide the required support to the various Group/Units to facilitate the day-to-day management of all risks.



Responsibilities:

The Board of Directors

The Board of Directors shall be responsible for:

i. Approving the IEI Plc ERM framework and policies.
ii. Periodically reviewing the ERM framework and policies to ensure that these remain relevant and up to date at all times.
iii. Delegation of suitable responsibilities pertaining to the management of enterprise-wide risk to the ERMC.

The Board Enterprise Risk Management Committee (BERMC)

The Board Enterprise Risk Management Committee (BERMC) is comprised of nominated Non-Executive Directors and the Executive Directors including the Chief Risk Officer of the company. The BERMC is a standing sub-committee of the Board of Directors.

The committee is responsible for:

i. Defining the Company's optimal en terprise risk management framework.
ii. Approving the enterprise-wide definition of all risks identified.
iii. Approving all policies aimed at identifying, assessing, monitoring, controlling, mitigating and measuring the risks.
iv. Establishing a management structure capable of implementing the firm's ERM framework.
v. Setting up IEI Plc risk appetite and tolerance levels and prioritizing ERM activities.
vi. Approving the ext ent and manner of all risk transfer mechanisms employed by the IEI Plc (e.g. the use of insurance or outsourcing).
vii. Ensuring that all ERM decisions made by the Board are effectively implemented by the ERM Committee.

viii. Reviewing all risk reports(including operational, strategic, Insurance, hazard and financial risk) indicating levels of compliance with policies, major control lapses and corrective actions taken and determining the adequacy of the IEI Plc current operational policies and procedures in light of any weaknesses identified.

ix. Ensuring that the IEI Plc enterprise risk management framework is periodically subjected to effective and comprehensive internal audit by suitably qualified individuals.

The ERM Committee

The Enterprise Risk Management Committee (ERMC) comprises the Chief Operating Officer, Chief Risk Officer, Head of Energy Group, Head of Underwriting, Head of Human Capital Development, Head of Corporate Services, Head of Corporate Communications, Company Secretary, the Chief Finance Officer, Head of Internal Control/Compliance, Head of Strategic Planning/ERM, Head of Regional/Branch Operations, Head of Investments and Head of ICT. This committee is accountable to the BERMC and ultimately to the Board of Directors.

This committee is responsible for:

i. Ensuring full implementation of the ERM framework approved by the BERMC and the Board of Directors within all Groups/Units.

ii. Monitoring the implementation of policies, processes and procedures for managing operational risk in all of the company's material products, activities, processes and systems.

iii. Ensuring that clear roles and responsibilities for the management of the risks are defined throughout all levels of the organization, including all Groups/Units. Providing support to the Chief Risk Officer to ensure that a culture of compliance is entrenched throughout the organization.

iv. Ensuring that there are adequate systems for maintaining accounting records, safeguarding assets of the organization, prevention and detection of fraud and other irregularities, and maintaining an effective system of internal controls.

v. Regularly reviewing risk reports, indicating levels of compliance with policies, major control lapses and defining the corrective action necessary to correct identified weaknesses.

vi. Creating appropriate incentives to improve the company-wide management of risks.

The Chief Risk Officer

The Chief Risk Officer is responsible for:

i. Championing, coordinating and acting as catalyst for enterprise wide risk management initiatives.
ii. Formulating and developing policies, system and procedures for risk identification, measurement, monitoring and control aligned with the strategic direction and risk appetite defined by the Board.
iii. Ensuring custody, maintenance and updating of all risk management policies.
iv. Ensuring the successful implementation of all risk management policies and procedures.
v. Supervising the heads of Units in the ERMC.
vi. Representing top management on all risk committees.
vii. Creating IEI Plc awareness of the organization's risk policies and ensuring a strong risk awareness culture amongst all categories of staff.

Audit Committee

The Audit Committee assist the Board of Directors in fulfilling its oversight responsibilities in respect of, the integrity of the company's financial reporting process and systems of internal controls regarding finance and accounting and the integrity of the company's financial statements.

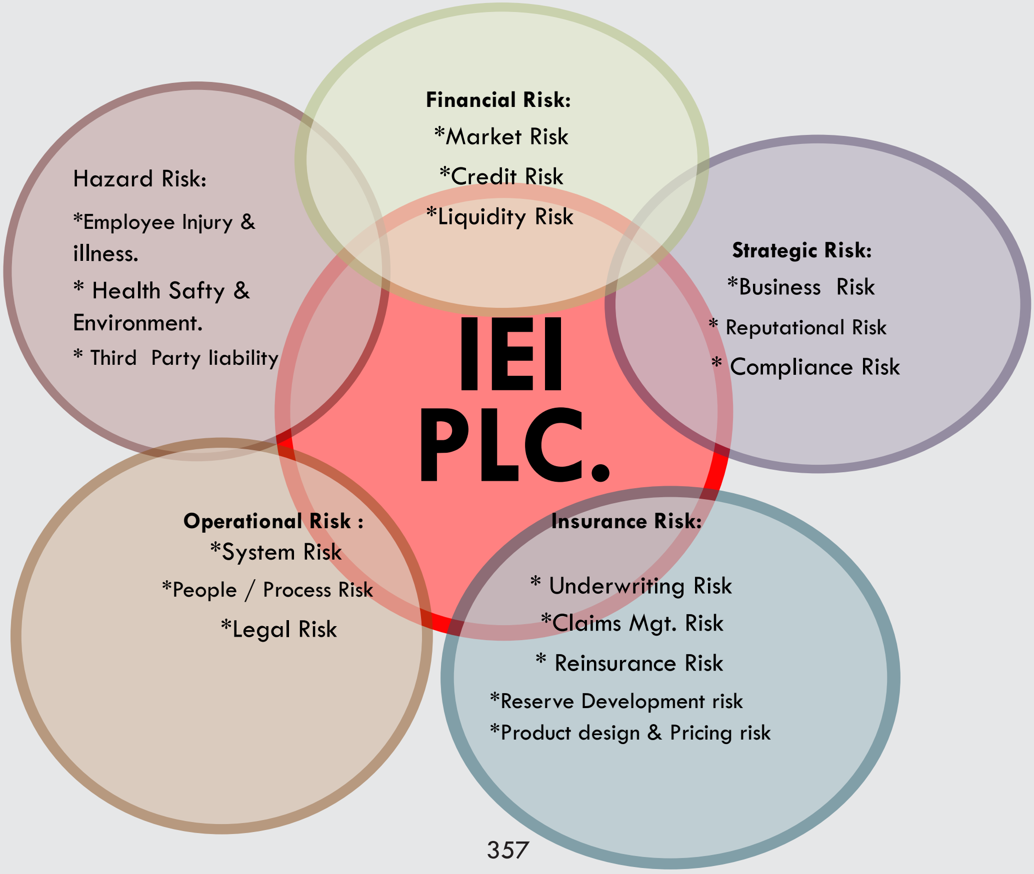
It is the responsibility of the Board of Directors to ensure that all records are accurate and correctly reflect the financial position of the company. The Board is mindful of the fact that great reliance is placed by potential investors on the accuracy of information contained in its financial statements. Inorder to ensure the accuracy of its records, the Board sets standards and management implements systems of internal control, comprising of policies, standards and procedures to ensure the safety ofassets and reduction of the risk of loss, errors, fraud and other irregularities.

The Audit Committee is a statutory committee established in accordance with the Comp anies and Allied Matters Act, CAP C20, laws of the Federal Republic of Nigeria 2004. The committee is made up of non - Executive Directors and shareholders. Representatives appointed at the Annual General Meeting ("AGM"). Its terms of reference include:

- To ascertain whether the accounting and reporting policies of the company are in accordance with legal requirements and agreed ethical practices.
- To review the scope and planning of audit requirements
- To review findings on management matters in conjunction with external auditor.
- To make recommendations to the Board with regard to the appointment, removal and remuneration of the external auditor of the company.
- To receive quarterly reports of the internal auditor.

MATERIAL RISK EXPOSURES

The diagram below shows the various risk categories that the organization is exposed to. Our ERM processrecognizes the interconnectivity of each risk to the other and ensures that processes are put in place to adequately manage each risk and to have a holistic view of the Companȳ wide Risk exposure.



International Energy Insurance Plc
Financial Statements, 31 December 2015
Notes to the Financial Statements

FINANCIAL RISKS: These are the risks of loss arising from and around the use of money. They are the risks whose potential damage can be reduced by having additional capital. Financial risk is also the exposure to adverse events that erode profitability and in extreme circumstances bring about business collapse. It can include the failure of financial systems, regulatory non-conformances or compliance issues.

This is further classified under:
Market Risk: This refers to worsening financial condition arising from adverse movements in the level of volatility of market prices. It involves the exposure to movement of financial variables such as; equity prices, interest rates or exchange rates. It is usually introduced into a company's operations through variations in financial markets that cause changes in asset values, product or portfolio valuation.

These four (4) risk exposures to Market risks arise through the following:
Interest rate risk: the potential risk that the value of fixed income assets will plummet owing to movements in market interest rates.
Equity price risk: represents the potential risk of loss in our investment in stocks, occasioned by volatility in the stock market.

Foreign exchange risk: potential risk of loss of an asset value held in foreign currency due to changes in currency exchange rates.
Property price risk: The Company's portfolio is subject to property price risk arising from changes in the market value of properties.
One of the ways IEI mitigates this risk is by following the market trend and hedge the inherent risk such as negotiating for low interest rate on its borrowings and high interest on its fixed deposits investment among others.

Credit Risk: This is the risk of loss caused by failure of a counter-party or issuer to meet its obligations. Credit risks arise anytime an organization's funds are extended, committed, invested or otherwise exposed through actual or implied contractual agreements. Credit risk also arises when there is the possibility that clients may default on their principal or interest obligations.

IEI Credit Risk Management
i. Owning the credit policy and ensuring that it is adhered to.
ii. Setting monitoring and reviewing credit limits
iii. Assessing potential credit risk events
iv. Measuring and monitoring monthly credit exposure
v. Performing credit analysis.

At IEI, we determine counterparty credit quality by reference to ratings from independent rating agencies either locally or internationally. Where such is not available, the company structures the level of credit with third parties such as insurance brokers based on their credit history and volume of business with the company. With the introduction of No Premium No Cover this risk has drastically reduced.

C. Liquidity Risk: This is the risk that a firm has insufficient cash to meet its cash obligations and will either become insolvent or suffer losses from borrowing and selling assets below market price or paying contractual penalties.

Types of Liquidity Risk
Market liquidity: If the instruments it trades can easily be bought or sold in quantity with little impact on market prices.
ii. Asset liquidity: If the asset is easily sold
iii. Institutional liquidity: When an organization can easily meet its needs for cash

The following principles guides financial risk management in the company:
i. A deliberate management of its investment portfolio to ensure that the risk of excessive concentration to any one class, industry, or sector is minimized, as well as to ensure portfolio flexibility and liquidity.
ii. A strict adherence to policy to ensure that exposures in any one investment class, industry or sector is determined by the regulatory guidelines, clearly defined internal policies and balance sheet management guidelines.
iii. The executive management shall be responsible for establishing a robust liquidity management framework that ensures sufficient liquidity to withstand a range of stressed events.
iv. The financial risk procedural manual shall spell- out the operational steps and procedures for executing relevant controls to prevent the occurrence or reduce the impact of financial risk event. The manual shall be periodically reviewed and updated to take into account new activities, system changes, and structural changes i n the industry.
v. The Board shall approve all strategies and policies in respect of financial risk management.
vi Evaluation of the effectiveness of the financial risk management process and the internal control system may be carried out by external consultant/auditors periodically.

The company's financial risk policy and strategy is anchored on the following:
Investment portfolio diversification which involves the application of the company's investible funds in a wide range and class of financial instruments, such as: Equity, debt, foreign exchange, government security and bonds, commodity trading and real estate.
Investment risk taking within well-defined limits with the sole purpose of creating and enhancing shareholder's value and competitive advantage.iii.
Effective utilization of company's liquidity position.2.

Strategic Risk: This is the current and prospective impact on earnings or capital arising from adverse decisions, improper implementation of decisions or lack of responsiveness to industry changes. This risk is a function of the compatibility of an organization's strategic goals together with the business strategies developed to achieve those goals, the resources deployed against these goals, and the quality of implementation in order to build and protect its value.

This is further classified under:
A. Business risk: is a major risk type of strategic risk and this deals with issues such as - the state of the economy, actions of competitors, research and

development capacity, price fluctuations and significance to new technology.

B. Reputational Risk: This is the risk of events that may undermine public trust in a company's brand. It is the damage done by a reputation risk event arising out of negative publicity about the company's business practices, conduct or financial condition. IEI Plc understands that Trust and integrity are essential for maintaining longstanding customer relationship and for building new ones and there establishes measures to manage its reputational risk exposes.

C. Compliance Risk: This is the risk arising from failure to anticipate emerging regulatory requirements which may hinder or lead to outright closure of the Insurer's business, sanction, fine or suspension of license due to inability to comply within stipulated period.

IEI Strategic Risk

IEI Plc has in place a clearly defined strategic risk management framework that provides the board and management with guidance and prescribe tolerable strategic risk related losses considering available capital and levels of other strategic risk exposures.

The Company's strategic risk policy is anchored on the following:

i. Taking a strategic view of Enterprise Risk with full consideration of how external and internal events or scenario can affect the company's ability to achieve its objectives.
ii. Creating a framework to identify, link, and prioritize the company's strategic risks which can encompass a broad spectrum including customer risk, innovation risk, brand and reputation risk, and regulatory risk.
iii. Defining a tolerable level of strategic risk as a guide for strategic decision making which is embedded in strategy setting and strategy management.

Insurance risk: This is the risk of loss arising out of inadequate or failed re-insurance program, inefficient claims management or weak underwriting system. Such risks are inherent in the systems and controls surrounding the underwriting processes which may bring about unexpected loss that threatens the capital adequacy of the insurer.

The basic risk types in insurance risk management for the company are:

i. Insurance Underwriting Risk: The risk inherent in the systems and controls surrounding the Underwriting process which may bring about an unexpected loss that threatens the capital adequacy of the Insurer.

Claims Management risk: This is the risk of failure of the claims settlement process. It is the risk that the insurer may be unable to manage the claims settlement process by which it fulfills its contractual obligations to policy holders'.

Reinsurance risk: This is the risk of inadequate re-insurance cover which may be triggered by insolvency of a re-insurer, discovery of exposures without current re-insurance coverage, or exhaustion of re-insurance cover through multiple losses.

Reserve Development risk: This is the risk that the Insurance liabilities of an Insurer net of re-insurance and other recoveries in respect of those liabilities will be inadequate to meet the net amount payable when such liabilities crystallize.

Premium default risk: This is the risk arising out of the inability of the insurer to collect premium due on risk for which it's already on cover due to failure of intermediaries, employees or systems.

Product design & Pricing risk: this is the risk arising from the exposures to financial loss from transacting insurance business where the cost and liabilities assumed in respect of a product line exceed the expectation in pricing the product.

IEI Insurance Risk Strategy

i. The strategy of the company to minimize the impact of these risks is to:
Reduce the likelihood of occurrence of unexpected events and related costs by managing the risk factors and implementing loss reduction techniques to reduce underwriting, claims and reinsurance errors.
ii. Minimize the impact of unexpected and catastrophic events and related costs through risk financing strategies that supports the company's long time growth, solvency margin planning and balance sheet protection.
iii. Make all unit managers responsible for the management of insurance risks continually reduce actual or potential losses.

Operational Risk: This is the risk of loss resulting from inadequate or failed internal processes, people & systems or from external events. This is further classified under:

a. People risks – eg- Inadequately defined roles/responsibilities
b. Process Risk - eg - Lack of written procedures
c. System Risk – eg- System unavailable during peak hours
d. Environmental Risk– eg- Customer commits fraud

Objectives

The IEI Plc maintains an operational risk management framework which is aimed at achieve the following:

i. Avoid potentially large or catastrophic risk losses and or reduce other losses arising from inadequate or failed internal processes, people, systems and external events.
ii. Enhance better control of operations through improved understanding of risk activities within various business units and the emergence of a proactive operations risk management culture.
iii. Provide early warning signals of any deterioration in the company's internal control system.iv. Enable an improved performance measurement system through appropriate allocation of risks and capital.

Selected Measurement Approach

IEI'S Operational risk is measured against broad success criteria which include;

i. Company's Reputation
ii. Gross Earnings
iii. Employees Welfare
iv. Solvency Margin
v. Customer Service

The impact of every risk assessed is measured against at least one of the above criteria to determine the level of attention to be attached to it.5.

Legal/Litigation – This is the risk that arises from the potential that unenforceable contracts, litigations, or adverse judgments can disrupt or negatively affects the operations or conditions of the company.

At IEI, the legal department has the responsibility to manage our legal risk. They are the risk owners. The department scrutinizes legal documents, ensures its safe keeping, execution of contract and all other secretarial functions both to the Board and company. Part of its risk management function is to oblige other Units/authorities with the implication of executing certain contracts, e.g unenforceable contracts. At IEI, the Legal unit in curbing its risk management, initiates express terms of contract in form of Memorandum of Understanding (MOU), which give raise to the contract itself. The contract is subject to the MOU, as the MOU supersede the contract. It is worthy to note that the MOU is strictly parties express terms. In other words, where there is a conflict between the contract and the MOU, the MOU shall prevail.

Alternative to Dispute Resolution (ADR): The department strives towards settling company's dispute with its client under the umbrella of Alternative to Dispute Resolution (ADR). This creates room for settling dispute out of court. It also promotes better business relationships because the parties choose arbitrators themselves (either one arbitrator jointly or one each and one jointly) and we apply the win-win rules. We also resolve dispute amicably with clients, and we give listening ears to clients and this gives them the opportunity to actually express their grievances on our policies. This strategy builds confidence in our client and it mitigates certain dispute that would have ordinarily arisen. This strategy gives room for a faster dispute settlement compare to the court system, where there will certainly be a winner and a loser. But with this strategy there is no loser because, it's an amicable settlement. It therefore gives the client the confidence that we are a reputable insurance company.

Furthermore, the ADR doesn't stop a client from enforcing his/her right in a competent court of law if he/she is dissatisfied with the judgment of the Arbitrator(s). It's contained in our MOU(s) that parties shall have recourse to a Court of Law should they be dissatisfied with the judgment of the ADR.

Litigation: The Company as a legal entity litigates in other to lawfully recover its debts from its debtors (client). This happens in a situation whereby the company constantly demands from its client and constantly received negative responds or envisages that the client is not going to pay the said debt. In such circumstance the company is left with no option than to consult its solicitors for advice or we give them instruction the solicitors on the next line of action.

Retainer ship: The Company has retainer with some law firms and as such they keep us abreast with the current day to day practice in court, and current statutes we may need from time to time. These law firms advise us on the implication of certain actions if we consult them for legal opinion.

Hazard Risk: This is the risk of loss arising from an event that has resulted into visible or violent injury or sickness to people or damage to properties or legal liabilities arising out of contractual relationship with third parties. It focuses on insurable risk pertaining to Employees, Building, Vehicles or Third Parties.

Hazard risk arise in the course of the business activity of the company, the engagement of its people and the use of its resources.

IEI Hazard Risk Strategy

Failure to manage hazard risk effectively can result in significant financial losses, man-hour erosion, Injury and illness to employees and payment of judgment debt to third parties. The strategy of the company to minimize the impacts of these risks is to;

i. Reduce the likelihood of occurrence of unexpected events and related costs by managing the vulnerability factors and implementing a hazard-free work environment.
ii. Minimize the impact of unexpected and Hazard risk events to ensure a safe workplace and uphold the company's duty of care to its employees, customers, contractors and visitors.
iii. Formalize, out of concern for the health and safety of employees, customer, contractors and visitors, the process for effective implementation of hazard risk management in the company.

5(c) **Asset and Liability Management**

The Company is exposed to a range of financial risks through its financial assets, financial liabilities (Insurance c ontract liabilities and borrowings) and reinsurance assets.
Asset and Liability management (ALM) attempts to address financial risks the Company is exposed to which includes interest rate risks, foreign currency risks, equity price risks and credit risks. The major financial risk is that in the long term its investment proceeds are not sufficient to fund the obligations arising from its insurance contract liabilities. ALM ensures that specific assets of the Company is allocated to cover insurance con tract liabilities of the Company.

The Company manages these positions within an ALM framework that has been developed to achieve long-term investment returns in excess of its obligations under insurance contracts. The following tables reconciles the Compa ny's non Life business within the Statement of financial position to the classes and portfolios used in the Company's ALM framework.

	INSURANCE CONTRACT	SHAREHOLDERS' FUND	TOTAL
Assets	N'000	N'000	N'000
Cash and cash equivalents	697,968	-	697,968
Held-for-trading financial assets	43,341	-	43,341
Available-for-sale financial assets	670,909	434,382	1,105,291
Loans and receivables	-	107,228	107,228
Trade receivables	-	13,381	13,381
Other receivables and prepayments	-	133,868	133,868
Reinsurance assets	381,651	-	381,651
Deferred acquisition cost		145375	145,373
Non-current assets held for sale	1,044,068	-	1,044,068
Investment properties	1,000,000	1,355,000	2,355,000
Intangible Asset	-	1,079	1,079
Property, plant and equipment	-	1,720,994	1,720,994
Statutory deposit	-	322,500	322,500
Total assets	3,837,936	4,233,805	8,071,742
Liabilities:			
Insurance contract liabilities	3,354,543	-	3,354,543
Trade payables	-	454,906	454,906
Provisions and other payables	-	1,070,172	1,070,172
Current income tax liabilities	-	318,638	318,638
Deferred tax liability	-	152,226	152,226
Borrowings	-	4,460,739	4,460,739
Deposit for share	-	381,582	381,582
Total liabilities	3,354,543	6,838,263	10,192,806
Gap	483, 393	(2,604,458	(2,121,064)

5(d) **Capital Management**

The main objectives of the Company when managing capital are:

- to ensure that the Minimum Capital Requirement of N3 billion as required by the Insurance Act CAP I17 , LFN 2004, is maintained at all times.
  This is a risk based capital method of measuring the minimum amount appropriate for an insurance Company to support its overall business operations in consideration of its size and risk profile. The calculation is based on applying capital factors to amongst others, the Company's assets, outstanding claims, unearned premium reserve and assets above a certain concentration limit.
- to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing insurance contracts and other services commensurately with the level of risk.

The Insurance Act CAP I17, LFN 2004 specifies the amount of capital that must be held in proportion to the Company's liabilities, i.e in respect of outstanding claims liability risk, unearned premium liability risk, investment risk, catastrophe risk and reinsurance ceded.

As part of its plan to meet the required capital base set by NAICOM and to maintain the statutory asset cover based on its underwritten risks, the Company intends to do the following to strengthen its financial position:

- Dispose its investment properties.
- Recoveries from trade and other debtors: The Company has engaged the services of solicitors and recovery agents to help it make substantial recoveries from its debtors.
- The Company is still on its plan to bring in fresh capital into the Company through private placement

The Company is also subject to a solvency requirement under the Insurance Act CAP I17, LFN 2004 and is required to maintain its solvency at the minimum capital required at all times. Solvency margin is the excess of admissible assets in Nigeria over admissible liabilities in Nigeria and shall not be less than the minimum paid -up capital or 15% of the gross premium income less reinsurance premiums paid out during the year, whichever is higher in accordance with section 24 of Insurance Act CAP I17 LFN, 2004.

Capital Adequacy Test

Based on the capital adequacy calculation below, International Energy Insurance Plc has a deficit of N5.4billion.

	2015 N'000	N'000
Shareholders funds as per statement of financial position		(2,121,064)
Less:		
Investment property without title	327,000	
		327,000
Capital Base		(2,448,064)

Management uses regulatory capital ratios to monitor its capital base. Based on the capital base computed above, the Company's capital base is below the minimum capital requirement of N3 billion specified by NAICOM.

The Company's capital requirement of N3,000,000,000 was not maintained as at the end of the financial year, while the Solvency margin was also below the requirements of the Insurance Act CAP I17, LFN 2004 as a result of the restriction on the admissibility of certain assets.

	December 2015 N'000
Cash and Cash equivalents	697,968
Financial assets:	
Held for trading	43,341
Available for sale	1,105,291
Statutory deposits	322,500
Trade receivables	13,381
Loans and receivables	107,228
Non current assets held for sale	1,044,068
Investment properties	2,027,999
Property and equipment	1,720,994
Intangible asset	1,079
Amount due from retrocession	381,651
Deferred acquisition costs	145,373
Admissible assets	7,610,873
Insurance contract liabilities	3,354,543
Trade and other payables	1,525,078
Borrowings	4,460,739
Taxation	318,638
Deposit for shares	381,582
Admissible liabilities	10,040,580
Solvency margin	(2,429,707)
The higher of 15% of net premium income and shareholders funds	3,000,000
Shortfall in solvency margin	(5,429,707)
Solvency ratio	(81)

	2015	2014
6 Cash and cash equivalents	**N'000**	**N'000**
Cash in hand	270	203
Balances with banks	224,222	814,070
Placements	473,476	138,300
	697,968	952,573
Current	697,968	952,573
Non-current	-	-
	697,968	952,573

Cash and cash equivalents comprise cash in hand, call deposits at banks and investments in short term liquid instruments. The company holds cash and cash equivalents for the purpose of meeting short -term cash commitments rather than for investment or other long -term cash commitment purposes.

7 Financial assets	**N'000**	**N'000**
Held-for-trading financial assets (a)	43,341	50,610
Available -for-sale financial assets (b)	1,105,291	1,051,628
Loans and receivables (c)	107,228	119,240
	1,255,860	1,221,478

(a) **Held-for-trading financial assets**	**N'000**	**N'000**
Balance at the beginning of the year	50,610	61,576
Fair value loss during the year (Note 39)	(7,269)	(10,966)
Market value at the end of the year	43,341	50,610
Current	43,341	50,610
Non-current	-	-
	43,341	50,610

(i) Held-for-trading ?nancial assets represent the Company's investments in listed securities traded on the Nigerian stock exchange. The investment is carried at fair value based on current bid price at the Nigerian stock exchange.

Analysis of the fair value of the investments in listed entities is shown below:

	N'000	N'000
ACCESS BANK PLC.	4,246	5,778
AFRICAN PRUDENTIAL REGISTRARS PLC	277	277
ALUMINIUM MANUFACTURING CO PLC	2	2
AT&T GLOBAL INFORMATION	698	813
BERGER PAINTS NIG	524	472
DUNLOP	500	500
FBN	1,139	1,833
FCMB	2,776	4,091
FIRST ALUMINIUM	1,376	1,376
GT BANK PLC	688	954
INTENEGINS	33	7
JOHN HOLT PLC	82	84
LINKAGE	6,763	6,763
LIVESTOCK	1,330	2,280
NESTLE NIG PLC	3,144	3,699
NIGERIAN ENAMELWARE PLC	8,065	8,065
OANDO	215	589
RT BRISCO	11	17
SCOA NIG PLC	680	726
UBA	3,527	4,487
UBA CAPITAL PLC	478	599
UBN	328	405
UNIVERSAL	2,500	2,500
WAPIC INSURANCE	93	202
WEST AFRICAN GLASS	315	315
ETI	3,551	3,776
	43,341	50,610

(b) **Available -for-sale financial assets**

(i) **Unlisted equities:**

	2015 N'000	2014 N'000
Cost at the beginning of the year	1,051,628	1,051,628
Cancellation of IEI Anchor disposal	-	650,000
Reclassification to Non current assets held for sale (Note 12)	-	(650,000)
Fair value gain on available for sale investments	53,663	-
Cost at the end of the year	1,105,291	1,051,628
Current	-	-
Non-current	1,105,291	1,051,628

Available-for-sale ?nancial assets represent the Company's investments in unlisted securities and long term placements in other corporate entity. The investment is carried at fair value based on the net asset value of the Company's investments in the other corporate entities, except for Heritage Bank Limited for which the status of investment remained unclear as at year end.

(ii) Analysis of the cost of investments in unlisted entities at the end of the year is shown below:

	N'000	N'000
Heritage Banking Company Limited	1,000,000	1,000,000
Pabod breweries limited	105,291	51,628
	1,105,291	1,051,628

(iii) At the reporting date the following investments in unlisted entities were imp aired:

IEI Anchor Pensions Manager Limited	N'000	N'000
Opening balance	-	440,564
Reclassification to Non current assets held for sale (Note 12)	-	(440,564)
	-	-

(iv) The analysis of the fair value gain/(loss) on investment with IEI Anchor Pension Limited as at 31 December 2015 is as follow:

	N'000	N'000
Estimated value of the equity at the begining of the year	986,225	1,022,652
Less: carrying value of equity at the end of the year (see(v) below)	1,044,068	986,224
Fair value gain/(loss)	57,843	(36,428)

	N'000	N'000
Opening balance of fair value loss	-	(8,476)
Fair value loss on available for sale investments (Note 29)	-	(36,428)
Reclassification to Non current assets held for sale (Note 12)	-	44,904
Closing balance	-	-

(v) Carrying value of the equity at the end of the year:

	'000	'000
Net asset of IEI Anchor Pension (Value)	1,288,973	1,217,560
Total share of IEI A nchor Pension (Number)	2,222,000	2,222,000
Net asset/share	0.58	0.55
Unit of equity held by IEI Plc (Number)	1,799,820	1,799,820
Net asset/share of IEI Anchor Pension	0.58	0.55
Valued @ net asset/per share of IEI Anchor Pension	1,044,068	986,224

(vi) The analysis of the fair value gain on investment with Pabod breweries Limited as at 31 December 2015 is as follow:

	N'000	N'000
Estimated value of the equity at the begining of the year	51,628	51,628
Less: carrying value of equity at the end of the year (see(vii) below)	105,291	51,628
Fair value gain	53,663	-

(vii) **Movement in Pabod breweries Limited**

	N'000	N'000
Opening balance the begining of the year	51,628	51,628
Fair value gain on available for sale investments	53,663	-
Closing balance	105,291	51,628

	2015	2014
(c) **Loans and receivables**	N'000	N'000
Due from staff at the beginning of the year	251,925	260,892
Additional loans and advances granted to staff	2,510	-
Recovery from staff during the year	(1,664)	(8,967)
	252,771	251,925
Less: impairment allowance (see (i) below)	(145,543)	(132,685)
	107,228	119,240

Staff receivables represents amount due from staff on loans and advances granted during the year.

(i) Movement in impairment allowance on amount due fr om staff:	N'000	N'000
Balance at the beginning of the year	132,685	132,685
Impairment allowance during the year (Note 41)	12,858	-
Balance at the end of the year	145,543	132,685

8 **Trade receivables**	N'000	N'000
Amount due from Insurance brokers	2,802,774	2,814,633
Amounts due from Insurance companies	2,082	123
	2,804,856	2,814,756
Less: impairment allowance of trade receivables (Note 8a)	(2,791,475)	(2,802,127)
	13,381	12,629
Current	13,381	12,629
Non-current	-	-
	13,381	12,629

Trade receivables are receivables from insurance contracts as at the year end from brokers/coinsurers and this has been collected subsequent to the year ended 31 December 2015.

Staff receivables represents amount due from staff on loans and advances granted during the year.

The movement in trade receivables is as follows:	2015	2014
	N'000	N'000
(a) Balance at the beginning of the year	2,814,756	2,821,901
Additions during the year	13,381	12,629
Collection after year end	(12,629)	(19,774)
Write back of trade receivables	(10,652)	-
	2,804,856	2,814,756

(b) Movement in impairment all owance of trade receivables:	N'000	N'000
Balance at the beginning of the year	2,802,127	2,802,127
Write back of trade receivables (Note 38)	(10,652)	-
Balance at the end of the year	2,791,475	2,802,127

(c) Analysed below are trade receivables received subsequent to the year end:	N'000	N'000
Insurance Brokers	13,381	12,629

9 **Other receivables and prepayments**	N'000	N'000
Due from related parties (a)	100,000	100,000
Prepayments (b)	28,901	33,348
Other receivables (c)	4,967	4,792
	133,868	138,140
Current	133,868	138,140
Non-current	-	-
	133,868	138,140

(a) **Due from related parties**	N'000	N'000
(i) Related parties		
Due from IEI Limited - Ghana	74,057	74,057
Due from IEI Assets Limited/Anchor Pension	171,000	171,000
Due from TMC Savings and loans	3,624	3,624
	248,681	248,681
Less: impairment allowance of due from related parties (see (iii) below)	(148,681)	(148,681)
	100,000	100,000
(ii) Due from related parties:		
Placement with IEI Assets Limited (see Note 9(iv))	10,000	10,000
Less: allowance for impairment (see 'iv' below)	(10,000)	(10,000)
	-	-
Total	100,000	100,000

Due from related companies represents those expenditures incurred on behalf of the related companies which the Company considered recoverable as at the year end. The company makes allowance for impairment of the amount due from related companies when the Company considers the recoveries of the receivables doubtful.

		2015	2014
(iii)	Movement in impairment allowance of due from related parties:	**N'000**	**N'000**
	Balance at the begining and end of the year	148,681	148,681

(iv)	Movement in impairment allowance of other	**N'000**	**N'000**
	receivable from related party:		
	Balance at the beginning and end of the year	10,000	10,000

Placement with IEI Assets Limited represent the Company's deposit with an Asset Management Company at an agreed interest rate. The deposit was fully allowed forimpairment as at 1 January, 2011 because of the financial constraint of IEI Assets Limited (the investee Company). The funds were therefore not available for the short - term cash commitment of International Energy Insurance Plc.

(b)	**Prepayments**		
	Movement in prepayments	**N'000**	**N'000**
	Balance at the begining of the year	33,348	33,086
	Addition during the year	15,680	35,550
	Amortisation for the year	(20,127)	(35,288)
	Balance at the end of the year	28,901	33,348

(c)	**Other receivables**	**N'000**	**N'000**
	Other receivables (see 'i' below)	435,072	431,897
	Less: impairment allowance (see 'v' below)	(430,105)	(427,105)
		4,967	4,792

(i) Other receivables represents receivables from persons other than customers and staff and other various prepaid expenses as at the reporting date. The details are as follow:

	N'000	N '000
Incorporation expenses of Heritage Banking Company Limited	146,699	146,699
Loan to agent and brokers	647	647
Director's loan	3,000	3,000
Advances to Equity Life Assurance	10,000	10,000
Other receivables	17,504	14,329
Investment receivables	257,222	257,222
	435,072	431,897

(ii)	Movement in impairment allowance of other receivables:	**N'000**	**N'000**
	Balance at the beginning of the year	169,883	167,692
	Impairment allowance during the year (Note 42)	3,000	2,191
	Balance at the end of the year	172,883	169,883
(iii)	Movement in impairment allowance of balances with banks:	**N'000**	**N'000**
	Balance at the beginning and end of the year	2,450	2,450
(iv)	Movement in impairment allowance of short term deposits:	**N'000**	**N'000**
	Balance at the beginning of the year	254,772	262,029
	Impairment charge no longer required (Note 38)	-	(7,257)
	Balance at the end of the year	254,772	254,772

Impairment allowance of balances with banks and short term deposits represent allowances for impairment of deposits with some defunct banks and other financial institutions that are long overdue.

	2015	2014
(v) Summary of impairement during the year	N'000	N'000
Impairment allowance of other receivables Note(ii)	172,883	169,883
Impairment allowance of balances with banks Note(iii)	2,450	2,450
Impairment allowance of short term deposits Note(iv)	254,772	254,772
	430,105	427,105

10 Re-insurance assets

	N'000	N'000
Outstanding claims recoverable	181,889	317,805
Prepaid reinsurance expenses	83,693	265,499
Re -insurance share of IBNR	116,069	155,788
	381,651	739,092

(a) Movement in Prepaid reinsurance expenses:	N'000	N'000
Balance at the beginning of the year	265,499	-
Reinsurance cost during the year	994,010	999,702
Reinsurance expenses during the year (Note 32)	(1,175,816)	(734,203)
Balance at the end of the year	83,693	265,499

(b) Movement in re -insurance share of Outstanding claims recoverable :	N'000	N'000
Balance at the beginning of the year	317,805	613,613
Recovery from reinsurance during the year	(148,431)	49,011
Increase/(decrease) during he year	12,515	(344,819)
Balance at the end of the year	181,889	317,805

(c) Reinsurance assets is further analysed as follows:	N'000	N'000
Balance at the beginning of the year	739,092	588,833
Decrease during the year	(473,510)	(5,529)
Recoverable on IBNR	116,069	155,788
	381,651	739,092

Re -insurance assets represent the extent of credit risk related to reinsurance and its obligations to policy holders. Re -insurance assets are carried at amortised cost. The carrying amount is not significantly different from the fair value.

11 Deferred acquisition costs

	N'000	N'000
Balance at the beginning of the year	176,039	152,919
(Decrease)/Increase during the year	(30,666)	23,120
Balance at the end of the year	145,373	176,039
Current	145,373	176,039
Non-current	-	-
	145,373	176,039

Deferred acquisition costs represent commissions paid by the Company on unearned premium relating to the unexpired risk.

Analysis of deferred acquisition cost by class of business is as follows:

	N'000	N'000
Fire	34,020	25,435
General Accident	39,862	49,939
Marine	8,519	22,016
Motor	30,124	48,789
Oil and Energy	31,600	27,397
Workmen Compensation	731	1,502
Bonds	517	961
	145,373	176,039

12 **Non current Assets held for sale**	N'000	N'000
Balance at the beginning	986,225	821,693
Reclassied from Available for sales financial assets (Note 7(b,(i))	-	650,000
less: allowance for impairment (Note 7(b(iii))	-	(440,564)
Fair value gain/(loss) on held for sale investments (Note 7(b,(iv))	57,834	(44,904)
	1,044,068	986,225
Current	1,044,068	986,225
Non-current	-	-
	1,044,068	986,225

Investment in IEI Anchor Pension Manager Limited owned by the company has been classified as non-current assets held for sale and it is expected that the carrying amount will be recovered principally through sale rather than from continuing use. For this to be the case, the investment has been designed for immediate sale in its present condition subject only to terms that are usual and customary for sales of such investment and its sale is highly probable. For the sale to be highly probable:

*The Company is committed to a plan to sell the investment and an active programme to loc ate a buyer and complete the plan have been initiated.
*The investment is being actively marketed for sale at a price that is reasonable in relation to its current fair value.
*The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, all things being equal.

	2015	2014
13 **Investment in subsidiaries**	N'000	N'000
IEI Investment in subsidiary	56,130	56,130
Less: impairment allowance (see 'b' below)	(56,130)	(56,130)
	-	-
Current	-	-
Non-current	-	-
	-	-

a) Investments in IEI Saotome and Principe Limited are pre -incorporation expenses incurred on the companies which are yet to commence operation. International Energy Insurance Plc holds 100% of these investments. The expenses have however been allowed for impairment.

(b) Detail of investment in subsidiaries impaired:	2015	2014
	N'000	N'000
IEI Saotome and Principe limited	48,160	48,160
IEI Cote D' Ivoire Limited	7,970	7,970
	56,130	56,130

14 **Investment properties**	N'000	N'000
At valuation:		
Investment properties at the beginning of the year (Note 14 (a))	2,355,000	2,719,000
Disposal during the year	-	(364,000)
Balance at the end of the year	2,355,000	2,355,000
Current	-	-
Non-current	2,355,000	2,355,000
	2,355,000	2,355,000

Investment properties at the beginning

(a) The Company's investment properties represent land and buildings held for capital appreciation. As at 31 December 2013, the properties were professionally valued on 27 November 2013 by an Independent valuer Messrs Obi Nwanchukwu and Associates with FRC registration number FRC/2014/NIESV/00000005295 on the basis of open market values.

The method of valuation adopted by the valuer for the determination of the current 'Fair value' of the properties is 'Depreciated Replacement Cost Approach'. The method involves the determination and application of the current cost of construction of similar new developments to the superficial area of the building/structure under consideration and deducting therefrom all allowance to account for depreciation occasioned by physical wear and tear where the building/structures has been completed or outstanding works when they are under construc tion.

A property at Plot No 488, Cadastral Zone A08, Wuse Zone II, Abuja, Federal Capital Territory was disposed at a net loss of N49,000,000 (forty-nine million naira only) in 2014.
Title documents relating to ownership of the property at Turnbull Road Ikoyi presently occupied by a former Executive of the Company were not made available for our review. Also, title documents in respect of the property at IEI Ibadan Estate have not been perfected.

(c) **Details of investment properties as at year end are as follows:**

	Revalued amount ₦'000
i) IEI Ibadan Estate, Liberty Road, Oke Ado Ibadan	900,000
ii) Property at No 3 Oshunkeye Crescent, Gbagada Industrial Scheme, Lagos	760,000
iii) No 1 Tumble Road, Ikoyi, Lagos	327,000
iv) 7 Onitsha -Aba Benin Expressway, Asaba, Delta State	308,000
v) Ugbo-Enyi -Nike, Enugu Local Government	60,000
Total	2,355,000

15 **Intangible Assets**

	2015	2014
Cost:	**N'000**	**N'000**
Balance at beginning of year	10,790	10,790
Addition during the year	-	-
Balance at end of the year	10,790	10,790
Amortisation:		
Balance at beginning of year	8,632	7,553
Charge during the year	1,079	1,079
Balance at end of the year	9,711	8,632
Carrying amounts at the end of the year	1,079	2,158

Intangible assets are computer software being used by the Company. IEI Plc is presently using "perfect accounting" which was purchased in year 2007.

16 **Property, plant and equipment**

Cost/valuation	Improvement to land and building N'000	Land and Buidings N'000	Plant and machinery N'000	Motor vehicles N'000	Furniture and equipment N'000	Total N'000
At 1 January 2014	1,457,510	282,771	119,397	528,114	204,246	2,592,038
Additions	-	1,395	4,935	132,900	13,009	152,239
Reclassification	(1,323,233)	1,323,233		-	-	-
Disposals	-	-	(1,350)	(88,676)	(1,031)	(91,057)
Write-off	-	-	-	(92,900)	-	(92,900)
At 31 December 2014	134,277	1,607,399	122,982	479,438	216,224	2,560,320
At 1 January 2015	134,277	1,607,399	122,982	479,438	216,224	2,560,320
Additions	-	9,849	1,286	-	2,634	13,769
Disposals	-	-	-	(16,491)	-	(16,491)
Write-off	-	-	-	(4,450)	-	(4,450)
At 31 December 2015	134,277	1,617,248	124,268	458,497	218,858	2,553,148
Depreciation						
At 1 January 2014	134,277	29,183	109,383	325,653	109,140	707,636
Charge for the year	-	17,568	4,882	90,036	21,582	134,068
Disposals	-	-	(1,350)	(88,676)	(660)	(90,686)
Write-off (Note ii)			-	(20,622)	-	(20,622)
At 31 December 2014	134,277	46,751	112,915	306,391	130,062	730,396
At 1 January 2015	134,277	46,751	112,915	306,391	130,062	730,396
Charge for the year	-	16,137	4,603	69,129	22,464	112,333
Disposals	-	-	-	(9,767)	-	(9,767)
Write-off	-	-	-	(808)	-	(808)
At 31 December 2015	134,277	62,888	117,518	364,945	152,526	832,154
Carrying amounts at:						
31 December 2015	-	1,554,360	6,750	93,552	66,332	1,720,994
31 December 2014	-	1,560,648	10,067	173,047	86,162	1,829,924

i In 2012, the Company carried out valuation of four of its land and buildings. The valuation was professionally done by Obi Nwachukwu & Assosiates, Estate Surveyors and Valuers FRC/2013/NIESV/00000005295.

ii This relates to total write off on motor vehicles acquired in 2013 for some directors who are no longer on the board of the company subsequent to the year ended 31 December 2014.

iii Impairment losses recognised in the year

There was no impairment loss during the year (2014 : Nil).

iv Capital commitments

In the opinion of the directors, there was no capital commitment as at 31 December 2015 (2014: Nil).

v Assets pledged as security

At 31 December 2015, the Company has none of its assets pledged as security for liabilities (2014: Nil).

vi Asset on lease

The re was no asset on lease during the year (2014 : Nil).

	2015	2014
17 **Statutory deposit**	N'000	N'000
Balance at the beginning and end of the year	322,500	322,500

This represents the minimum deposit with the Central Bank of Nigeria in accordance with the provision of section 9(1) and 10(3) of the Insurance Act, CAP I 17, LFN 2004.

18 **Insurance contracts liabilities**	N'000	N'000
Reserve for unearned premium (see 'a' below)	987,118	1,310,219
Reserve for outstanding claims (see 'b' below)	2,367,425	2,697,758
	3,354,543	4,007,977
Current	3,354,543	4,007,977
Non -current	-	-
	3,354,543	4,007,977

The Company's Insurance contract liabilities or balances arising from insurance contracts are primarily unearned premium reserve and outstanding claims reserve. The insurance contract liabilities are carried at Actuarial values at the reporting date.

(a) **Reserve for unexpired risks**	N'000	N'000
Fire	166,916	132,183
Motor	292,365	440,486
General accident	192,665	265,881
Marine	45,409	116,608
Oil and gas	281,871	339,804
Workmen compensation	4,596	9,379
Bond	3,296	5,878
	987,118	1,310,219

(i) Movement in the unexpired risks account during the year is as follows:

	N'000	N'000
Balance at the beginning of the year	1,310,219	1,378,110
Movement during the year	(323,101)	(67,891)
Balance at the end of the year	987,118	1,310,219

(b) **Reserve for outstanding claims**	N'000	N'000
Fire	158,018	458,649
General accident	273,840	340,878
Marine	68,888	248,400
Motor	241,941	281,989
Oil and gas	1,066,083	599,528
Bond	211,503	295,978
Workmen compensation	-	4,749
	2,020,273	2,230,171
Gross IBNR	347,152	467,587
	2,367,425	2,697,758

(i) The movement in the reserve for outstanding claims during the year is as follows:

	N'000	N'000
Balance at the beginning of the year	2,697,758	1,993,611
Movement during the year	(330,333)	704,147
Balance at the end of the year	2,367,425	2,697,758

19 **Trade payables**	N'000	N'000
Amounts due to re -insurance companies	446,731	270,075
Deferred commission income	8,175	45,577
	454,906	315,652
Current	454,906	315,652
Non -current	-	-
	454,906	315,652

The carrying amounts o f trade payables as at 31 December, 2015 approximate their fair values. Trade payables are derecognised when the obligation under the liability is settled, cancelled or expired.

	2015	2014
20 **Provisions and other payables**	**N'000**	**N'000**
Staff pension	130,101	168,528
Pay-As -You -Earn	39,168	35,405
Accruals (Note 20(a))	306,099	308,996
Other creditors - Costain	164,604	164,604
Other creditors - Coscharis motors	7,120	7,120
Provision for contingent liabilities	68,497	68,497
NAICOM Levy	14,194	27,365
Sundry creditors (Note 20(b))	255,134	284,325
Deposit premium	21,044	-
Unclaimed dividend	64,211	-
	1,070,172	1,064,840
Current	1,070,172	1,064,840
Non -current	-	-
	1,070,172	1,064,840

(a) **Accruals**	**N'000**	**N'000**
Accrued Commission	4,373	20,397
WHT payable	31,582	29,934
Provision for VAT payable	11,318	11,318
Accrued claims	1,387	1,387
Audit fee	10,568	12,500
Professional fee	204,125	204,125
Industrial Training Fund	13,411	-
AGM expenses	29,335	29,335
	306,099	308,996

(b) **Sundry creditors**	**N'000**	**N'000**
Anchor Pension Limited	146,180	146,180
Staff cooperative	21,214	7,727
Rivbank	5,981	5,981
Uncleared reconciling items	40,538	85,741
GMD Automobile	6,992	6,992
Vine Capital	3,168	3,168
WHT FGN	18,158	18,158
Other creditors	12,903	10,378
	255,134	284,325

21 **Taxation**	**N'000**	**N'000**
(a) **Per income statement**		
Income tax	-	-
Education tax	-	42,432
Minimum tax	11,626	193,328
Deferred taxation (Note c(i) below)	-	23,551
Under provision of income tax	-	34,218
	11,626	293,529

	2015	2014
(b) **Per balance sheet**	**N'000**	**N'000**
Balance at the beginning of the year	307,012	60,426
Income tax	-	-
Education tax	-	42,432
Minimum tax	11,626	193,328
Underprovision of prior year taxation	-	34,218
Information technology taxation	-	-
Payments during the year	-	(23,392)
Balance at the end of the year	318,638	307,012
Current	318,638	307,012
Non -current	-	-
	318,638	307,012

(i) The amount provided as income tax on the results for the year has been computed on the basis of minimum tax in accordance with the Companies Income Tax Act, CAP C21, LFN 2004 (as amended).

(ii) Education tax is computed at 2% of assessable profit in line with Education Tax Act CAP E4, LFN 2004 (as amended).

(iii) Information Technology Development levy

The Nigeria Information Technology Development Agency (NITDA) Act was signed into Law on 24 April 2007, Section 12(12a) of the Act stipulates 'that, specified companies contribute 1% of the their profit before tax to theNigerian Information Technology Development Agency. In line with the Act, the Company has provided for NITDA levy at the balance sheet date.

(c) **Deferred tax**

(i) **Deferred tax liabilities**	**N'000**	**N'000**
Balance at the beginning of the year	152,226	128,675
Provision for the year	-	23,551
	152,226	152,226
Capital gains tax	-	-
	152,226	152,226
Current	-	-
Non -current	152,226	152,226
	152,226	152,226

22 **Borrowings**	**N'000**	**N'000**
Book overdraft (see'a' below)	71,092	25,762
Daewoo Securities - Bond facilities (see 'b' below)	4,389,647	3,991,088
	4,460,739	4,016,850

(a) **Book overdraft**	**N'000**	**N'000**
Book overdrafts	71,092	25,762
Current	71,092	25,762
Non -current	-	-
	71,092	25,762

(i) In 2013, the Company obtained a term loan facility of N350,000,000 from Unity Bank Plc for the purpose of enhancing the Company's working capital. The facility was obtained for a tenor of 365 days at a 25% interest rate.The facility has been repaid during the year ended 31 December 2014 (See note d below).

The facility was secured by the following:

a) Legal mortgage over landed property situated at plot 294, Jide Oki street off Ligali Ayorinde Street, Victoria Island, Lagos and valued by Messr s, Obi Nwachukwu & Associates (Estate Surveyors & Valuers) valued at N650m (OMV) and N433m (FSV) and N30.5m(RV)

b) Personal Guarantee of two (2) directors of International Energy Insurance Plc supported with a statement of networth.

c) Lien of N100 millio n term deposit in favour of International Energy Insurance Plc.

d) *The movement in term loans during the year is as follows:*	N'000	N'000
Balance at the beginning of the year	-	350,000
Repayment during the year	-	(350,000)
Balance at the end of the year	-	-

	N'000	N'000
(e) Daewoo Securities - Europe Limited (see 'i' below)	4,389,647	3,991,088

(i) **Liability due**	N'000	N'000
Opening balance as at 1 January	3,991,088	3,745,300
Default interest	398,559	429,788
Payment during the year	-	(184,000)
	4,389,647	3,991,088
Current	398,559	429,788
Non -current	3,991,088	3,561,300
	4,389,647	3,991,088

(f) International Energy Insurance Plc issued a bond valued at 1,850,000,000 Japanese Yen (JPY) to Daewoo Securities (Europe) Limited who have acted as the foreign agent. The bond has a tenor of 20 years commencing on 24 January 2008 and maturing on 23 January, 2028. The bond was issued at a zero coupon interest rate. A premium of 129% of the face value of the bond is payable on the maturity date.

(g) **Options**

The bond has options to subscribe to the equity of the Company for the period commencing on 25 January 2009 and closing on 24 January 2028. The option rights under clause 3 of the option agreement states that the Naira equivalent value of the bond held shall form the consideration for the shares for which the option rights are being issued.

(h) **Initial fund received**

The following fund were received by the Company net of the professional and agency charges:

	JPY'000	JPY'000
Fair value of the bond facility	1,850,000	1,850,000
Foreign agency charges	(101,750)	(101,750)
Amount received by the issuing house	1,748,250	1,748,250
Issuing house charges	(19,428)	(19,428)
Net proceeds received	1,728,822	1,728,822

The bond is now a subject of litigation

The company instituted litigation against the bond issuer on the ground that the bonds were to be issued for long term finance from multiple individual and institutional investors and also that it never anticipated that Daewoo who acted as her Financial Adviser, Fund Arranger and Lead Manager would be the Sole Financer, Assignee or Beneficiary of the Global Bonds/options.
With the declaration of dispute, the terms and conditions of the bonds are no longer being complied with by both the issuer and the subscriber. The implication for noncompliance with the terms and conditions by the Company are that in the event that the outcome of litigation is unfavourable penalties may be awarded.

	2015	2014
23 Deposit for shares	**N'000**	**N'000**
Balance at the beginning of the year	393,761	393,761
Payment made during the year	(12,179)	-
Balance at the end of the year	381,582	393,761
Details of deposit for shares are as follows:	**N'000**	**N'000**
From private placement	250,000	250,000
By staff	103,443	114,401
By other creditors	29,360	29,360
	382,803	393,761

24 Share capital

(a) **Authorised:**	**N'000**	**N'000**
5,136,341,957 ordinary shares of 50 kobo each	2,568,171	2,568,171
1,600,000,000 redeemable preference shares of N2.50 kobo each	4,000,000	4,000,000

Details of movement in the authorised share capital of the Company from the date of the share reconstruction exercise in 2007 to date is as stated below:

		Authorised Issued units	Unissued units	Total Units	Value N'000
Before 2007 reconstruction		16,509,671	490,329	17,000,000	8,500,000
2007 reconstruction	1 for 3 share reconstruction	5,503,224	490,329	5,993,553	2,996,776
Bonus issue	Allotment of 917,203,921 shares	6,420,427	(426,875)	5,993,553	2,996,776
Authorised share capital at the beginning of 2013		6,420,427	(426,875)	5,993,553	2,996,776
2013 reconstruction	1 for 5 share reconstruction	1,284,085	(426,875)	857,211	428,605
Current issue (ordinary)	Creation of ordinary shares	1,284,085	3,852,256	5,136,342	2,568,171
Current issue (Preference)	Creation of preference shares	-	1,600,000	1,600,000	4,000,000

After the 1 for 5 share reconstruction exercise in 2013 (See Note 27), the Company applied for and created additional 3,852,356,467 ordinary shares of 50 kobo each and 1,600,000,000 preference shares of N2.50 each as at 31 December 2013. This application was filed with Corporate Affairs Commission and a certificate of increase in share capital was issued on 17 January 2014. The additional ordinary share and the preference shares are yet to be issued.

	2015	2014
(b) **Issued and fully paid:**	**N'000**	**N'000**
1,284,085,489 ordinary shares of 50kobo each	642,043	642,043
25 Share premium	**N'000**	**N'000**
Balance at the beginning and end of the year	963,097	963,097
26 Statutory contingency reserve	**N'000**	**N'000**
Balance at the beginning of the year	1,295,153	1,144,455
Transfer from revenue reserve (Note 30)	115,427	150,698
	-	-
Balance at the end of the year	1,410,580	1,295,153

This represents a provision made from reserves being the higher of 3% of gross premium or 20% of profit on ordinary activities after taxation, in accordance with the provisions of section 21 of the Insurance Act, CAP I17, LFN 2004.

		2015	2014
27	**Capital reserve**	**N'000**	**N'000**
	Balance at the beginning and end of the year	7,926,398	7,926,398

(a) By an Extraordinary General Meeting of the Company held on the 28th of June 2013, the shareholders of the Company passed the following resolutions:

i) that the 6,420,427,449 issued shares of 50kobo each in the capital of the Company be divided into 1,284,085,489 ordinary shares of 50kobo each by the cancellation of 5,136,341,959 ordinary shares of 50 kobo each

ii) that the restructured shares be alloted to shareholders whose names appear in the Register of Members as at 17th day of June 2013 as fully paid in the ratio of 1 ordinary share for every 5 ordinary shares held.

iii) that the sum of N2,568,170,979 representing the surplus nominal value arising from the share reconstruction exercise be and is hereby transferred to the capital reserve account to form part of the shareholders fund of the Company.

iv) The the restructured 1,284,085,489 ordinary shares of 50 kobo each be revalued to ensure that there is no loss of value to the shareholders as a result of the share reconstruction.

The share reconstruction exercise was santioned by the Federal High Court on the 26 April 2014

		2015	2014
28	**Property, plant and equipment revaluation reserve**	**N'000**	**N'000**
	Balance at the beginning and end of the year	302,407	302,407

		2015	2014
29	**Available-for-sale financial assets revaluation reserve**	**N'000**	**N'000**
	Balance at the beginning of the year	(35,196)	1,232
	Fair value gain/(loss) on Non current Assets held for sale (Note 7(b(iv))	57,843	(36,428)
	Fair value gain on available-for-sale (Note 7(b(vi)))	53,663	-
	Fair value gain/(loss) for the year	111,506	(36,428)
	Balance at the end of the year	76,310	(35,196)

Equity revaluation reserve includes the net accumulated changes in the fair value of available for-sale financial asset until the investment is derecognized or impaired.

		2015	2014
30	**Revenue reserve**	**N'000**	**N'000**
	Balance at the beginning of the year:	(12,616,463)	(10,301,003)
	Transfer from statement of comprehensive income	(710,009)	(2,164,762)
	Transfer to contingency reserve (Note 26)	(115,427)	(150,698)
	Balance at the end of the year	(13,441,899)	(12,616,463)

		2015	2014
31	**Gross premium written**	**N'000**	**N'000**
	Direct Premium	3,796,697	4,725,990
	Inward Premium	50,886	104,496
	Gross Premium Written	3,847,583	4,830,486

	2015	2014
Gross premium income	**N'000**	**N'000**
Unearned premium brought forward	1,310,219	1,378,110
Premium written during the year	3,847,583	4,830,486
	5,157,802	6,208,596
Unearned premium carried forward (Note 18a)	(987,118)	(1,310,219)
	4,170,684	4,898,377

Gross premium income represents the total premium that the Company realised for the year. The portion of the premium related to the unexpired portion of the policy at the end of the fiscal year is reflected in unearned premiums.

		2015	2014
32	**Reinsurance expenses**	N'000	N'000
	Outward Reinsurance	994,010	999,702
	Decrease/(increase) in prepaid reinsurance	181,806	(265,499)
		1,175,816	734,203
(a)	Movement in prepaid reinsurance during the year:	N'000	N'000
	Prepaid re-insurance at the beginning of the year	265,499	-
	Re-insurance premium paid during the year	994,010	999,702
	Total	1,259,509	999,702
	Prepaid re-insurance at the end of the year (Note 10)	(83,693)	(265,499)
		1,175,816	734,203

Reinsurance expenses represent outward premium paid to reinsurance companies.

33	**Commission income**	N'000	N'000
	Commission income	94,057	132,017

Commission income represents commission received on transactions ceded to reinsurance during the year under review.

34	**Claims expenses**	N'000	N'000
	Gross claims paid	1,528,285	1,179,548
	(Decrease)/increase in outstanding claims	(209,898)	576,552
	Changes in IBNR	(120,435)	127,595
	Gross claims expense	1,197,952	1,883,695
	Recoverable from reinsurers (Note 34(a))	27,204	49,011
	Net claims incurred	1,225,156	1,932,706
(a)	**Recoverable from reinsurers**	2015	2014
		N'000	N'000
	Reinsurance share of claims paid	(148,431)	(418,581)
	Change in reinsurance share of outstanding claims	135,916	429,986
	Changes in reinsurance share of IBNR	39,719	37,606
	Recoverable from reinsurers	27,204	49,011

Claims expenses incurred consist of claims and claims handling expenses paid by the Company during the financial year together with the movement in the provision for outstanding claims .

35	**Acquisition cost**	N'000	N'000
	Deferred acquisition cost b/f	176,039	152,919
	Commission for the year	591,530	699,028
	Gross commission	767,569	851,947
	Deferred acquisition cost c/f (Note 11)	(145,373)	(176,039)
		622,196	675,908

The acquisition expenses are those expenses incurred in obtaining and reviewing insurance contracts. These expenses include commissions or brokerage paid to agents or brokers and indirect expenses such as salaries of underwriting staff.

36	**Maintenance expenses**	N'000	N'000
	Maintenance expenses	249,010	454,229

These are underwriting expenses incurred in servicing existing policies or contract. The costs include, but are not limited to, supervisory levy, superintending fees and other technical expenses.

37	**Investment income**	N'000	N'000
	Short term investment income	25,656	38,909
	Interest on bank and statutory deposits	37,278	38,516
	Dividend income	37	137
		62,971	77,562
	Allocation	N'000	N'000
	Attributable to policy holders	62,934	77,425
	Attributable to shareholders	37	137
		62,971	77,562

38 **Other income**	N'000	N'000
Allowance for impairmen t on short term investments recovered (Note 9c(iv))	-	7,257
Profit on disposal of property, plant and equipment	2,211	8,027
Exchange gain	306,788	18,408
Bad debt recovered	10,652	-
Profit on disposal of investment in subsidiary	-	128,000
Sundry and other income	11,931	230
	331,582	161,922

39 **Management expenses**	2015 N'000	2014 N'000
Personnel cost	1,055,417	1,221,754
Directors emoluments	30,810	136,452
Auditors remuneration	10,000	10,000
Depreciation	112,334	134,068
Amortisation	1,079	1,079
Bad debts written off	12,174	124,894
Property,plant and equipments written off	3,642	72,276
Legal and other professional fees	87,419	498,892
Motor running expenses	36,176	53,109
Subscription and donations	7,822	13,421
Corporate gift and miscellaneous	3,958	8,537
Repairs and maintenance	22,539	55,644
Rent and rates	38,227	55,592
Postage and telephone	8,063	10,920
Transport and travelling	34,105	64,580
Advertisements	5,437	23,507
AGM Expenses	-	29,435
Printing and stationery	10,734	27,388
Security expenses	8,703	9,070
Oil and Diesel	18,391	29,293
Insurance and license	8,293	11,884
State and local goverment levy	2,040	3,678
NAICOM Levy	18,854	37,677
Tax expenses	25,142	97,106
Fair value loss on held for trading investments (Note 7a)	7,269	10,966
Loss on disposal of investment property	-	49,000
Other operating expenses	102,321	93,166
	1,670,949	2,883,388

Management expenses are accounted for on accrual basis and recognized in the income statement upon utilization of the services or at the date of their origin.

40 **Finance expense**	2015 N'000	2014 N'000
Interest on loans and overdraft	-	28,718
Default interest on Daewoo facility (Note 22(e))	398,692	429,768
	398,692	458,486

Default interest on Daewooo facility represents the additional interest charge booked on the loan liability during the year.

41 **Allowances for impairment of other assets**

	N'000	N'000
Impairment of receivable from staff (Note 7(c(i))	12,858	-
Impairment of other receivable (Note 9 (c(ii))	3,000	2,191
	15,858	2,191

42 **Profit before taxation**

	N'000	N'000
(i) **Profit before taxation is arrived at after charging:**		
Depreciation of property, plant and equipment	112,334	134,068
Amortisation of intangible asset	1,079	1,079
Directors' remuneration	30,810	136,452
Auditors' fees	10,000	10,000
and after crediting:		
Profit on disposal of property, plant and equipment	2,211	8,027
Exchange gain	306,788	18,408

(ii) Emoluments of Directors and employees

	2015	2014
The aggregate emoluments of the directors were:	N'000	N'000
(a) Fees	30,810	36,000
Other emoluments	-	-
	30,810	36,000
(b) The emoluments of the Chairman		
Chairman's fees	6,000	6,000
(c) The emoluments (excluding pension contributions) of the Chairman	-	-

(d) The table below shows the numbers of directo rs of the Company whose remunerations excluding pension contributions (in respect of services to the Company) fell within the ranges shown below:

			Number	Number
1,000,000	-	5,000,000	-	-
5,000,001	-	10,000,000	-	-
10,000,001	-	15,000,000	-	-
15,000,001	-	25,000,000	-	-
25,000,001	-	35,000,000	-	-

(e) Staff number and costs

The average number of persons employed (excluding directors) in the Company during the year was as follows:

	Number	Number
Administration	65	76
Technical	127	149
General services	77	85
	269	310

	2015	2014
The aggregate payroll costs of these persons were as follows:	N'000	N'000
Staff costs (see 'g' below)	1,055,417	1,221,754

(f) The table below shows the number of employees of the Company who earned over N60,000 in the year and which fell within the bands stated:

N		N	Number	Number
500,001	-	600,000	66	53
600,001	-	1,000,000	19	32
1,000,001	-	2,000,000	18	26
2,000,001	-	3,000,000	52	55
3,000,001	-	4,000,000	57	72
4,000,001	-	5,000,000	27	31
5,000,001	-	8,000,000	21	24
8,000,001	-	10,000,000	5	12
10,000,001	-	and above	4	5
			269	310

(g) **Staff costs**	**N'000**	**N'000**
Wages and salaries	922,708	943,449
Medical	46,353	44,107
Staff training	12,530	159,533
Pension (see 'h' below)	73,826	74,665
	1,055,417	1,221,754

	2015	**2014**
(h) **Pension**	**N'000**	**N'000**
Balance at the beginning of the year	168,528	293,419
Provision during the year	73,826	74,665
Payment during the year	(112,253)	(199,556)
Balance at the end of the year	130,101	168,528

43 **Basic earnings per ordinary share**

(a) Basic earnings per share is calculated by dividing the results attributable to shareholders by the weighted average number of ordinary shares in issue andranking for dividend.

	N'000	**N'000**
Earnings for the year attributable to shareholders	(710,009)	(2,164,762)
Weighted average number of ordinary	**Unit**	**Unit**
shares of 50 kobo each in issue ('000)	1,284,085	1,284,085
Basic earnings per share (kobo)	(55)	(169)

(b) **Adjusted earnings per share**

Earnings for the year attributable to shareholders	(710,009)	(2,164,762)
Weighted average number of ordinary	**Unit**	**Unit**
shares of 50 kobo each in issue ('000)	1,284,085	1,284,085
	(55)	(169)

44 Reconciliation of loss after tax to net cash provided by operating activities

	2015 N'000	2014 N'000
Loss after tax	(710,009)	(2,164,762)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	112,333	134,068
Amortisation of intangible assets	1,079	1,079
Profit on disposal of property, plant and equipment	(2,211)	(8,027)
Profit on disposal of subsidiary	-	(128,000)
Write-off of property, plant and equipment	3,642	72,278
Loss on disposal of Investment Properties	-	49,000
Fair value loss on Held -for-trading financial assets	7,269	10,966
Net cashflow from operating activities before changes in working capital	(587,897)	(2,033,398)
changes in working capital		
Decrease in other receivables and prepayments	4,272	620,639
Decrease in loans and receivables	12,012	8,967
Decrease/(increase) in deferred acquisition costs	30,666	(23,120)
Decrease in deferred tax assets	-	23,551
Decrease in re-insurance assets	357,441	5,529
Decrease in available for sale financial assets	-	(112,500)
(Increase)/decrease in trade receivables	(752)	7,145
Increase in trade payables	139,254	264,808
(Decrease)/Increase in insurance contract liabilities	(653,434)	636,256
Increase in tax payable	11,626	246,587
Increase in default interest on loan	398,559	429,788
Increase in provisions and other payables	5,332	356,907
Cashflow from operating activities	(282,922)	431,159

45 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents at the end of the year as shown in the statement of cash flows can be reconciled to related items on the statement of financial position as follows:

	2015 N'000	2014 N'000
Cash at bank and in hand	224,492	814,273
Short term deposit	473,476	138,300
Bank overdraft	(71,092)	(25,762)
	626,876	926,811

46 Going concern

The financial statements have been prepared on going concern basis. However, this basis may not be appropriate because the Company incurred a loss before taxation of N698million (2014:N1.9billion) during the year ended 31 December 2015 and at that date it had accumulated losses of N13.44billion (2014:N12.62billion) and negative shareholders' funds of N2.10billion (2014:N1.52billion). The total amount required to settle Insurance contract liabilities, trade and other payables, current income tax liabilities and foreign loan liabilities amounted to N9.7billion while the total amount available to meet the Company's obligations is only N3.7billion on the basis that they are all realisable within the year leaving a deficit of N6billion. The Company also has a deficit of N5.5billion in its solvency margin and a deficit of N5.4billion in capital adequacy. In effect the Company is having a serious working capital problems and its future operations might be threatened. To meet the shortfall the shareholders would have to introduce additional capital not only to provide for the shortfall but also to ensure the adequacy of working capital for future operations.

47 Contingency and commitments

There were no commitments to capital expenditure at the statement of financial position date (2014 : Nil).

48 Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year in accordance with the International Accounting Standard (IAS) Number 1.

49 Event after reporting period

There were no events after the reporting period which could have a material effect on the financial position of the Company as at 31 December 2015 and profit attributable to equity holders.

50 Related party transactions

Transactions with key management personnel

The Company's key management personnel, and persons connected with them, are also considered to be related parties for disclosure purposes. The definition of key management includes close members of family of key personnel and any entity over which key management exercise control. The key management personnel have been identified as the executive and non-executive directors of the Company. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with International Energy Insurance plc.

(a) Related parties include the Board of Directors, the Managing Director, Directors, close family members and companies which are controlled by these individuals.

(b) Total remuneration of related parties recognised in the profit or loss and other comprehensive income statement are as disclosed in Note 42 (ii) a-d to the financial statements.

(c) In prior year, the Company received the sum of N146million as payment on account from its related party - IEI Anchor Pension Limited.

During the year, the IEI Plc. conducted transactions with its related companies, IEI Assets Limited/Anchor Pension and also International Energy Company Limited Ghana. The transactions were conducted at arm's length.

INTERNATIONAL ENERGY INSURANCE PLC
REVENUE ACCOUNT
FOR THE YEAR ENDED 31 December 2015

REVENUE	Fire N'000	Motor N'000	General Accident N'000	Marine N'000	Oil & Energy N'000	Total 2015 N'000	Total 2014 N'000
Direct Premium	354,163	1,139,014	539,240	319,631	1,444,648	3,796,696	4,725,990
Inward Premium	21,309	3,770	18,119	3,105	4,584	50,887	104,496
Gross Premium Written	375,472	1,142,784	557,359	322,736	1,449,232	3,847,583	4,830,486
(Increase)/decrease in Unearned Premium	(34,733)	148,120	80,582	71,199	57,933	323,101	67,891
Gross Premium Earned	340,739	1,290,904	637,941	393,935	1,507,165	4,170,684	4,898,377
Outward Reinsurance	(235,999)	(954)	(219,481)	(161,018)	(558,365)	(1,175,817)	(734,203)
Net Premium Earned	104,740	1,289,950	418,460	232,917	948,800	2,994,867	4,164,174
Commision received	38,632	6,838	18,010	22,657	7,920	94,057	132,017
Net underwriting income	143,372	1,296,788	436,470	255,574	956,720	3,088,925	4,296,191
EXPENSES							
Gross claims paid	439,505	481,084	155,019	293,138	159,539	1,528,285	1,179,548
Increase/(Decrease) in outstanding claims	(235,552)	(87,820)	(228,212)	(203,500)	424,750	(330,333)	704,147
Gross claims incurred	203,953	393,264	(73,193)	89,638	584,289	1,197,952	1,883,695
Reinsurance claims recovery	(56,802)	(16)	8,484	58,427	17,111	27,204	49,011
Net claims incurred	147,151	393,248	(64,709)	148,065	601,400	1,225,156	1,932,706
Acquisition costs	72,738	192,761	107,116	85,378	164,203	622,196	675,908
Maintenance expenses	24,300	73,959	36,071	20,887	93,792	249,010	454,229
Underwriting expenses	244,189	659,968	78,479	254,330	859,395	2,096,362	3,062,843
Underwriting profit	(100,817)	636,820	357,991	1,244	97,325	992,563	1,233,348

International Energy Insurance Plc
Financial Statements, 31 December 2015
Other National Disclosure
Value Added Statement

	2015 N'000	%	2014 N'000	%
Gross premium earned	4,170,684		4,898,377	
Investment, commission and other income	488,610		371,501	
Re -insurance, claims, commission and services - local	(3,674,729)		(5,175,026)	
Value added	984,565	100	94,852	100
Applied as follows:				
To pay employees:				
Salaries, wages and other benefits	1,055,417	107	1,221,754	1,288
To pay providers of capital:				
Interest expense	398,692	40	458,486	484
To pay government:				
Taxation	11,626	1	293,529	309
Retained for replacement of assets and expansion of business:				
Depreciation of property, plant and equipment	112,333	11	134,068	141
Amortis ation of intangible asset	1,079	-	1,079	1
Contingency reserve	115,427	12	150,698	159
Loss for the year	(710,009)	(71)	(2,164,762)	(2,282)
	984,565	100	94,852	100

International Energy Insurance Plc
Financial Statements, 31 December 2015
Other National Disclosure
Five Year Financial Summary (Company)

	2015	2014	2013	2012	2011
ASSETS	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Cash and cash equivalents	697,968	952,573	1,319,490	839,242	739,145
Held-for-trading financial assets	43,341	50,610	61,576	179,627	151,735
Available-for-sale financial assets	1,105,291	1,051,628	1,051,627	2,780,674	2,813,167
Held-to-maturity financial assets	-	-	13,964	269,227	-
Loans and receivables	107,228	119,240	128,207	-	-
Trade receivables	13,381	12,629	19,774	630,318	397,866
Other receivables and prepayments	133,868	138,140	758,777	817,412	315,921
Reinsurance assets	381,651	739,092	744,621	193,395	108,410
Deferred Acquisition Cost	145,373	176,039	152,919	165,003	241,071
Non-current assets held for sale	1,044,068	986,225	372,653	-	-
Investment in subsidiaries	-	-	-	81,360	481,821
Investment properties	2,355,000	2,355,000	2,719,001	2,025,389	1,135,956
Intangible Asset	1,079	2,158	3,237	4,316	5,395
Property, plant and equipment	1,720,994	1,829,924	1,884,403	1,810,291	1,741,893
Statutory deposit	322,500	322,500	322,500	322,500	322,500
Total assets	8,071,742	8,735,757	9,552,749	10,118,754	8,454,880
Liabilities					
Insurance contract liabilities	3,354,543	4,007,977	3,371,721	2,553,461	2,398,559
Trade payables	454,906	315,652	50,844	9,891	26,582
Provisions and other payables	1,070,172	1,064,840	707,933	914,339	526,972
Current income tax liabilities	318,638	307,012	60,426	16,171	261,385
Deferred tax Liability	152,226	152,226	128,675	128,675	95,074
Borrowings	4,460,739	4,016,850	4,160,760	5,954,769	4,149,221
Deposit for share	381,582	393,761	393,761	142,837	102,945
Total liabilities	10,192,806	10,258,318	8,874,120	9,720,143	7,560,738
Net Assets	(2,121,064)	(1,522,561)	678,629	398,611	894,142
Share capital	642,043	642,043	642,043	3,210,214	3,210,214
Share premium	963,097	963,097	963,097	963,097	963,097
Statutory Contingency reserve	1,410,580	1,295,153	1,144,455	994,084	813,421
Capital reserve	7,926,398	7,926,398	7,926,398	5,503,223	5,503,223
Property, plant and equipment revaluation reserve	302,407	302,407	302,407	302,407	-
Equity revaluation reserve	76,310	(35,196)	1,232	9,708	-
Revenue reserve	(13,441,899)	(12,616,463)	(10,301,003)	(10,584,122)	(9,595,813)
Total Equity	(2,121,064)	(1,522,561)	678,629	398,611	894,142

PROFIT OR LOSS ACCOUNT	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Gross premium earned	4,170,684	4,898,377	4,677,224	6,562,631	4,369,412
(Loss)/Profit before taxation	(698,383)	(1,871,233)	477,745	(787,058)	333,350
Taxation	(11,626)	(293,529)	(44,255)	(20,588)	(34,319)
(Loss) /profit after taxation	(710,009)	(2,164,762)	433,490	(807,646)	299,031
Basic earnings per share (kobo)	(55.29)	(168.58)	33.76	(12.58)	4.66
Net asset per share (kobo)	(165.18)	(118.57)	52.85	6.21	13.93

IEI

A Unique Motor Vehicle Insurance

Specially Packaged for You

Get the IEI Autocare policy and enjoy:

- A brand new car in the event of a loss.
- A free Chauffeur driven car while replacement is being processed.
- Free vehicle tracker/free tyre sealant.
- Free personal accident cover up to ₦I million

And lots more

AUTO CARE

AN IEI PRODUCT

Option 1: EXECUTIVE

Vehicles valued at N5m and above
Additional Benefits:

- A new car in the event of total loss
- Free chauffeur driven car as replacement for 10 days
- Free Excess
- Free tyre sealant
- Free vehicle tracker/Free vehicle recovery
- Free personal accident cover on N1m on the insured
- Free riot, strike and civil commotion cover

Option 2: DELUXE

Vehicles valued between N3.0m and N5.0m
Additional benefits:

- A new car in the event of a total loss
- Free tyre sealant
- Free vehicle tracker/Free vehicle recovery
- Free personal accident cover of N1m on the insured
- Free Excess

Option 3: FLEXI

Additional Benefits:

- Free cover for the first one month
- 50%payment of premium in the second month
- Balance spread over four equal installments for the consecutive months

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Websitw:www.ieiplc.com; email: info@ieiplc.com

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DIRECTORS SHAREHOLDING AS AT 31ST DECEMBER, 2015

S/N	Account Number	Shareholder's Name	Status	Shareholding
1		MUHAMMAD K. AHMAD	Direct Indirect	
2	299816	EKENG ROSELINE -74,666	Direct	
	334670	EKENG ROSELINE- 60,000	Direct	134,666
3	300198	IBIYEMI ADEYINKA	Direct	38,888
4		DAISY EKINEH	Direct	0
5		PETER IRENE	Direct	0

RANGE ANALYSIS AS AT

5% AND ABOVE AS 31/12/2015

TOTAL ISSUED SHARES	NAME OF SHAREHOLDERS WITH 5% AND ABOVE EQUITY	SHAREHOLDING	PERCENTAGE %) HOLDING
1,284,085,489	RIVERS STATE GOVT MIN OF FIN INC (MOFI)	280,000,000	21.8054
	PEARLCHRIX PROPERTYS LIMITED	140,990,312	10.9798
	RIVERS STATE GOVERNMENT. .	79,745,246	6.2103
	RIVERS STATE GOVERNMENT . .	79,745,246	6.2100

No other individual apart from the aforementioned persons hold more than such percentage.

RANGE ANALYSIS AS 1T 31ST DECEMBER, 2015

Share Range			Number Of Shareholders	% of Shareholder	Number Of Holdings	% Shareholding
1	-	1,000	6,464	27.1130	2,932,040	0.2283
1,001	-	5,000	8,586	36.0136	21,974,470	1.7113
5,001	-	10,000	3,081	12.9231	22,555,338	1.7565
10,001	-	50,000	4,149	17.4028	91,009,257	7.0875
50,001	-	100,000	689	2.8900	50,248,501	3.9132
100,001	-	500,000	669	2.8061	141,524,314	11.0214
500,001	-	1,000,000	102	0.4278	75,821,219	5.9047
1,000,001	-	50,000,000	97	0.4069	326,218,944	25.4048
50,000,001	-	99,999,999,999	4	0.0168	551,801,406	42.9723
TOTAL :-			**23,841**	**100.0000**	**1,284,085,489**	**100.0000**

SHARE CAPITAL HISTORY

YEAR	AUTHORIZED				ISSUED & FULLY PAID UP				CONSIDERATION
	Increase in Shares	Total Shares	Par Value	Total Amount (N)	Increase	Total Shares	Par Value	Total Amount (N)	
1995		10,000,000		10,000,0000		10,000,0000		10,000,0000	Cash
1996				10,000,0000				10,000,0000	Cash
1997		90,000,0000		100,000,000				100,000,000	Cash
1998				100,000,000		51,352,000		17,145,000	Cash
2000				100,000,000				78,497,000	Cash
2001				100,000,000				78,497,000	Cash
2002								78,497,000	Cash
2003								78,497,000	Cash
2004				500,000,000		223,200,000		301,697,000	Cash
2005		2,500,000,000		3,000,000,000		135,551,000		635,552,000	Cash
2006		3,000,000,000		6,000,000,000		7,89,637,189		1,425,188,189	Stock split/ Merger
2007		2,500,000,000		8,500,000,000		6,829,647,103		8,254,,835,292	Cash (Private Placement)
Nov 2007				8,500,000,000				2,751,611,764	Share Capital Reconstruction
2008				8,500,000,000				2,751,611,764	Cash
2009				8,500,000,000				2,751,611,764	Cash
2010						917,203,921		458,601,961	Bonus
2010								3,210,213,725	
2011		8,500,000,000		8,500,000,000					
2012		17,000,000,000	0.50	8,500,000,000.00		6,420,427,450	0.50	3,210,213,725.00	
2013		5,136,341,957 Ordinary Shares 1,600,000,000 Redeemed Preference Shares	0.50 2.50	6,568,171,000		1,284,085,489	0.50	642,042,744.50	5:1 Reconstruction
2014									
2015									

Affix Current Passport

(To be stamped by Bankers)

Write your name at the back of your passport photograph

PAC Registrars RC 650108
Subsidiary of PanAfrican Capital Plc

e-DIVIDEND ACTIVATION FORM

INSTRUCTION: ➡ Please complete all section of this form to make it eligible for processing and return to the address above.

➡ Only Clearing Banks are Acceptable

PLEASE COMPLETE IN BLOCK LETTERS

Title: Mr. ☐ Mrs. ☐ Miss. ☐ Others

Date D D M M Y Y Y Y

I/We, hereby request that henceforth, all my/our dividend /coupon payment due to m e/us from the paying company indicate d below be paid to my/our bank account stated hereunder.

Bank Verification Number (BVN)

Bank Name

Bank Account No:

Account Opening Date D D M M Y Y Y Y

SHAREHOLDER'S ACCOUNT INFORMATION

INDIVIDUAL ☐ JOINT SHAREHOLDER ☐ CORPORATE SHAREHOLDER ☐

Surname / Company's Name

First Name | Other Names (for individual Shareholders only)

Shareholder's CHN (If Known) C

Current Postal Address

City | State | Country

Mobile (GSM) Phone Number

Land Phone Number/GSM

E-mail Address

Previous Postal Address (If any)

Shareholder's Signature or Thumbprint

Shareholder's Signature\Joint

Kindly Select the Company(s) in which Shares are held:

TICK	NAME OF COMPANY	SHAREHOLDER'S ACCOUNT NUMBER
☐	Avon Crown Caps & Con. (Nig.)	
☐	BEMIL Nigeria Limited	
☐	Capital Oil Plc.	
☐	Channel Petroleum Plc.	
☐	Stokvis Nigeria Plc	
☐	FUMMAN Agric. Prod. Plc	
☐	Heritage Bank Ltd.	
☐	Int'l Energy Insurance Plc.	
☐	Naturelle Extracts Plc.	
☐	PANAfrican Capital Plc.	
☐	Secure Electronic Tech. Plc.	
☐	Spring Life Assurance Plc	
☐	Swap Tech. & Telecoms Plc.	
☐	United Mortgage Plc.	
☐	....	
☐	....	
☐	....	
☐	....	
☐	....	
☐	....	
☐	....	
☐	....	

Company Seal/Incorporation Number (Corporate Shareholder)

This form must be signed by ALL, the registered holders, executor(s) or Ad ministrator(s)

PAC REGISTRARS LTD. No. 122Bode Thomas Road, Surulere,Lagos P.M. B. 3456, Surulere, Lagos.
TEL: +234 01-7734381, 09086790272
E-MAIL: info@pacregistrars.com WEBSITE: www.pacregistrars.com

PROXY FORM

INTERNATIONAL ENERGY INSURANCE PLC.

I ……………………………………………..............................…

of .... being a member of **IEI PLC**

hereby appoint…………....................……………………… to

act as my proxy, to vote for me and on my behalf at the Annual General Meeting of the Company to be held on .... and at every adjournment thereof.

As Witness under my hand this ....…..day of…………………………2017

……………………….……………

Signed

S/N	ORDINARY BUSINESS	FOR	AGAINST
1	To lay before the members, the audited Financial Statements of the Company for the years ended December 31, 2012, 2013, 2014 and 2015 respectively together with the Reports of the Directors, Auditors and Audit Committee thereon.		
2	To appoint Messrs Ernst & Young (Chartered Accountants) as the Auditors of the Company		
3	To authorize Directors to fix the remuneration of the Auditors		
4	To elect members of the Audit Committee		
	SPECIAL BUSINESSES **To Propose and if thought fit, pass the following Resolutions with or without modification as Ordinary Resolutions;**		
5	That the Directors be hereby authorized to negotiate and restructure the Company's indebtedness to Daewoo Securities (Europe) Limited.		
6a	That Further to the approval given by the shareholders at the 41st Annual General Meeting held on the June 5, 2013 for the recapitalization of the shares of the Company and pursuant to Articles 5,6, 7 and 8 of the Company's Articles of Association, the Directors of the Company be and are hereby authorized to further recapitalize the Company by raising an additional N9,000,000,000 (Nine Billion Naira) only, which when added to the initial recapitalization approval of N4,000,000,000 (Four Billion Naira) only given at the 41st Annual General Meeting, amounts to a total approval of up to N13,000,000,000 (Thirteen Billion Naira) only, from the capital markets, local, or foreign investors whether by way of private placement, public or rights offer and/or issuing ordinary and/or preference shares of the Company for such equity, whether by bonds, convertible loans or other debt instruments, with or without the option of converting such bonds, loans or other debt instruments to ordinary and/or preference shares of the Company or by debt-equity conversion upon such terms and conditions as the Directors may deem fit or determine, subject to all relevant regulatory approvals.		
6b	That the Directors be and are hereby authorized to take steps and all such actions, including but not limited to: i Entering into negotiation agreements, undertakings, transfers, assignments, guarantees, arrangements, business combinations, or such mechanisms with any party or parties in order to implement, finalize and give full effect to the aforesaid recapitalization of the Company ii Appointing all relevant professional parties and Advisers as they deem necessary for the purpose of recapitalizing the Company and do all such things and exercise all such powers as may be necessary for or incidental to effecting the above resolutions, including without limitation, complying with directives of any regulatory authority.		
7	To ratify the sale of the Company's 620,000,000 (Six Hundred and Twenty Million) units of ordinary shares of N0.50 (Fifty Kobo) each of Crystal Life Assurance Plc to Asset & Resource Management Company Limited.		
8	That the Company Secretary be and is hereby authorized to take such steps and to do such things as may be required to give effect to the above resolutions.		

Please Mark an "X" in the appropriate box to indicate how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.

Before posting the above form, please tear off this part and retain it for admission to the meeting

International Energy Insurance Plc 42ND ANNUAL GENERAL MEETING ADMISSION CARD

Please admit the Shareholder named on this Card or duly appointed proxy to the Annual General Meeting of the Company to be held on ------------------------------------

Name and address of Shareholder

Number of Shares

Signature _

THIS CARD IS TO BE SIGNED AT THE VENUE IN THE PRESENCE OF THE REGISTRARS

Shareholder

Please tick [v] appropriate box before admission to the meeting

Our Spread

With our Corporate Headquarters strategically located in Lagos State, Nigeria, our energy to care has driven us to expand our footprint in Nigeria and across Africa. Below are our branch offices strategically located within the Nigerian region.

OUR DIRECTORY

Head Office
294 Jide Oki Street, Victoria Island Extension,
Victoria Island, Lagos
Tel; 234-01-4616972-4, 4627635-7
Fax; 234-01-2705770, 2705695

IKEJA OFFICE
Yard 158,
Plot 34, Kudirat Abiola Way,
Oregun-Ikeja,
Lagos.

IBADAN OFFICE
51, 7-Up Road,
Oluyole Estate,
Ibadan, Oyo State.

AKURE OFFICE
P33, CUBA Complex,
Off GTB, Alagbaka,
Akure, Ondo State.
Tel: 27-537261

ABUJA CORPORATE OFFICE.
21, Usman Sarki Crescent,
Utako, Abuja.

KADUNA OFFICE
5,Swimming Pool Road
Shooting Range, Kaduna
Tel; 062-213787

KANO OFFICE
13 Dorawa/Jigawa Road,
Off Audu Bako Way
Nassarawa GRA,
Kano, Kano State.

MAKURDI OFFICE
Plot BNE 5759,
Old Otukpo Road,
Opposite Padopas Harmony
Secondary School,
Makurdi, Benue State.

PORT-HARCOURT OFFICE
10A Evo Road, G.R.A Phase 11
Port-Harcourt
Tel: 234-084-465391, 465393
Fax; 084-465392

CALABAR OFFICE
1st Floor, Plot 38,MCC Road
Calabar, Cross Rivers State.
Tel; 234-087-239640

WARRI OFFICE
Thomas House,
KLM 4, Refinery Road,
By Mega Hilton Hotel,
Ekpan-Warri,
Delta State.
Tel: 053-251727

YENEGOA OFFICE
503, Mbiama-Yenagoa Road,
Kpansia, INEC Junction,
Yenagoa, Bayelsa State

ILORIN OFFICE
22 Zulu Gambari Road, G.R.A
Ilorin, Kwara State.

FOREIGN TECHNICAL PARTNERS
AON CORPORATION
8, Devonshire Square, London ECM
United Kingdom
Tel; +44-(0)207623 5500
Fax; +44-(0)207216 3826

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