

STACO INSURANCE PLC

CONSOLIDATED FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2018

STACO INSURANCE PLC

FINANCIAL HIGHLIGHTS

	Group 2018 N'000	Group 2017 N'000	Group Growth %	Company 2018 N'000	Company 2017 N'000	Company Growth %
Major statement of financial position						
Total assets	8,875,811	9,193,763	(3.46)	8,022,646	8,241,793	(2.66)
Shareholders' funds	<u>(182,431)</u>	<u>443,649</u>	<u>(141.12)</u>	<u>(263,594)</u>	<u>258,251</u>	<u>(202.07)</u>
Major statement of comprehensive income						
Gross premium	4,170,989	4,781,668	(12.77)	3,668,675	4,288,833	(14.46)
Net premium earned	2,992,776	3,888,302	(23.03)	2,592,069	3,303,119	(21.53)
Investment income	152,806	150,954	1.23	123,608	150,954	(18.12)
Other income	58,891	121,119	(51.38)	41,615	121,119	(65.64)
Net underwriting and claims expenses	(1,919,288)	(2,365,229)	(18.85)	(1,771,807)	(2,299,176)	(22.94)
(Loss)/profit before taxation	(283,771)	11,960	2,473	(405,867)	(373,579)	(8.64)
(Loss)/profit after taxation	<u>(383,988)</u>	<u>11,960</u>	<u>3,311</u>	<u>(477,686)</u>	<u>(403,579)</u>	<u>(18.36)</u>
Information per 50k ordinary share						
Earnings per share (kobo)	(5)	1	851	(6)	(3)	(65.76)
Net assets (kobo)	0.95	0.98	(3.46)	1	1	(0.03)
Stock exchange quotation (kobo)	50	50	-	50	50	-
at 30 September	(0.09)	0.01	-	(0.11)	(0.07)	-
Price earning ratio	<u>(0.09)</u>	<u>0.01</u>	<u>-</u>	<u>(0.11)</u>	<u>(0.07)</u>	<u>-</u>
Number of 50k shares issued	9,341,088	9,341,088	-	9,341,088	9,341,088	-
Number of employees	<u>363</u>	<u>363</u>	<u>-</u>	<u>319</u>	<u>319</u>	<u>-</u>
Number of branches	<u>19</u>	<u>19</u>	<u>-</u>	<u>19</u>	<u>19</u>	<u>-</u>

STACO INSURANCE PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018

		Group 30 September 2018 N'000	Group 31 December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
ASSETS	Note				
Cash and cash equivalents	8	1,744,755	1,360,873	790,267	976,660
Financial assets	9	342,838	841,157	342,838	392,074
Trade receivables	10	266,274	347,200	165,837	60,137
Reinsurance assets	11	1,056,294	1,060,294	1,042,293	1,060,294
Other receivables and prepayments	12	274,982	317,708	201,680	203,980
Deferred acquisition cost	13	241,187	161,135	235,687	161,135
Investment in subsidiary	14	-	-	327,937	327,936
Investment properties	15	1,520,000	1,520,000	1,520,000	1,520,000
Deferred tax assets	16.1	1,735	7,820	-	-
Leased assets	17	201,819	212,847	201,819	212,847
Property, plant and equipment	18	2,876,966	3,004,624	2,848,217	2,970,730
Statutory deposit	19	300,000	300,000	300,000	300,000
Intangible asset	20	48,961	60,105	46,070	56,000
Total assets		8,875,811	9,193,763	8,022,646	8,241,793
LIABILITIES					
Insurance contract liabilities	21	3,780,352	3,701,877	3,423,526	3,299,495
Financial Liabilities	22	4,446,126	4,444,846	4,446,126	4,444,846
Trade payables	23	308,780	104,773	234,369	87,653
Other payables	24a	121,859	117,840	48,662	37,993
Deferred tax liabilities	16.1	98,050	98,050	98,050	98,050
Employee benefit liability	26	5,581	6,027	-	-
Taxation	27	91,950	108,635	35,506	15,506
Total liabilities		8,852,697	8,582,048	8,286,239	7,983,542
EQUITY	28				
Issued share capital	28a	4,670,544	4,670,544	4,670,544	4,670,544
Share premium	28c	434,164	434,164	434,164	434,164
Revaluation reserve	28d	1,595,299	1,595,299	1,595,299	1,595,299
Fair value reserve	28e	119,783	163,938	372,985	417,141
Contingency reserve	28f	2,243,664	2,118,535	2,187,398	2,077,338
Retained earnings	28g	(9,245,885)	(8,538,831)	(9,523,985)	(8,936,237)
Shareholders' funds		(182,431)	443,649	(263,594)	258,251
Non controlling interest	28h	205,546	168,066	-	-
		23,115	611,715	(263,594)	258,251
Total Liabilities and Equity		8,875,811	9,193,763	8,022,645	8,241,793

Approved by the Board of Directors on 1st November 2018.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY :


.....
Jide Omotere
Chief Financial Officer
FRC/2013/ICAN/00000002180


.....
Bayo Fakorede
Managing Director
FRC/2013/CIIN/00000004099


.....
Muhammad Sidi Aliyu
Chairman
FRC/2020/003/00000021442

STACO INSURANCE PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2018

		Group 30 September 2018 N'000	Group 30 September 2017 N'000	Company 01.07 - 30.09 2018 N'000	Company 30 September 2018 N'000	Company 01.07 - 30.09 2017 N'000	Company 30 September 2017 N'000
Gross Premiums written	Note 29	4,170,989	4,781,668	903,759	3,668,675	1,077,638	4,288,833
Gross Premium Income	29a	4,055,411	4,965,191	1,148,827	3,600,801	1,036,838	4,377,564
Reinsurance expenses	29b	(1,062,636)	(1,076,889)	(306,275)	(1,008,732)	(187,947)	(1,074,445)
Net Premium Income	29	2,992,776	3,888,302	842,552	2,592,069	848,891	3,303,119
Fees and Commission Income	30	198,278	195,476	63,588	198,278	75,755	195,126
Net underwriting Income		3,191,054	4,083,779	906,140	2,790,347	924,646	3,498,245
Claims expense	31	(1,145,947)	(1,346,278)	(804,338)	(1,079,023)	(750,215)	(1,334,230)
Underwriting expenses	32	(773,342)	(1,018,951)	(180,048)	(692,784)	(205,908)	(964,945)
Net underwriting and claims expenses		(1,919,288)	(2,365,229)	(984,385)	(1,771,807)	(956,123)	(2,299,176)
Underwriting results	7	1,271,765	1,718,550	(78,245)	1,018,540	(31,477)	1,199,070
Investment income	33	152,806	150,954	54,957	123,608	113,216	150,954
Net realised gain/(loss) on financial assets	34	-	-	-	-	-	-
Other income	35	58,891	121,119	15,020	41,615	7,130	121,119
Operating and administrative expenses	36	(1,652,206)	(1,750,681)	(491,596)	(1,474,602)	(499,115)	(1,616,739)
Interest on convertible bond	37	(115,027)	(227,983)	(38,342)	(115,027)	(75,994)	(227,983)
Impairment loss on trade receivables	38	-	-	-	-	-	-
Profit / (Loss) before taxation		(283,771)	11,960	(538,206)	(405,867)	(486,239)	(373,579)
Taxation	27.1	(100,216)	-	-	(71,820)	(5,000)	(30,000)
Profit / (Loss) for the year		(383,988)	11,960	(538,206)	(477,686)	(491,239)	(403,579)
Other comprehensive income							
Net fair value gain (loss) on available for sale financial assets	28e	(44,155)	88,759	-	(44,155)	-	88,759
Foreign exchange translation gain/(loss)	28f	-	-	-	-	-	-
Appreciation on investment in subsidiary		-	-	-	-	-	-
Total comprehensive income/(loss) for the year		(428,143)	100,719	(538,206)	(521,842)	(491,239)	(314,820)
Profit/(Loss) attributable to:							
Owner of equity		(421,467)	11,960	(538,206)	(477,686)	(491,239)	(403,579)
Non controlling interest		37,480	-	-	-	-	-
		(383,988)	11,960	(538,206)	(477,686)	(491,239)	(403,579)
Total comprehensive income/(loss) attributable to :							
Owner of equity		(465,622)	100,719	(538,206)	(521,842)	(491,239)	(314,820)
Non controlling interest		37,480	-	-	-	-	-
		(428,143)	100,719	(538,206)	(521,842)	(491,239)	(314,820)
Earning per share(kobo)							
- Actual		(5)	1		(6)		(3)
- Adjusted		(5)	1		(6)		(3)

STACO INSURANCE PLC

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2018

GROUP

	Share Capital N'000	Share Premium N'000	Revaluation Reserve N'000	Fair value (Available for sale) Reserve N'000	Contingency Reserve N'000	Retained Earnings N'000	Non Controlling Interest N'000	Total Equity N'000
Balance as at 1 January 2017	4,670,544	434,164	1,595,299	61,491	1,952,489	(5,660,870)	111,126	3,164,243
Total comprehensive income for the year	-	-	-	88,759	-	-	-	88,759
Issue of share capital	-	-	-	-	-	-	-	-
Transfer to contingency reserve	-	-	-	-	143,450	(143,450)	-	-
Transfer from (to) retained earning	-	-	-	-	-	11,960	-	11,960
Translation reserve	-	-	-	-	-	-	-	-
Transfer from (to) non controlling interest	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-
Revaluation surplus	-	-	-	-	-	-	-	-
Balance as at 30 September 2017	<u>4,670,544</u>	<u>434,164</u>	<u>1,595,299</u>	<u>150,250</u>	<u>2,095,939</u>	<u>(5,792,360)</u>	<u>111,126</u>	<u>3,264,961</u>
Balance as at 1 January 2018	4,670,544	434,164	1,595,299	163,938	2,118,535	(8,538,831)	168,066	611,715
Total comprehensive income for the year	-	-	-	(44,155)	-	-	-	(44,155)
Issue of share capital	-	-	-	-	-	-	-	-
Transfer to contingency reserve	-	-	-	-	125,130	(125,130)	-	-
Transfer from (to) retained earning	-	-	-	-	-	(383,988)	-	(383,988)
Translation reserve	-	-	-	-	-	(197,937)	-	(197,937)
Transfer from (to) non controlling interest	-	-	-	-	-	-	37,480	37,480
Dividend	-	-	-	-	-	-	-	-
Revaluation surplus	-	-	-	-	-	-	-	-
Balance as at 30 September 2018	<u>4,670,544</u>	<u>434,164</u>	<u>1,595,299</u>	<u>119,783</u>	<u>2,243,664</u>	<u>(9,245,885)</u>	<u>205,546</u>	<u>23,115</u>

COMPANY

	Share Capital N'000	Share Premium N'000	Revaluation Reserve N'000	Fair value (Available for sale) Reserve N'000	Contingency Reserve N'000	Retained Earnings N'000	Total Equity N'000
Balance as at 1 January 2017	4,670,544	434,164	1,595,299	271,985	1,920,595	(5,130,611)	3,761,976
Total comprehensive income for the year	-	-	-	88,759	-	-	88,759
Issue of share capital	-	-	-	-	-	-	-
Transfer to contingency reserve	-	-	-	-	128,665	(128,665)	-
Transfer from (to) retained earning	-	-	-	-	-	(403,579)	(403,579)
Dividend	-	-	-	-	-	-	-
Revaluation surplus	-	-	-	-	-	-	-
Balance as at 30 September 2017	<u>4,670,544</u>	<u>434,164</u>	<u>1,595,299</u>	<u>360,744</u>	<u>2,049,260</u>	<u>(5,662,855)</u>	<u>3,447,156</u>
Balance as at 1 January 2018	4,670,544	434,164	1,595,299	417,141	2,077,338	(8,936,237)	258,250
Total comprehensive income for the year	-	-	-	(44,155)	-	-	(44,155)
Issue of share capital	-	-	-	-	-	-	-
Transfer to contingency reserve	-	-	-	-	110,060	(110,060)	-
Transfer from (to) retained earning	-	-	-	-	-	(477,686)	(477,686)
Dividend	-	-	-	-	-	-	-
Revaluation surplus	-	-	-	-	-	-	-
Balance as at 30 September 2018	<u>4,670,544</u>	<u>434,164</u>	<u>1,595,299</u>	<u>372,986</u>	<u>2,187,398</u>	<u>(9,523,985)</u>	<u>(263,594)</u>

STACO INSURANCE PLC

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

		Group 30 September 2018 N'000	Group 30 September 2017 N'000	Company 30 September 2018 N'000	Company 30 September 2017 N'000
Cash flow from operating activities	Note				
Premium received from policy holders		4,251,915	3,445,878	3,562,975	2,986,752
Reinsurance receipts in respect of claims		289,710	191,994	289,710	191,994
Reinsurance cost		(1,044,636)	(866,259)	(990,732)	(864,360)
Cash paid to and on behalf of employees		(758,225)	(502,622)	(721,189)	(465,672)
Other operating cash payments/receipts		(1,306,765)	(707,323)	(1,246,795)	(665,823)
Commission paid		(98,612)	(59,697)	(74,444)	(59,697)
Claims paid		(1,333,886)	(1,027,947)	(1,312,576)	(1,019,580)
Tax paid		(116,902)	(91,187)	(51,820)	(35,254)
Net cash provided by operating activities	44	<u>(117,400)</u>	<u>382,837</u>	<u>(544,872)</u>	<u>68,359</u>
Cash flow from investing activities					
Purchase of property, plant and equipment	18	(37,107)	(25,202)	(33,922)	(21,705)
Purchase of intangible asset		(3,150)	(4,244)	-	(4,244)
Fund placement proceed		376,785	(119,406)	256,845	(119,406)
Dividend received		25,088	2,405	25,088	2,405
Interest received		127,719	35,334	98,520	35,334
Net cash provided by investing activities		<u>489,334</u>	<u>(111,113)</u>	<u>346,531</u>	<u>(107,616)</u>
Cash flow from financing activities					
Change in borrowings		11,948	-	11,948	-
Proceeds from issue of share capital		-	-	-	-
Repayment of finance lease liabilities		-	(22,918)	-	(22,918)
Net cash used in financing activities		<u>11,948</u>	<u>(22,918)</u>	<u>11,948</u>	<u>(22,918)</u>
Net increase/(decrease) in cash and cash equivalents		383,882	248,806	(186,393)	(62,174)
Cash and cash equivalents at the beginning of the year		1,360,873	2,750,249	976,660	2,486,662
Cash and cash equivalents at the end of the year		<u>1,744,755</u>	<u>2,999,055</u>	<u>790,267</u>	<u>2,424,488</u>
Represented by:					
Cash at bank and in hand	8	1,744,755	2,999,055	790,267	2,424,488
Cashbook overdrawn		-	-	-	-
		<u>1,744,755</u>	<u>2,999,055</u>	<u>790,267</u>	<u>2,424,488</u>

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

RISK MANAGEMENT FRAMEWORK (CON'TD)

CAPITAL MANAGEMENT

The Group's objectives with respect to capital management are to maintain a capital base that is structured to exceed regulatory and to best utilize capital allocations

Insurance industry regulator measures the financial strength of Non-life insurers using a solvency margin model, NAICOM generally expects non-life insurer to comply with this capital adequacy requirement.

Section 24 of the Insurance Act 2003 defines Solvency Margin of a Non-life insurer as the difference between the admissible assets and liabilities and this shall not be less than 15% of net premium income (gross premium income less re-insurance premium paid) or the minimum capital base (3 billion) whichever is higher.

The test compares insurers' capital against the risk profile. The regulator indicated that the insurer should produce a minimum solvency margin of 100%. During the period, the Group consistently operated above the minimum. The regulator has the authority to request more extensive reporting and can place restrictions on the Group's operations as deemed necessary if the Group falls below this requirement.

The solvency margin for the Company as at 30 September 2018 is as follows:

ASSETS:

	ADMISSIBLE N'000	IN ADMISSIBLE N'000	TOTAL N'000
Cash and cash equivalents	790,267	-	790,267
Financial assets	342,838	-	342,838
Insurance receivables	165,837	-	165,837
Reinsurance assets	1,042,293	-	1,042,293
Other receivables	-	201,680	201,680
Deferred acquisition cost	235,687	-	235,687
Investment in subsidiary	-	327,937	327,937
Investment properties and land	1,520,000	-	1,520,000
Leased assets	201,819	-	201,819
Property and equipment	2,848,217	-	2,848,217
Statutory deposit	300,000	-	300,000
Intangible assets	-	46,070	46,070
Total assets	7,446,959	575,687	8,022,646

LIABILITIES

Investment contract liabilities	-	-	-
Insurance contract liabilities	3,423,526	-	3,423,526
Borrowings	4,446,126	-	4,446,126
Trade payables	234,369	-	234,369
Other payables	48,662	-	48,662
Deferred tax liabilities	-	98,050	98,050
Current income tax liabilities	35,506	-	35,506
Total liabilities	8,188,189	98,050	8,286,239

SOLVENCY MARGIN (741,230)

MINIMUM REQUIRED 3,000,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2018**

RISK MANAGEMENT FRAMEWORK (CON'TD)

CAPITAL MANAGEMENT

The Company further developed an internal capital adequacy model that assesses the risk of assets, policy liabilities and other exposures by applying various factors. The model calculates the capital required for each class of the broad risks identified by the Company and aggregates through co-variance methodology that considers the relationship between these risk categories.

As at period end, the Company showed a negative solvency margin of N741,229.92 and a solvency ratio of (124.71)%

STACO INSURANCE PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2018**

7 SEGMENT INFORMATION- COMPANY

Segment Information

Following the management approach of IFRS 8, the company is organised into eight operating segments. These segments distribute their products through various forms of brokers, agencies, and direct marketing programs. Management identifies its reportable segments by product line. These segments and their respective operations for the period ended 30 September, 2018 are as follows:

Fire

General accident

Motor vehicle

Oil and gas

Marine

Aviation

Bond

Engineering

	Fire N'000	General Accident N'000	Motor Vehicle N'000	Oil and Gas N'000	Marine N'000	Aviation N'000	Bond N'000	Engineering N'000	Total N'000
Gross premium written	857,891	534,742	1,121,617	554,433	441,880	7,582	27,791	122,739	3,668,675
Gross premium income	854,152	499,361	1,066,178	536,160	477,000	10,638	37,538	119,773	3,600,801
Re-insurance expenses	(706,244)	(24,350)	(34,599)	(155,600)	(7,137)	(80,543)	(214)	(45)	(1,008,732)
Net premium income	147,908	475,011	1,031,579	380,561	469,863	(69,905)	37,324	119,729	2,592,069
Fee Income and commission	164,489	6,605	5,700	1,577	-	19,831	63	13	198,278
Investment returns									-
Net underwriting income	312,397	481,615	1,037,279	382,138	469,863	(50,074)	37,387	119,742	2,790,347
Claim expenses(Gross)	(425,367)	(137,260)	(378,122)	(229,349)	(74,449)	(7,253)	(18,750)	(42,027)	(1,312,576)
Insurance claims recovered / recoverable from reinsurers	124,606	58,937	125,159	(182,007)	95,081	3,186	(185)	8,778	233,553
Net insurance benefits and claims	(300,761)	(78,323)	(252,963)	(411,356)	20,632	(4,068)	(18,935)	(33,249)	(1,079,023)
Underwriting expenses	(204,666)	(112,489)	(175,396)	(74,640)	(88,726)	(1,601)	(7,366)	(27,899)	(692,784)
Total expenses	(505,427)	(190,812)	(428,359)	(485,996)	(68,095)	(5,669)	(26,301)	(61,148)	(1,771,807)
Reportable segment profit	(193,030)	290,803	608,920	(103,859)	401,768	(55,743)	11,086	58,593	1,018,540

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

SEGMENT INFORMATION CONT'D- COMPANY

The segment information provided by Management for the reporting segments for the year ended 30 September, 2017

	Fire N'000	General Accident N'000	Motor Vehicle N'000	Oil and Gas N'000	Marine N'000	Aviation N'000	Bond N'000	Engineering N'000	Total N'000
Gross premium written	<u>1,080,927</u>	<u>601,447</u>	<u>1,220,931</u>	<u>748,531</u>	<u>472,456</u>	<u>25,935</u>	<u>29,674</u>	<u>108,932</u>	<u>4,288,833</u>
Gross premium income	1,072,948	603,489	1,317,955	724,376	498,069	28,298	17,248	115,183	4,377,565
Re-insurance expenses	(509,171)	(34,629)	(31,160)	(243,513)	(170,960)	(12,538)	(5,315)	(67,159)	(1,074,445)
Net premium income	563,777	568,860	1,286,794	480,863	327,109	15,761	11,932	48,024	3,303,120
Fee Income and commission	110,608	7,861	5,085	5,502	40,913	2,559	1,419	21,178	195,126
Investment returns	-	-	-	-	-	-	-	-	-
Net underwriting income	<u>674,385</u>	<u>576,721</u>	<u>1,291,879</u>	<u>486,365</u>	<u>368,022</u>	<u>18,320</u>	<u>13,352</u>	<u>69,202</u>	<u>3,498,246</u>
Claim expenses(Gross)	(548,962)	(145,024)	(328,220)	(279,337)	(615,605)	(1,142)	(21,427)	(60,427)	(2,000,143)
Insurance claims recovered from reinsurers	158,960	176,406	16,623	152,765	104,210	8,385	(12,978)	61,542	665,912
Net insurance benefits and claims	(390,002)	31,382	(311,597)	(126,571)	(511,396)	7,243	(34,405)	1,115	(1,334,230)
Underwriting expenses	(270,802)	(148,559)	(247,158)	(108,157)	(150,481)	(6,332)	(5,719)	(27,738)	(964,945)
Total expenses	<u>(660,805)</u>	<u>(117,176)</u>	<u>(558,754)</u>	<u>(234,728)</u>	<u>(661,877)</u>	<u>911</u>	<u>(40,123)</u>	<u>(26,623)</u>	<u>(2,299,176)</u>
Reportable segment profit	<u>13,581</u>	<u>459,545</u>	<u>733,125</u>	<u>251,637</u>	<u>(293,855)</u>	<u>19,231</u>	<u>(26,772)</u>	<u>42,579</u>	<u>1,199,071</u>

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	31 Group December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
8 CASH AND CASH EQUIVALENTS				
Cash in hand	1,440	430	1,440	332
Due from banks and other financial institutions (note 8.1)	1,743,315	1,360,443	788,827	976,328
	1,744,755	1,360,873	790,267	976,660
8.1 Due from banks and other financial institutions				
Balances held with banks	860,987	400,805	433,539	16,690
Placement with banks	882,328	959,638	355,288	959,638
	1,743,315	1,360,443	788,827	976,328
Short-term deposits are made for varying period of one day and three months depending on the immediate cash requirement of the group.				
For the purpose of cash flows, cash and cash equivalents comprises include cash and bank balances (as above)				
	1,744,755	1,360,873	790,267	976,660

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	Group 31 December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
9 FINANCIAL ASSETS				
The group financial assets are summarised below by measurement category :				
Held to maturity (Note 9.1)	10,468	429,634	10,468	11,748
Loans and receivables (Note 9.2)	111,637	118,140	111,637	115,437
Available for sale financial asset (Note 9.3)	220,733	293,383	220,733	264,889
	342,838	841,157	342,838	392,074
9.1 Held to maturity				
Government securities	10,468	342,050	10,468	6,069
Treasury bills	-	87,584	-	5,679
	10,468	429,634	10,468	11,748
Due within 12 months	-	1,350	-	1,350
Due after 12 months	10,468	428,284	10,468	10,398
	10,468	429,634	10,468	11,748
There are no impaired held to maturity investments at 30 June 2018 (2017 nil)				
9.2 Loan and receivables				
Staff loan	111,637	118,140	111,637	115,437
	111,637	118,140	111,637	115,437
Due within 12 months	44,215	82,916	45,200	93,583
Due after 12 months	67,422	35,224	66,437	21,854
	111,637	118,140	111,637	115,437
9.2a Staff loan	114,285	120,788	114,285	118,085
Allowance for impairment (Note 9.2c)	(2,648)	(2,648)	(2,648)	(2,648)
	111,637	118,140	111,637	115,437

For loans and receivables exceeding 12 months, the estimated fair values of the loans and receivables are the discounted amount of the estimated future cash flows expected to be received. Expected cash flows are discounted factor at current market rates to determine fair value. For loans and receivables with maturity period of below 12 months, no discounting was applied.

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

9.2c Movement on the provision for impaired loans and receivables are as follows :

Group	Staff loan	Total
	N'000	N'000
At beginning of year	2,648	2,648
Provision for impairment	-	-
Provision no longer required	-	-
Amount written off during the year as uncollectible	-	-
Unused amount reversed	2,648	2,648
Company	Staff loan	Total
	N'000	N'000
At beginning of year	2,648	2,648
Provision for impairment	-	-
Provision no longer required	-	-
Amount written off during the year as uncollectible	-	-
Unused amount reversed	2,648	2,648

	Group 30 June 2018 N'000	Group 31 December 2017 N'000	Company 30 June 2018 N'000	Company 31 December 2017 N'000
9.3 Available for sale investment				
Listed	124,143	196,793	124,143	168,298
Unlisted	96,591	96,590	96,591	96,591
	220,733	293,383	220,733	264,889
Due within 12 months	-	-	-	-
Due after 12 months	220,733	293,383	220,733	264,889
	220,733	293,383	220,733	264,889

The Group investment in unquoted equity financial instrument could not be fair valued as there were no observable data for which the entity could be fair valued, the carrying amount was based on cost less impairment.

The quoted equity financial instrument are measured at market value, the cumulative gain or loss are recognised in other comprehensive income.

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

9.4 The movement in financial assets may be summarised as follows:

Group	Held to maturity N'000	Loans and receivables N'000	Available for sale N'000	Total N'000
At beginning of year	11,748	118,085	264,888	394,722
Additions	-	-	-	-
Disposals(sale and redemption)	(1,280)	(3,800)	-	(5,080)
Fair value gains/losses	-	-	(44,155)	(44,155)
Impairment losses	-	(2,648)	-	-
At end of period	<u>10,468</u>	<u>111,637</u>	<u>220,733</u>	<u>345,487</u>

Company	Held to maturity N'000	Loans and receivables N'000	Available for sale N'000	Total N'000
At beginning of year	11,748	118,085	264,888	394,722
Additions	-	-	-	-
Disposals(sale and redemption)	(1,280)	(3,800)	-	(5,080)
Fair value gains/losses	-	-	(44,155)	(44,155)
Impairment losses	-	(2,648)	-	(2,648)
At end of period	<u>10,468</u>	<u>111,637</u>	<u>220,733</u>	<u>342,838</u>

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	31 December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
10 TRADE RECEIVABLES				
Due from agents	-	-	-	-
Due from brokers	2,028,027	2,108,953	1,766,028	1,660,328
Due from Reinsurance companies	-	-	-	-
	<u>2,028,027</u>	<u>2,108,953</u>	<u>1,766,028</u>	<u>1,660,328</u>
Allowance for impairment (Note 10.1)	(1,761,753)	(1,761,753)	(1,600,191)	(1,600,191)
	<u>266,274</u>	<u>347,200</u>	<u>165,837</u>	<u>60,137</u>
Due within 12months	266,274	347,200	165,837	60,137
Due after 12 months	-	-	-	-
	<u>266,274</u>	<u>347,200</u>	<u>165,837</u>	<u>60,137</u>

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

	Group N'000	Company N'000
At beginning of year	1,761,753	1,600,191
Provision for impairment	-	-
Provision no longer required	-	-
Amount written off during the year as uncollectible	-	-
At end of period	<u>1,761,753</u>	<u>1,600,191</u>

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	31 December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
11 REINSURANCE ASSETS				
Prepaid reinsurance (note 11.1)	264,855	263,355	263,355	263,355
Reinsurance recoverable	785,439	24,000	772,939	772,939
Prepaid M&D Deposit - Re-Insurance	6,000	772,939	6,000	24,000
	1,056,294	1,060,294	1,042,293	1,060,294
Due within 12months	768,893	772,893	754,892	772,893
Due after 12 months	287,401	287,401	287,401	287,401
	1,056,294	1,060,294	1,042,293	1,060,294
11.1 Movement in prepaid reinsurance				
At beginning of year	263,355	414,250	263,355	414,250
Additions during the year	1,064,136	1,306,613	1,008,732	1,306,613
Amortisation during the year	(1,062,636)	(1,457,508)	(1,008,732)	(1,457,508)
At end of period	264,855	263,355	263,355	263,355

There were no indicators of impairment for re-insurance assets. Therefore, no impairment allowance is required in respect of these assets. The carrying amounts disclosed above are in respect of the reinsurance contracts which approximate the fair value at the reporting date.

	Group 30 September 2018	31 December 2017	Company 30 September 2018	Company 31 December 2017
12 OTHER RECEIVABLES AND PREPAYMENTS				
Accrued income (Note 12.2)	50,382	19,478	19,477	19,478
Prepayment (Note 12.2)	118,784	121,042	109,194	111,430
Other receivables (Note 12.1)	105,817	177,188	73,008	73,071
	274,982	317,708	201,680	203,980
Due within 12months	274,982	317,708	201,680	203,980
Due after 12 months	-	-	-	-
	274,982	317,708	201,680	203,980
12.1 Other receivables				
Stock- consumables	-	-	-	-
Deposit for assets	-	-	-	-
Other sundry debtors	2,331,983	265,021	2,299,174	160,904
	2,331,983	265,021	2,299,174	160,904
Allowance for impairment (Note 9.2c)	(2,226,166)	(87,833)	(2,226,166)	(87,833)
	105,817	177,188	73,008	73,071
12.2 The movement in other receivables and prepayments may be summarised as follows:				
Group	Accrued income N'000	Prepayment N'000	Other receivables N'000	Total N'000
At beginning of year	19,478	121,042	2,301,237	2,441,758
Additions	31,502	-	32,808	64,310
Realisation	(598)	-	(2,000)	(2,598)
Expensed during the year	-	(2,259)	-	-
Allowance for impairment	-	-	(2,226,166)	(2,226,166)
At end of period	50,382	118,784	105,880	277,304
Company	Accrued income N'000	Prepayment N'000	Other receivables N'000	Total N'000
At beginning of year	19,477	111,430	2,301,237	2,432,145
Additions	-	-	-	-
Realisation	(598)	-	(2,000)	(2,598)
Expensed during the year	-	-	-	-
Allowance for impairment	-	-	(2,226,166)	(2,226,166)
At end of period	18,879	111,430	73,071	203,381

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018	Group 31 December 2017	Company 30 September 2018	Company 31 December 2017
13 DEFERRED ACQUISITION COST				
At beginning of year	161,135	249,914	161,135	249,914
Additions during the year	670,797	717,935	584,739	717,935
Amortisation during the year	(590,745)	(806,714)	(510,187)	(806,714)
At end of period	<u>241,187</u>	<u>161,135</u>	<u>235,687</u>	<u>161,135</u>
Due within 12months	241,187	161,135	235,687	161,135
Due after 12 months	-	-	-	-
	<u>241,187</u>	<u>161,135</u>	<u>235,687</u>	<u>161,135</u>

14 INVESTMENT IN SUBSIDIARY

14.1 The following table illustrates the summarized financial information of the company's investment in Staco Sierra Leone Limited

Share of the Subsidiary's statement of financial position:

Assets	-	-	-	920,133
Liabilities	-	-	-	733,504
Equity	-	-	-	<u>186,629</u>

Share of Subsidiary's reserves and profit or loss:

Contingency reserve	-	-	-	41,746
Retained earnings	-	-	-	99,561
	-	-	-	<u>141,307</u>

Carrying amount of the investment	-	-	327,937	<u>327,936</u>
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14.2 Appreciation/(Diminution) in investment

Carrying amount of the investment	-	-	327,937	327,936
Cost of investment	-	-	74,733	74,733
Appreciation in investment	-	-	<u>253,204</u>	<u>253,203</u>

This represents 60% holding in the ordinary share capital of Staco Sierra Leone Limited, a subsidiary incorporated and operating in Sierra Leone

15 INVESTMENT PROPERTIES

At 1 January	1,520,000	1,520,000	1,520,000	1,520,000
Addition during the year	-	-	-	-
Revaluation surplus (Note 28c)	-	-	-	-
At end of period	<u>1,520,000</u>	<u>1,520,000</u>	<u>1,520,000</u>	<u>1,520,000</u>

Cost/Valuation at 30 September, 2018 is represented by:

Valuation	495,000	495,000	495,000	495,000
Cost	1,025,000	1,025,000	1,025,000	1,025,000
	<u>1,520,000</u>	<u>1,520,000</u>	<u>1,520,000</u>	<u>1,520,000</u>

Investment properties are carried at fair value which are determined by independent professional valuers. The determination of fair value of the investment properties was supported by market evidence. The modalities and process utilized extensive analysis of market data and other sector specific peculiarities corroborated with available database derived from previous experience.

The investment property is a landed property held for the purpose of capital appreciation. It is a bare land located at No 13 Glover Road, Ikoyi in Eti Osa Local Government Area of Lagos State.

The property was independently valued by Dennis Osamudiamé (FRC/2013/NIESV/00000003727) for Dennis Osamudiamé & Co on 13th December 2017 at N1,520,000,000(2015 : N1,520,000,000) on the basis of open market value.

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	Group 31 December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
16 DEFERRED TAX ASSETS				
At 1 January	7,820	-	-	-
Charge for the period	(6,085)	7,820	-	-
At 30 September	<u>1,735</u>	<u>7,820</u>	<u>-</u>	<u>-</u>

The movement in deferred income tax liabilities during the year is as follows:

16.1 DEFERRED TAX LIABILITY	N'000	N'000	N'000	N'000
At 1 January	98,050	101,892	98,050	98,050
Charge for the period	-	(3,842)	-	-
At 30 September	<u>98,050</u>	<u>98,050</u>	<u>98,050</u>	<u>98,050</u>

The movement in deferred income tax liabilities during the year is as follows:

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

17 LEASED ASSETS -Group

	Furniture Fittings and equipment N'000	Motor Vehicle N'000	TOTAL N'000
Cost			
At 1 January 2018	-	592,767	592,767
Additions	-	-	-
At 30 September 2018	-	592,767	592,767
Accumulated depreciation			
At 1 January 2018	-	379,920	379,920
Charge for the period	-	11,028	11,028
At 30 September 2018	-	390,948	390,948
Carrying value			
At 30 September 2018	-	201,819	201,819
At 31 December 2017	-	212,847	212,847

17 LEASED ASSETS -Company

	Furniture Fittings and equipment N'000	Motor Vehicle N'000	TOTAL N'000
Cost			
At 1 January 2018	-	592,767	592,767
Additions	-	-	-
At 30 September 2018	-	592,767	592,767
Accumulated depreciation			
At 1 January 2018	-	379,920	379,920
Charge for the period	-	11,028	11,028
At 30 September 2018	-	390,948	390,948
Carrying value			
At 30 September 2018	-	201,819	201,819
At 31 December 2017	-	212,847	212,847

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

18 PROPERTY ,PLANT AND EQUIPMENT -Group

	Land and Building N'000	Plant and Machinery N'000	Furniture Fittings and equipment N'000	Motor Vehicle N'000	Work in Progress N'000	TOTAL N'000
Cost						
At 1 January 2018	2,220,609	283,478	1,109,874	1,525,813	4,226	5,144,000
Additions	-	14,425	15,705	6,977	-	37,107
Disposal	-	-	-	-	-	-
Revaluation surplus (Note 27d)	-	-	-	-	-	-
At 30 September 2018	<u>2,220,609</u>	<u>297,903</u>	<u>1,125,579</u>	<u>1,532,790</u>	<u>4,226</u>	<u>5,181,107</u>
Accumulated depreciation						
At 1 January 2018	34,401	130,987	640,875	1,333,113	-	2,139,376
Charge for the period	25,800	21,019	68,645	49,301	-	164,765
Disposal	-	-	-	-	-	-
At 30 September 2018	<u>60,201</u>	<u>152,006</u>	<u>709,520</u>	<u>1,382,414</u>	<u>-</u>	<u>2,304,141</u>
Carrying value						
At 30 September 2018	<u>2,160,408</u>	<u>145,897</u>	<u>416,059</u>	<u>150,376</u>	<u>4,226</u>	<u>2,876,966</u>
At 31 December 2017	<u>1,855,699</u>	<u>152,491</u>	<u>468,999</u>	<u>523,209</u>	<u>4,226</u>	<u>3,004,624</u>
Cost/Valuation at 30 September, 2018 is represented by:						
At Cost	996,720	222,909	969,801	1,470,493	4,226	3,664,149
At Valuation	<u>1,223,789</u>	<u>297,903</u>	<u>1,125,579</u>	<u>1,532,790</u>	<u>4,226</u>	<u>4,184,287</u>
	<u>2,220,509</u>	<u>520,812</u>	<u>2,095,380</u>	<u>3,003,283</u>	<u>8,452</u>	<u>7,848,436</u>

The property was independently valued by Dennis Osamudiame (FRC/2013/NIESV/00000003727) for Dennis Osamudiame & Co on 13th December 2017 at N2,050,509,000 (2016: N2,050,509,000) on the basis of open market value.

Depreciation expenses of N164,765 has been charged in operating and administrative expenses

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

18 PROPERTY, PLANT AND EQUIPMENT -Company

	Land and Building N'000	Plant and Machinery N'000	Furniture Fittings and equipment N'000	Motor Vehicle N'000	Work in Progress N'000	TOTAL N'000
Cost						
At 1 January 2018	2,220,609	283,478	1,066,129	1,502,862	4,226	5,077,304
Additions	-	14,425	14,862	4,635	-	33,922
Disposal						-
Revaluation surplus (Note 27d)						-
At 30 September 2018	<u>2,220,609</u>	<u>297,903</u>	<u>1,080,991</u>	<u>1,507,497</u>	<u>4,226</u>	<u>5,111,226</u>
Accumulated depreciation						
At 1 January 2018	34,401	130,987	617,912	1,323,274	-	2,106,574
Charge for the period	25,800	21,019	63,190	46,426	-	156,435
Disposal						-
At 30 September 2018	<u>60,201</u>	<u>152,006</u>	<u>681,102</u>	<u>1,369,700</u>	<u>-</u>	<u>2,263,008</u>
Carrying value						
At 30 September 2018	<u>2,160,408</u>	<u>145,897</u>	<u>399,889</u>	<u>137,798</u>	<u>4,226</u>	<u>2,848,217</u>
At 31 December 2017	<u>2,186,208</u>	<u>152,491</u>	<u>448,217</u>	<u>179,588</u>	<u>4,226</u>	<u>2,970,730</u>
Cost/Valuation at 30 September, 2018 is represented by:						
At Cost	996,820	297,903	1,080,991	1,507,497	4,226	3,887,437
At Valuation	<u>1,223,789</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,223,789</u>
	<u>2,220,609</u>	<u>297,903</u>	<u>1,080,991</u>	<u>1,507,497</u>	<u>4,226</u>	<u>5,111,226</u>

The property was independently valued by Dennis Osamudiamé (FRC/2013/NIESV/00000003727) for Dennis Osamudiamé & Co on 13th December 2017 at N2,050,509,000 (2016: N2,050,509,000) on the basis of open market value.

Depreciation expenses of N156,435 has been charged in operating and administrative expenses

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	Group 31 December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
19 STATUTORY DEPOSIT				
This represents amount deposited with Central Bank of Nigeria (CBN) in accordance with section 10(3) of the Insurance Act, 2003	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
Due within 12 months	-	-	-	-
Due after 12 months	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	Group 31 December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
20 INTANGIBLE ASSET				
Goodwill (Note 20.1)	-	-	-	-
Software (Note 20.2)	48,961	60,105	46,070	56,000
	48,961	60,105	46,070	56,000
20.1 Intangible Asset - Goodwill				
Cost				
At 1 January	-	50,460	-	-
Addition	-	-	-	-
At 30 September 2018	-	50,460	-	-
Amortisation				
At 1 January	-	50,460	-	-
Amortisation	-	-	-	-
At 30 September 2018	-	50,460	-	-
Carrying value				
At 30 June 2018	-	-	-	-
20.2 Intangible Asset - Software				
Cost				
At 1 January	182,369	178,125	182,369	178,125
Cost capitalised	3,150	11,067	-	4,244
At 30 September 2018	185,519	189,192	182,369	182,369
Amortisation				
At 1 January	126,369	108,204	126,369	108,204
Amortisation	10,190	20,883	9,930	18,165
At 30 September 2018	136,558	129,087	136,299	126,369
Carrying value				
At 30 September 2018	48,961	60,105	46,070	56,000

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

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	Group 31 December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
21 INSURANCE CONTRACT LIABILITIES				
General business (note 21.1)	3,531,849	3,452,617	3,423,526	3,299,495
Life business (note 21.2)	248,503	249,260	-	-
Total insurance liabilities	<u>3,780,352</u>	<u>3,701,877</u>	<u>3,423,526</u>	<u>3,299,495</u>
Due within 12 months	3,780,352	3,701,877	3,423,526	3,299,495
Due after 12 months	-	-	-	-
	<u>3,780,352</u>	<u>3,701,877</u>	<u>3,423,526</u>	<u>3,299,495</u>
21.1 General business liabilities				
Outstanding claims provision (note 21.1a)	1,699,887	1,429,882	1,712,969	1,350,460
Claims incurred but not reported (note 20.1b)	171,297	477,649	171,297	477,649
Provision for unearned premium (note 21.1c)	<u>1,660,664</u>	<u>1,545,086</u>	<u>1,539,260</u>	<u>1,471,386</u>
Total general business insurance contract liability	<u>3,531,849</u>	<u>3,452,617</u>	<u>3,423,526</u>	<u>3,299,495</u>

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	31 Group December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
Outstanding claims provision - General business				
Movement in outstanding claims provision				
At 1 January	1,429,882	1,242,108	1,350,461	1,182,295
Claims incurred in the current year	1,603,891	2,534,684	1,675,085	2,500,880
Claims paid during the year	(1,333,886)	(2,346,910)	(1,312,576)	(2,332,715)
At 30 September 2018	<u>1,699,887</u>	<u>1,429,882</u>	<u>1,712,969</u>	<u>1,350,460</u>
Claims incurred but not reported (IBNR) provision				
Movement in IBNR provision				
At 1 January	477,649	394,651	477,649	394,651
Movement during the year	(306,352)	82,998	(306,352)	82,998
At 30 September 2018	<u>171,297</u>	<u>477,649</u>	<u>171,297</u>	<u>477,649</u>

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

21.1c Unearned Premium -Group

	Unearned premium 2018	Movement	Unearned premium 2017
Fire	365,230	3,739	361,491
Engineering	55,926	2,966	52,960
Motor	531,021	55,439	475,582
General Accident	195,049	(35,372)	230,421
Marine	148,907	(35,120)	184,027
Bond	11,067	(9,747)	20,814
Oil and gas	231,019	18,272	212,747
Aviation	1,041	(3,056)	4,097
Others	121,404	118,457	2,947
	1,660,664	115,578	1,545,086

These provision represents the liability for short term insurance contracts for which the Group's obligations have not expired at year end, The unearned premium provision relates to the casualty insurance contracts for which the group expect to pay claims in excess of the related unearned premium provision.

21.1c Unearned Premium -Company

	Unearned premium 2018	Movement	Unearned premium 2017
Fire	365,230	3,739	361,491
Engineering	55,926	2,966	52,960
Motor	531,021	55,439	475,582
General Accident	195,049	35,381	159,668
Marine	148,907	(35,120)	184,027
Bond	11,067	(9,747)	20,814
Oil and gas	231,019	18,272	212,747
Aviation	1,041	(3,056)	4,097
	1,539,260	67,874	1,471,386

These provision represent the liability for short term insurance contracts for which the Group's obligations are not expired at period end, The unearned premium provision relates to the casualty insurance contracts for which the group expect to pay claims in excess of the related unearned premium provision.

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	Group 31 December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
21.2 Life insurance liabilities				
Provision for outstanding claims	-	757	-	-
Life liability (note 20.2a)	248,503	248,503	-	-
	<u>248,503</u>	<u>249,260</u>	<u>-</u>	<u>-</u>
21.2a The movement on the life funds account during the year was as follows :				
At 1 January	248,503	146,660	-	-
Increase/(decrease) during the year	-	101,843	-	-
At 30 September 2018	<u>248,503</u>	<u>248,503</u>	<u>-</u>	<u>-</u>
22 FINANCIAL LIABILITIES				
Convertible bond (Note 21.1)	3,723,721	3,608,694	3,723,721	3,608,694
Short term loan	722,405	836,152	722,405	836,152
	<u>4,446,126</u>	<u>4,444,846</u>	<u>4,446,126</u>	<u>4,444,846</u>
22.1 Convertible Bond				
This represents zero coupon JPY 1,200,000,000 direct, unconditional, unsubordinated and unsecured European bond with option issued on 9 November, 2007 to Daewoo Securities Europe Limited. The Bonds were issued with the option to subscribe for the ordinary Shares of the company with a yield of 4.25% per annum while the tenor of the convertible option is valid up to year 2029.				
	Group 30 September 2018 N'000	Group 31 December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
As 1 January	3,608,694	3,039,773	3,608,694	3,039,773
Movement during the year(Note 22.2)	115,027	568,921	115,027	568,921
At 30 September 2018	<u>3,723,721</u>	<u>3,608,694</u>	<u>3,723,721</u>	<u>3,608,694</u>
22.2 Movement during the year				
Interest and default charges on the bond	115,027	141,069	115,027	141,069
Exchange gain / loss	-	784,289	-	784,289
Payments during the year	-	-	-	-
Provision no longer required	-	(356,437)	-	(356,437)
	<u>115,027</u>	<u>568,921</u>	<u>115,027</u>	<u>568,921</u>
22.3 Short term loan	<u>722,405</u>	<u>836,152</u>	<u>722,405</u>	<u>836,152</u>

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	Group 31 December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
23 TRADE PAYABLES				
Insurance companies	67,783	33,536	8,398	16,416
Reinsurance payables (Note 23.1)	240,997	71,237	225,971	71,237
	<u>308,780</u>	<u>104,773</u>	<u>234,369</u>	<u>87,653</u>
23.1 Reinsurance payables				
Reinsurance premium payable	240,997	71,237	225,971	71,237
Minimum deposit payable	-	-	-	-
	<u>240,997</u>	<u>71,237</u>	<u>225,971</u>	<u>71,237</u>
24a OTHER PAYABLES				
Lease obligation	17,098	15,753	17,098	15,753
Accruals	1,000	32,012	1,000	6,000
Other creditors (note 24.1)	103,760	70,075	30,563	16,240
	<u>121,859</u>	<u>117,840</u>	<u>48,662</u>	<u>37,993</u>
24.1 The breakdown of other creditors is as below:				
Tax payables	-	-	-	-
Other payables	103,760	70,075	30,563	16,240
	<u>103,760</u>	<u>70,075</u>	<u>30,563</u>	<u>16,240</u>
The carrying amounts disclosed above approximate the fair value at the reporting date. All amounts are payable within one year.				
Due within 12 months	103,760	70,075	30,563	16,240
Due after 12 months	-	-	-	-
	<u>103,760</u>	<u>70,075</u>	<u>30,563</u>	<u>16,240</u>

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	Group 31 December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
26 EMPLOYEE BENEFIT LIABILITY				
Gratuity scheme				
The Group has a post employment benefit scheme which is not funded				
The movement in the defined benefit obligation over the year is as follows:				
At beginning of year	6,027	5,818	-	-
Current service cost	-	650		
Benefits paid	(446)	(441)	-	-
At 30 September 2018	<u>5,581</u>	<u>6,027</u>	<u>-</u>	<u>-</u>
Due within 12 months	-	-	-	-
Due after 12 months	<u>5,581</u>	<u>6,027</u>	<u>-</u>	<u>-</u>

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	Group 31 December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
27 TAXATION				
27.1 Charge				
Income	42,312	109,388	20,000	35,000
Education tax	-	-		
Prior year under provision	51,820	-	51,820	-
Technology tax	-	-		-
	<u>94,132</u>	<u>109,388</u>	<u>71,820</u>	<u>35,000</u>
Deferred tax (note 15)	6,085	(3,842)	-	-
Charge for the period	<u>100,216</u>	<u>105,546</u>	<u>71,820</u>	<u>35,000</u>
27.2 Tax liability				
The movement on tax payable account during the year is as follows:				
At 1 January	108,635	86,749	15,506	21,804
Payments during the year	(116,902)	(83,660)	(51,820)	(41,298)
Charge for the period	<u>100,216</u>	<u>105,546</u>	<u>71,820</u>	<u>35,000</u>
At 30 September 2018	<u>91,950</u>	<u>108,635</u>	<u>35,506</u>	<u>15,506</u>

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	31 Group December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
28 EQUITY				
28a Share capital				
Authorised 9 billion(2012 -7 billion) ordinary shares of 50k each	<u>6,500,000</u>	<u>6,500,000</u>	<u>6,500,000</u>	<u>6,500,000</u>
Issued and fully paid 9,341,087,609 units of ordinary shares of 50k each	<u>4,670,544</u>	<u>4,670,544</u>	<u>4,670,544</u>	<u>4,670,544</u>
At 1 January	4,670,544	4,670,544	4,670,544	4,670,544
Issued during the year	-	-	-	-
At 30 September 2018	<u>4,670,544</u>	<u>4,670,544</u>	<u>4,670,544</u>	<u>4,670,544</u>
28c Share premium	<u>434,164</u>	<u>434,164</u>	<u>434,164</u>	<u>434,164</u>
Premium arising from the issue of shares are reported in the share premium account.				
28d Revaluation reserve				
At 1 January	1,595,299	1,595,299	1,595,299	1,595,299
Addition during the year (Note 18)	-	-	-	-
At 30 September 2018	<u>1,595,299</u>	<u>1,595,299</u>	<u>1,595,299</u>	<u>1,595,299</u>
Under current regulations, assets revaluation reserve is not available for distribution to shareholders either as dividends or bonus shares.				
No provision was made for deferred capital gains tax as the property is not meant for sale in the foreseeable future.				
28e Fair value reserves				
At the beginning of the year	163,938	61,491	417,141	271,985
Additions during the year	(44,155)	102,447	(44,155)	102,447
Appreciation on investment in Subsidiary(Note 14.2)	-	-	-	42,709
At end of the period	<u>119,783</u>	<u>163,938</u>	<u>372,985</u>	<u>417,141</u>

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	31 December 2017 N'000	Company 30 September 2018 N'000	Company 31 December 2017 N'000
28f Contingency reserve				
In accordance with the Insurance act, a contingency reserve is credited with the greater of 3% of total premiums or 20% of profits for general business and 1% of total premiums or 10% of profits for life business. This shall accumulate until it reaches the amount of greater of minimum paid- up capital or 50 percent of net premium.				
At the beginning of the year	2,118,535	1,952,489	2,077,338	1,920,595
Transfer from profit and loss	125,130	166,046	110,060	156,743
At end of the Period	<u>2,243,664</u>	<u>2,118,535</u>	<u>2,187,398</u>	<u>2,077,338</u>
28g Retained Earnings				
General reserve consist of undistributed profits from previous years.				
At the beginning of the year	(8,538,831)	(5,613,715)	(8,936,238)	(5,821,241)
Transfer from profit and loss	(383,988)	(2,602,383)	(477,686)	(2,958,253)
Transfer to contingency reserve	(125,130)	(166,046)	(110,060)	(156,743)
Revaluation of investment assets	-	-	-	-
At end of the year	<u>(9,047,948)</u>	<u>(8,382,144)</u>	<u>(9,523,985)</u>	<u>(8,936,237)</u>
Translation reserve (Note 28f(i))	<u>(197,937)</u>	<u>(156,687)</u>	-	-
	<u>(9,245,885)</u>	<u>(8,538,831)</u>	<u>(9,523,985)</u>	<u>(8,936,237)</u>
28g(i) Translation Reserve				
At 1 January	(156,687)	(47,155)	-	-
Movement during the year	<u>(41,250)</u>	<u>(109,532)</u>	-	-
At 30 September 2018	<u>(197,937)</u>	<u>(156,687)</u>	-	-
28h Non-controlling Interest				
Equity	168,066	111,126	-	-
Share of profit	<u>37,480</u>	<u>56,940</u>	-	-
	<u>205,546</u>	<u>168,066</u>	-	-

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	Group 30 September 2017 N'000	Company 01.07 - 30.09 2018 N'000	Company 30 September 2018 N'000	Company 01.07 - 30.09 2017 N'000	Company 30 September 2017 N'000
29 NET PREMIUM INCOME						
a Gross Premium written	4,170,989	4,781,668	903,759	3,668,675	1,077,638	4,288,833
Change in unearned premium provision	(115,578)	183,523	245,069	(67,874)	(40,800)	88,731
Gross premium income	<u>4,055,411</u>	<u>4,965,191</u>	<u>1,148,827</u>	<u>3,600,801</u>	<u>1,036,838</u>	<u>4,377,564</u>
b Reinsurance expenses:						
Premium ceded to reinsurers	1,044,636	1,045,733	300,275	990,732	178,928	1,043,289
Prepaid reinsurance	18,000	31,156	6,000	18,000	9,019	31,156
	<u>(1,062,636)</u>	<u>(1,076,889)</u>	<u>(306,275)</u>	<u>(1,008,732)</u>	<u>(187,947)</u>	<u>(1,074,445)</u>
Net premium income	<u>2,992,776</u>	<u>3,888,302</u>	<u>842,552</u>	<u>2,592,069</u>	<u>848,891</u>	<u>3,303,119</u>
	Group 30 September 2018 N'000	Group 30 September 2017 N'000	Company 01.07 - 30.09 2018 N'000	Company 30 September 2018 N'000	Company 01.07 - 30.09 2017 N'000	Company 30 September 2017 N'000
30 FEES AND COMMISSION INCOME						
Fee income arising on insurance contracts	198,278	195,476	63,588	198,278	75,755	195,126
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>198,278</u>	<u>195,476</u>	<u>63,588</u>	<u>198,278</u>	<u>75,755</u>	<u>195,126</u>

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

31 CLAIMS EXPENSES

	Group 30 September 2018 N'000	Group 30 September 2017 N'000	Company 01.07 - 30.09 2018 N'000	Company 30 September 2018 N'000	Company 01.07 - 30.09 2017 N'000	Company 30 September 2017 N'000
Gross benefit and claims paid (Note 31.1)	1,333,886	2,012,190	916,591	1,312,576	980,563	2,000,143
Movement in Outstanding claims (Note 31.2)	101,771	(438,604)	(61,581)	56,157	(197,834)	(438,604)
	1,435,657	1,573,586	855,011	1,368,733	782,729	1,561,539
Claims and Benefits recovered from Reinsurers (Note 31.3)	(289,710)	(227,308)	(50,673)	(289,710)	(32,514)	(227,308)
Net Claims Expenses	1,145,947	1,346,278	804,338	1,079,023	750,215	1,334,230

31.1 GROSS BENEFIT AND CLAIMS PAID

	Group 30 September 2018 N'000	Group 30 September 2017 N'000	Company 01.07 - 30.09 2018 N'000	Company 30 September 2018 N'000	Company 01.07 - 30.09 2017 N'000	Company 30 September 2017 N'000
Fire	425,863	548,962	348,777	425,367	255,805	548,962
Engineering	42,027	60,427	24,017	42,027	28,382	60,427
Motor	382,708	331,992	263,211	378,122	98,553	328,220
General Accident	151,206	150,379	96,630	137,260	35,984	145,024
Marine	76,730	618,526	40,643	74,449	418,735	615,605
Bond	18,750	21,427	11,250	18,750	-	21,427
Oil and gas	229,349	279,337	131,990	229,349	142,977	279,337
Aviation	7,253	1,142	73	7,253	127	1,142
Others	-	-	-	-	-	-
Total benefits and claims paid	1,333,886	2,012,190	916,591	1,312,576	980,563	2,000,143

The insurance claims comprise of claims paid, claims expenses paid including loss adjuster fees.

31.2 MOVEMENT IN OUTSTANDING CLAIMS

	Group 30 September 2018 N'000	Group 30 September 2017 N'000	Company 01.07 - 30.09 2018 N'000	Company 30 September 2018 N'000	Company 01.07 - 30.09 2017 N'000	Company 30 September 2017 N'000
General business (Note 31.2a)	101,771	(438,604)	(61,581)	56,157	(197,834)	(438,604)
Life business	-	-	-	-	-	-
	101,771	(438,604)	(61,581)	56,157	(197,834)	(438,604)

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

31.1 Breakdown of claims and benefit recoverable from reinsurers

	Group 30 September 2018 N'000	Group 30 September 2017 N'000	Company 01.07 - 30.09 2018 N'000	Company 30 September 2018 N'000	Company 01.07 - 30.09 2017 N'000	Company 30 September 2017 N'000
Fire	229,318	175,701	64,134	229,318	38,294	175,701
Engineering	-	3,340	(881)	-	1,647	3,340
Motor	10,702	18,557	182	10,702	(4,301)	18,557
General Accident	6,594	10,840	1,294	6,594	1,444	10,840
Marine	43,096	23,270	(8,459)	43,096	3,730	23,270
Bond	-	1,100	-	-	-	1,100
Oil and gas	-	-	(5,598)	-	-	-
Aviation	-	-	-	-	-	-
	289,710	232,808	50,673	289,710	40,814	232,808

31.1 Breakdown of movement in outstanding claims

	Group 30 September 2018 N'000	Group 30 September 2017 N'000	Company 01.07 - 30.09 2018 N'000	Company 30 September 2018 N'000	Company 01.07 - 30.09 2017 N'000	Company 30 September 2017 N'000
Fire	104,711	14,135	18,208	104,711	(86,027)	14,135
Engineering	(8,778)	(58,546)	(5,845)	(8,778)	(7,075)	(58,546)
Motor	(114,457)	975	(81,921)	(114,457)	17,198	975
General Accident	(6,729)	(165,743)	(56,451)	(52,343)	(38,612)	(165,743)
Marine	(51,984)	(81,015)	15,945	(51,984)	(17,102)	(81,015)
Bond	185	14,051	-	185	(9,369)	14,051
Oil and gas	182,007	(154,012)	41,990	182,007	(57,562)	(154,012)
Aviation	(3,186)	(8,449)	6,494	(3,186)	716	(8,449)
	101,771	(438,604)	(61,581)	56,157	(197,834)	(438,604)

31.3 Claim Expenses Recovered from Reinsurers

	Group 30 September 2018 N'000	Group 30 September 2017 N'000	Company 01.07 - 30.09 2018 N'000	Company 30 September 2018 N'000	Company 01.07 - 30.09 2017 N'000	Company 30 September 2017 N'000
General business	289,710	232,808	50,673	289,710	40,814	232,808
Life business	-	-	-	-	-	-
	289,710	232,808	50,673	289,710	40,814	232,808

Insurance recoveries and recoverable consist of actual amount recovered from the reinsurers.

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	Group 30 September 2017 N'000	Company 01.07 - 30.09 2018 N'000	Company 30 September 2018 N'000	Company 01.07 - 30.09 2017 N'000	Company 30 September 2017 N'000
32 UNDERWRITING EXPENSES						
Acquisition expenses (Note 32.1)	590,745	697,067	184,706	510,187	156,646	643,061
Maintenance expenses (Note 32.2)	182,597	321,884	(4,658)	182,597	49,262	321,884
	<u>773,342</u>	<u>1,018,951</u>	<u>180,048</u>	<u>692,784</u>	<u>205,908</u>	<u>964,945</u>
33.1a Breakdown of acquisition expenses						
Acquisition cost paid by company	98,612	86,064	16,831	74,444	26,366	86,064
Acquisition cost deducted at source by Brokers	566,685	593,921	126,236	510,295	142,327	537,416
	<u>665,297</u>	<u>679,985</u>	<u>143,067</u>	<u>584,739</u>	<u>168,693</u>	<u>623,480</u>
Movement in DAC	(74,552)	17,082	41,638	(74,552)	(12,047)	19,581
Acquisition expenses charged	<u>590,745</u>	<u>697,067</u>	<u>184,706</u>	<u>510,187</u>	<u>156,646</u>	<u>643,061</u>
Movement in DAC						
Opening DAC 01/01/2018	161,135	249,914	277,326	161,135	218,285	249,914
Less: Closing DAC 30/09/2018	<u>(235,687)</u>	<u>(232,832)</u>	<u>(235,687)</u>	<u>(235,687)</u>	<u>(230,332)</u>	<u>(230,332)</u>
	<u>(74,552)</u>	<u>17,082</u>	<u>41,638</u>	<u>(74,552)</u>	<u>(12,047)</u>	<u>19,581</u>

32.1 Breakdown of acquisition expenses

	Group 30 September 2018 N'000	Group 30 September 2017 N'000	Company 01.07 - 30.09 2018 N'000	Company 30 September 2018 N'000	Company 01.07 - 30.09 2017 N'000	Company 30 September 2017 N'000
Fire	175,689	220,596	44,437	166,264	50,694	205,455
Engineering	23,065	21,238	6,557	23,065	5,116	21,238
Motor	148,566	147,384	38,528	132,042	40,279	142,849
General Accident	153,654	149,199	18,546	100,142	30,634	116,281
Marine	81,903	90,705	20,063	80,806	16,767	86,795
Bond	4,321	5,172	900	4,321	3,225	5,172
Oil and gas	76,775	43,714	13,351	76,775	20,107	43,714
Aviation	1,324	1,977	686	1,324	1,871	1,977
	<u>665,297</u>	<u>679,985</u>	<u>143,067</u>	<u>584,739</u>	<u>168,693</u>	<u>623,480</u>

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

32.2 Breakdown of maintenance expenses

	Group 30 September 2018 N'000	Group 30 September 2017 N'000	Company 01.07 - 30.09 2018 N'000	Company 30 September 2018 N'000	Company 01.07 - 30.09 2017 N'000	Company 30 September 2017 N'000
Fire	42,660	71,277	(23,891)	42,660	6,157	71,277
Engineering	4,910	7,350	1,008	4,910	626	7,350
Motor	51,332	96,541	8,149	51,332	17,754	96,541
General Accident	20,200	36,630	1,172	20,200	1,064	36,630
Marine	35,155	59,794	6,049	35,155	14,600	59,794
Bond	1,306	1,756	419	1,306	878	1,756
Oil and gas	26,690	44,447	2,248	26,690	4,173	44,447
Aviation	345	4,090	188	345	4,010	4,090
	182,597	321,884	(4,658)	182,597	49,262	321,884
33 INVESTMENT INCOME						
Investment income	46,098	45,253	21,475	46,098	27,380	45,253
Dividend income	25,088	36,789	121	25,088	34,384	36,789
Held-to-maturity , loans and receivables	2,228	863	486	773	-	863
Cash and cash equivalents	79,393	68,049	32,875	51,650	51,451	68,049
Net investment income	152,806	150,954	54,957	123,608	113,216	150,954
33.1 Investment Income Distribution						
Share -shareholders	152,806	150,954	54,957	123,608	113,216	150,954
Share -policy holder	-	-	-	-	-	-
	152,806	150,954	54,957	123,608	113,216	150,954
34 NET REALISED GAIN/(LOSS) ON FINANCIAL ASSETS						
Realized gain/(loss) on disposal of financial assets	-	-	-	-	-	-
Impairment of financial assets	-	-	-	-	-	-
	-	-	-	-	-	-
35 OTHER INCOME						
Provision no longer required -financial assets	2,000	2,000	-	2,000	2,000	2,000
Provision no longer required -trade receivables	-	-	-	-	-	-
Foreign exchange translation gain/(loss)	-	-	-	-	-	-
Revaluation of investment assets	-	-	-	-	-	-
Gain / (Loss) on disposal of fixed assets	16,720	-	16,720	16,720	-	-
Excess interest charges	-	-	-	-	-	-
Sundry income	40,171	119,119	(1,701)	22,895	5,130	119,119
	58,891	121,119	15,020	41,615	7,130	121,119

STACO INSURANCE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Group 30 September 2018 N'000	Group 30 September 2017 N'000	Company 01.07 - 30.09 2018 N'000	Company 30 September 2018 N'000	Company 01.07 - 30.09 2017 N'000	Company 30 September 2017 N'000
36 OPERATING AND ADMINISTRATIVE EXPENSE						
Management expenses comprise:						
Employee benefits expense (Note 36.1)	758,225	710,590	224,239	721,189	194,683	660,356
Depreciation-Property,plant and equipments	165,024	166,043	52,007	156,435	51,174	154,502
Depreciation -leased asset	11,028	38,915	11,028	11,028	19,304	38,915
Amortization -Intangible assets	9,930	12,320	3,310	9,930	6,934	12,320
Auditors remuneration	-	-	-	-	-	-
Directors' emolument	16,474	30,682	4,598	16,474	19,143	26,985
Finance cost (Note 36.2)	120,158	63,537	97,678	115,438	9,012	58,061
Operating expenses	571,365	728,593	98,734	444,107	198,866	665,601
Impairment loss on other receivables	-	-	-	-	-	-
Exchange loss on convertible bond	-	-	-	-	-	-
	<u>1,652,206</u>	<u>1,750,681</u>	<u>491,596</u>	<u>1,474,602</u>	<u>499,115</u>	<u>1,616,739</u>
36.1 Employee benefits expense						
Salaries and wages	623,175	616,932	212,830	591,782	179,795	572,741
Medical	25,321	23,726	6,707	24,467	7,091	22,290
Staff training	25,471	47,850	4,658	20,683	7,526	43,758
Terminal benefit	84,258	22,082	43	84,258	272	21,567
	<u>758,225</u>	<u>710,590</u>	<u>224,239</u>	<u>721,189</u>	<u>194,683</u>	<u>660,356</u>
36.2 Finance Cost						
Finance cost is made up of interest on finance lease, bank charges and interest on overdrawn bank accounts within the reporting period.	<u>120,158</u>	<u>63,537</u>	<u>97,678</u>	<u>115,438</u>	<u>9,012</u>	<u>58,061</u>
37 INTEREST ON CONVERTIBLE BOND						
Interest on bond (Note 22.2)	<u>115,027</u>	<u>227,983</u>	<u>38,342</u>	<u>115,027</u>	<u>75,994</u>	<u>227,983</u>
Interest was being charged at 4.25% per annum upto 2012. Upon rescheduling the loan, interest is now charged at 10% per annum.						

38 Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) Staco Insurance Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy undergoes periodic reviews by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period.