

AICO INSURANCE PLC 2018 FULL YEAR AUDITED FINANCIALS

The directors present the summary financial information of AICO Insurance PLC ("the Company") and its subsidiary companies (together, the "Group") for the year ended 31 December 2018. These summary financial information are derived from the full financial statements for the year ended 31 December 2018 but are not the full financial statements of the Group and the Company. The full financial statements, from which these summary financial information were derived, will be delivered to the Corporate Affairs Commission. The Company's Independent Auditors issued an unmodified audit opinion on the full financial statements for the year ended 31 December 2018 from which these summary financial information were derived.

CONSOLIDATED & SEPARATE STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER, 2018

	Group		Parent	
	2018	2017	2018	2017
<i>In thousands of Naira</i>				
Gross premium written	37,665,507	32,097,692	37,002,279	30,407,396
Gross premium income	37,046,926	31,741,609	36,441,690	30,143,348
Reinsurance expenses	(5,181,225)	(3,790,831)	(5,181,225)	(3,790,831)
Net premium income	31,865,701	27,950,778	31,260,465	26,352,517
Commission income				
Insurance contract	1,161,366	746,084	1,161,366	746,084
Pension and other contracts	1,762,554	1,610,122	-	-
Net underwriting income	34,789,621	30,306,984	32,421,831	27,098,601
Claim expenses				
Claims expenses (Gross)	29,065,365	23,273,691	28,552,048	21,784,491
Claims expenses recovered from reinsurers	(5,196,211)	(2,499,505)	(5,196,211)	(2,499,505)
Claims expenses (Net)	23,869,154	20,774,186	23,355,837	19,284,986
Underwriting expenses	4,415,428	3,105,239	4,331,084	3,007,484
Change in life fund	3,414,748	4,239,948	3,414,748	4,239,948
Change in annuity fund	(1,456,737)	4,950,559	(1,456,737)	4,950,559
Change in other investment contracts	1,333,148	1,259,373	1,333,148	1,259,373
Total underwriting expenses	31,575,741	34,329,305	30,978,080	32,742,350
Underwriting profit/(loss)	3,213,880	(4,022,320)	1,443,751	(5,643,749)
Investment income	9,051,954	8,632,454	8,306,149	8,884,693
Profit from deposit administration	193,394	212,773	193,394	212,773
Net realised gains	2,366,319	5,338,155	2,363,429	5,302,978
Net fair value (losses)/gains	(2,524,642)	140,725	(2,524,642)	140,725
Other operating income	763,492	871,431	489,192	645,084
Personnel expenses	(3,571,708)	(2,944,733)	(2,241,468)	(2,044,148)
Other operating expenses	(5,624,826)	(4,936,546)	(4,712,776)	(4,324,275)
Finance cost	(355,539)	(249,257)	(355,539)	(249,257)
Impairment (loss)/writeback on financial assets	(16,455)	(2,193)	5,025	-
Profit before taxation	3,495,870	3,040,489	2,966,515	2,924,825
Income taxes	(319,687)	(1,712,168)	(337,510)	(1,408,527)
Minimum taxes	(24,594)	(45,044)	(24,594)	(45,044)
Profit after taxation	3,151,589	1,283,277	2,604,411	1,471,254
Attributable to shareholders	3,044,154	1,222,406	2,604,411	1,471,254
Attributable to non-controlling interest holders	107,436	60,871	-	-
	3,151,589	1,283,277	2,604,411	1,471,254
Other comprehensive income (OCI), net of tax				
<i>Items within OCI that may be reclassified to profit or loss:</i>				
Net (loss)/gain on available for sale financial assets	(808,923)	993,044	(595,042)	927,023
Revaluation gain on property and equipment	-	829,936	-	829,936
Exchange gains on financial assets	1,803	(448,287)	1,803	(448,287)
Income tax relating to other comprehensive income	-	(252,031)	-	(252,031)
<i>Items within OCI that will not be reclassified to profit or loss</i>				
Realized gains on equity securities	407,788	-	406,810	-
Total other comprehensive (loss)/profit	(399,333)	1,122,661	(186,429)	1,056,641
Total comprehensive profit for the year	2,752,257	2,405,938	2,417,982	2,527,894
Attributable to shareholders	2,666,112	2,345,067	2,417,982	2,527,894
Attributable to non-controlling interest	86,145	60,871	-	-
	2,752,257	2,405,938	2,417,982	2,527,894
Basic earnings per share (kobo)	44	18	38	21
Diluted earnings per share (Kobo)	35	13	30	16

CONSOLIDATED & SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER, 2018

	Group		Parent	
	2018	2017	2018	2017
<i>In thousands of Naira</i>				
ASSETS				
Cash and cash equivalents	5,324,739	5,199,385	4,519,953	3,949,642
Financial assets	89,240,430	73,635,612	76,757,634	67,970,438
Trade receivables	417,102	301,172	131,841	59,106
Reinsurance assets	4,686,029	3,644,489	4,686,029	3,644,489
Deferred acquisition costs	465,991	334,935	465,991	334,935
Other receivables and prepayments	580,618	454,902	408,428	391,384
Deferred tax asset	149,379	157,008	-	-
Investment in subsidiaries	-	-	2,452,359	2,308,690
Investment property	555,000	582,000	555,000	582,000
Goodwill and other intangible assets	1,014,085	1,060,451	965,906	1,032,242
Property and equipment	7,025,197	6,513,175	6,697,107	6,220,962
Statutory deposits	530,000	530,000	530,000	530,000
Total assets	109,988,570	92,413,127	98,170,248	87,023,887
LIABILITIES				
Insurance contract liabilities	65,540,532	59,959,751	65,341,550	59,766,360
Investment contract liabilities	12,319,617	10,909,624	12,319,617	10,909,624
Trade payables	1,013,475	1,721,918	839,400	1,711,219
Other payables and accruals	2,213,547	1,325,766	2,002,558	1,187,974
Fixed income liabilities	10,181,251	3,981,591	-	-
Current tax payable	590,976	826,643	507,241	426,920
Deferred tax liability	533,836	547,017	487,836	517,268
Borrowings	2,324,733	2,182,289	2,324,733	2,182,289
Total liabilities	94,717,967	81,454,599	83,822,935	76,701,654
EQUITY				
Issued share capital	3,465,102	3,465,102	3,465,102	3,465,102
Share premium	2,824,389	2,824,389	2,824,389	2,824,389
Revaluation reserves	1,802,662	1,802,662	1,802,662	1,802,662
Available for sale reserve	-	(13,072,413)	-	(13,092,408)
Fair value reserve	(1,143,847)	-	(952,902)	-
Exchange gains reserve	147,443	145,640	147,443	145,640
Statutory reserve	143,882	116,458	-	-
Contingency reserve	5,807,411	5,182,190	5,807,411	5,182,190
Retained earnings	1,479,002	10,083,426	1,253,208	9,994,656
Equity attributable to owners of the Company	14,526,044	10,547,455	14,347,313	10,322,233
Non controlling interest	744,559	411,073	-	-
Total equity	15,270,603	10,958,528	14,347,313	10,322,233
Total liabilities and equity	109,988,570	92,413,127	98,170,248	87,023,887

These financial statements were approved by the Board on April 2, 2019 and signed on its behalf by:



Mr. Kundan Sainani
 Director
 FRC/2013/IODN/00000003622



Mr. Edwin Igbiti
 Group MD/CEO
 FRC/2013/CIIN/00000005551



Mr. Oladeji Oluwatola
 Ag. Chief Financial Officer
 FRC/2013/ICAN/00000004910

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL INFORMATION

To the Shareholders of AICO Insurance PLC: Report on the Summary Financial Information

Opinion

The summary financial information, which comprise the statement of financial position as at 31 December, 2018, and the statement of profit or loss and other comprehensive income, are derived from the audited financial statements of AICO Insurance PLC ("the Company") and its subsidiaries (together, "the Group") for the year ended 31 December 2018.

In our opinion, the accompanying summary financial information are consistent, in all material respects, with the audited financial statements, in accordance with the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004, the Financial Reporting Council of Nigeria Act, 2011 and the Insurance Act, 2003.

Summary Financial Information

The summary financial information do not contain all the disclosures required by the International Financial Reporting Standards, the Companies and Allied Matters Act of Nigeria, Cap C.20, Laws of the Federation of Nigeria 2004, the Financial Reporting Council of Nigeria Act, 2011, the Insurance Act of Nigeria, 2003 and relevant National Insurance Commission of Nigeria (NAICOM) guidelines and circulars. Reading the summary financial information and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 2 April 2019. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

Directors' Responsibility for the Summary Financial Information

The Directors are responsible for the preparation of the summary financial information in accordance with the Companies

and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004, the Financial Reporting Council of Nigeria Act, 2011 and the Insurance Act, 2003.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial information are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

Contravention and Penalties

The Company paid a penalty in respect of a contravention of the requirements of Section 45(8) of the Insurance Act 2003 during the financial year. Details of the penalty are included in the financial statements.

Signed:


 Kabir O. Okunlola, FCA
 FRC/2012/ICAN/00000000428
 For: KPMG Professional Services
 Chartered Accountants
 4 April, 2019
 Lagos, Nigeria

