EQUITY assurance plc




2015

Annual Report & Accounts


éa
EQUITY assurance plc
...rewarding trust

Our Products

- Cash in Transit Insurance
- Public Liability Insurance
- Personal Accident (Grp. & Ind.) Insurance
- Medical Expenses/Evacuation Insurance
- Workman Compensation Insurance
- Medical Evacuation Insurance

- Aviation Insurance
- Marine Insurance
- Payment Bond
- Welfare Fund
- Pension

- Fire and Special Peril Insurance
- Consequential Loss Insurance
- Products Liability Insurance
- Householder's Insurance
- Goods in Transit Insurance
- Performance/bid Advance

- Contractors all Risk Insurance
- Fidelity Guarantee Insurance
- Personal Liability Insurance
- Plant All Risk Insurance
- Burglary Insurance

Our Vision

To be a leading
Africa Insurance Group

Our Mission

To establish an insurance company that would be a reference point in excellent claim services this would be achieved through motivated workforce, cutting edge office technology and good business ethics

CONTENTS

PAGES

Equity Assurance Plc's Financial statements comply with the applicable legal requirements of the Companies and Allied Matters Act CAP C20 LFN 2014 regarding financial statements and comprises Consolidated and Separate Financial Statements for the year ended 31 December, 2015. The consolidated financial statements have been prepared in compliance with IAS 1, 'Presentation of financial statements' issued by the International Accounting Standards Board.

NOTICE IS HEREBY GIVEN that the 29th Annual General Meeting of members of Equity Assurance Plc (the "Company") will be held at Best Western The Island Hotel, Bar Beach, Plot 1228, Ahmadu Bello Way, Victoria Island, Lagos State. On Friday, July 29, 2016 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. to receive and consider for adoption the Audited Consolidated Financial Statements for the year ended December 31, 2015 together with the Reports of Directors, External Auditors and the Audit Committee thereon;
2. to approve the appointment of the following as directors of the Company
   - i. Mr. Almamy Timite
   - ii. Mr. Karim-Franck Dione
   - iii. Mr. Mohamed Bah
   - iv. Mr. Philippe Ayivor
3. to re-elect directors retiring by rotation
4. to authorize directors to fix the remuneration of the external auditors; and
5. to elect members of the Audit Committee.

SPECIAL BUSINESS:

To consider and if thought fit, pass the following as ordinary resolution

6. to approve the remuneration of directors of the Company.

Notes

1. PROXY

A member of the company entitled to attend and vote is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member. A proxy form is enclosed in the Annual Report. To be valid, proxy forms must be completed in accordance with the instructions contained in the form, stamped by the Commissioner of Stamp Duties and deposited at the registered office of the Company's Registrar, Apel Capital & Trust Limited at 18, Nnobi Street, Masha, Surulere, Lagos State not less than 48 hours before the time of holding the meeting.

2. CLOSURE OF REGISTER OF MEMBERS/TRANSFER BOOKS

The Register of Members and Transfer books of the Company will be closed from Monday, 18th July, 2016 to Friday, 22nd July, 2016 (both dates inclusive) to enable the Registrar to make necessary preparations for the Annual General Meeting.

3. AUDIT COMMITTEE

In accordance with Section 359(5) of the Companies and Allied Matters Act, Cap C20, Laws of the Federation of Nigeria, 2004, any shareholder may nominate another shareholder for appointment to the Audit Committee. Such nomination shall be in writing and delivered to the company secretary at least 21 days before the Annual General Meeting.

4. RE-ELECTION OF DIRECTORS

In accordance with the company's Articles of Association, Mr. Ibikunle Balogun and Mr. Olanrewaju Ogunbanjo will retire by rotation and being eligible will be offering themselves for re-election.

5. SHAREHOLDERS' RIGHT TO ASK QUESTIONS

Shareholders reserve the right to ask questions at the Annual General Meeting. Shareholders may also submit their questions prior to the meeting in writing to the Company, in line with Rule 19.12 (C) of the Listing Rules of the Nigerian Stock Exchange. Such questions should be addresses to the Company Secretary and reach the Company at its Registered Office or by electronic mail at info@equityassuranceplc.com not later than 7 days prior to the date of the meeting.

Dated this Friday, 1st July, 2016

BY ORDER OF THE BOARD

JOHN NKEMAKONAM AKUJIEZE
COMPANY SECRETARY

The Company emerged as a result of the merger between Equity Indemnity Insurance Limited and First Assurance Plc. In the scheme of the merger arrangement, First Assurance Plc acquired the net assets of Equity Indemnity Insurance Limited and subsequently changed its name to Equity Assurance Plc.

The Company was incorporated in Nigeria as a private liability Company in December 13, 1984 to carry out non-life Insurance business and was converted to a Public Liability Company in 1985.

The Principal activities of the Group is mainly provision of non-life Insurance, health management, assets management and hospitality business.

Equity Assurance Plc has three subsidiaries namely:

Equity Assurance Limited, Ghana was incorporated in Ghana in 2008 to undertake the business of general Insurance. Its registered office is 49, Senchi Street, Airport Residential Area, Accra with branches across Ghana.

EA Capital Management Limited was incorporated in October 29, 2008 as a private Limited Liability Company primarily to carry on business of finance leases to both individual and corporate Clients. Its registered office is at Plot 1196, Bishop Oluwole, Street, Victoria Island, Lagos, Nigeria.

Managed Healthcare Services Limited was incorporated in December 11, 1997 to carry on the business of health management. It is a nationally licensed Health Management Organization (HMO), accredited by the National Health Insurance Scheme (NHIS). It has its registered office at No 174b, Muritala Muhammed Way, Ebute Metta, Lagos, Nigeria and various branches across the major cities in Nigeria.

The Company is also into hospitality business by virtue of a concession right granted it in 2010 by the Ogun State Government to manage the affairs of Gateway Hotel (now Equity Resort Hotel, Ijebu-Ode) for the period of 25years.

	Group 2015 N'000	Group 2014 N'000	Variance %	Company 2015 N'000	Company 2014 N'000	Variance %
Gross written premium	4,470,627	4,845,997	(8)	2,476,047	3,415,146	(27)
Net premium income	3,513,393	3,784,359	(7)	1,966,412	2,619,630	(25)
(Loss)/profit before taxation	(487,033)	310,757	(257)	(695,571)	161,050	(532)
Cash and cash equivalents	3,596,868	3,741,023	(4)	3,169,212	3,357,358	(6)
Property, plant and equipment	3,427,817	939,954	265	2,898,218	435,357	566
Financial assets	657,025	618,406	6	127,692	200,848	(36)
Statutory deposit	324,302	322,671	1	300,000	300,000	-
Borrowings	1,945,815	1,454,615	34	1,955,095	1,452,233	35
Contingency reserves	837,291	715,820	17	731,725	657,444	11
Shareholders funds	6,001,931	4,013,169	50	5,172,550	3,426,856	51
PER 50k SHARE DATA:						
Basic (Loss)/earnings per share (Kobo)	(4.5)	1.8	(341)	(5.3)	1.0	(638)
Diluted (Loss)/earnings per share (Kobo)	(6.7)	1.8	(473)	(8.0)	1.0	(904)
Net assets per share (Kobo)	43	45	(5)	37	39	(5)
Stock Exchange Quotation as at 31 December (Kobo)				50	50	-

BOARD OF DIRECTORS

Mr Adetutu Buraimo	-	Chairman (Resigned wef December 21, 2015)
Mr. Ibidolapo Balogun	-	Vice-Chairman/GMD (Appointed Chairman wef January 1, 2016)
Mr. Godwin Alegieuno		
Mr. Ibikunle Balogun		
Mrs. Markie Idowu		(Resigned wef December 18, 2015)
Mr. Olanrewaju Ogunbanjo		
Mr Almamy Timite	-	GMD (Appointed Director wef December 18, 2015)
Mr Karim-Franck Dione	-	GED, Strategy & Performance Mgt (Appointed wef December 18, 2015)
Mr. Ekpe Ukpabio	-	MD /CEO

COMPANY SECRETARY
John Nkemakonam Akujieze
Plot 1196, Bishop Oluwole street
Victoria Island, Lagos

REGISTERED OFFICE
Equity Place
Plot 1196, Bishop Oluwole Street
Victoria Island, Lagos

RC No:	**-**	65443
FRC Registration no:	-	FRC/2012/0000000000408

REGISTRARS AND TRANSFER OFFICE
Apel Capital & Trust Limited
18 Nnobi Street
Surulere
Lagos

BANKERS
Ecobank Nigeria Limited
First Bank of Nigeria Limited
Guaranty Trust Bank Plc
Skye Bank Plc
Sterling Bank Plc
United Bank for Africa Plc
Zenith Bank Plc

RE-INSURERS
Munich Mauritius Reinsurance Co. Ltd
African Reinsurance Corporation
Continental Reinsurance Plc
Nigerian Reinsurance Corporation

ACTUARIES
HR Nigeria Limited

EXTERNAL AUDITORS
BDO PROFESSIONAL SERVICES
ADOL House
15 CIPM Avenue
Central Business District, Alausa, Ikeja
Lagos, Nigeria.

The directors accept responsibility for the preparation of the annual consolidated financial statements that give a true and fair view of the statement of financial position of the Group and 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 of Nigeria CAP I17 LFN 2004. The responsibilities include ensuring that the Group:

(I) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group and comply with the requirements of the Companies and Allied Matters Act CAP, C20 LFN 2004 and the Insurance Act CAP I17,2004.

(ii) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities

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

The directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in compliance with:

(a) International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)

(b) the requirements of the Insurance Act CAP I 17 LFN, 2004

(c) relevant guidelines and circulars issued by the National Insurance Commission (NAICOM); and

(d) the requirements of the Companies and Allied Matters Act, CAP C20, LFN 2004

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 Group and of the profit or loss and other comprehensive income 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 financial control.

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

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY

Mr. Ibidolapo Balogun
FRC/2015/CIIN/00000011890
18th May, 2016

Mr. Ekpe Ukpabio
FRC/2013/CIIN/00000002047
18th May, 2016

Dear valued shareholders, fellow directors, ladies and gentlemen; it is a great pleasure to welcome you to the 29th Annual General Meeting of our company, Equity Assurance Plc. and to present our financial statements and reports for the year ended 31st December, 2015.

However, before presenting our company's performance, permit me to briefly review some major developments in the global and local economy that had impacted on our company and performance for the period.

Global Economy

Global growth fell short of expectations in 2015, declining to 2.4% from 2.6% in 2014. The performance reflected a continued growth decline in emerging and developing countries with domestic and external challenges. Domestically, low productivity growth, policy uncertainty, and absence of policy buffers led to contractionary monetary and fiscal policies. Externally, persistent low commodity prices, subdued global trade, spill-over from weakness in major emerging markets, slow capital flows and rising borrowing costs all contributed to the slow-down of the global economy.

Commodity exporters have continued to adjust to steep declines in oil and other commodity prices. Nevertheless, general infrastructure investment and consumer spending partly offset weakening external demand. Given the size and global economic integration of the largest emerging markets, the simultaneous economic downturn in most of the players could have significant spillover to the rest of the world.

Worsening prospects for developing countries have coincided with a sharp slowdown in global trade, a rise in financial market volatility and substantial decrease in capital inflows. Currency pressure has intensified and borrowing costs have increased, particularly for a number of oil exporting countries. Significant currency depreciations against the US Dollar are straining balance sheets in countries with huge dollar denominated liabilities. In contrast, the recovery driven by stronger domestic demand in major high income countries improved in 2015.

Going forward, emerging and developing countries is expected to gradually pick up by tightening control in their financial systems and stabilization of oil prices. These measures will ease currency depreciation pressures and help towards reducing inflation.

Nigerian Economic Outlook

The economy has undoubtedly experienced slow growth in 2015 relative to 2014 with increasing inflationary tendencies. The International Monetary Fund's (IMF) 2016 economic outlook for Nigeria is not favourable for the nation's growth prospects, with the projection that gross domestic product (GDP) will be lower than 2.7% recorded in 2015.

The oil sector which plays a major role in the Nigerian economy accounted for 90 per cent of the country's GDP. The slump in oil prices significantly affected Nigeria's fiscal and external accounts, decimating government revenues to just 7.8 per cent of GDP. Nigeria's exports dropped about 40 per cent in 2015, pushing the current account from a surplus of 0.2 per cent of GDP to a deficit projected at 2.4 per cent of GDP. The 2016 budget based on a crude oil benchmark price of $38 per barrel and a production estimate of 2.2 million barrels per day and financed by a combination of domestic borrowing of N984 billion, and foreign borrowing of N900 billion totalling N1.84 trillion is threatened because production has fallen by 40% due to sabotage of oil and gas installation in the Niger Delta.

With foreign portfolio inflows slowing significantly, reserves fell to $28.3 billion at end of 2015. Nigeria's foreign exchange reserve is currently fluctuating at an 11-year-low. Exchange restrictions introduced by the Central Bank of Nigeria (CBN) to protect reserves impacted significant segments of the private sector that depend on adequate supply of foreign currencies. In addition, fuel shortages and price increase in the first half of the year has led to decline in growth and lower investors' confidence. The cumulative effect of all these is currently being seen in the "weakening corporate balance sheets, lowering the resilience of the financial sector and impacting negatively on both unemployment and poverty."

While global oil prices have recovered significantly, Nigeria is not benefiting as crude oil output is sliding due to sabotage on oil infrastructure. Moreover, severe foreign exchange restrictions are also hampering economic activity and GDP growth by extension.

Insurance Industry

The Nigerian Insurance Industry is still evolving following various mergers and acquisitions from both local and international investors. Activities in the sector has increased; with enhanced public awareness of the sector and their impact in the economy.

The insurance sub sector as a key part of the financial sector does not yet account for a significant portion of the total economy. The sector is critical by providing reliable insurance covers to both corporate entities and individuals. Given the growing importance of the insurance sector and the increasing number of interlinks to other financial sectors, the evolving role of insurance companies vis-à-vis economic growth and stability should be of growing relevance for policy makers and supervisors.

Government regulations over time have supported the prospect of growth for the industry. However, in recent times, government regulations in the area of compulsory insurance for all public buildings and those under construction have not really taken off. The regulatory agencies should therefore strive to gain the confidence of the insuring public and operators so as to preserve the shareholders' values.

Business Performance

2015 was a year of challenge and changes for Equity Assurance Plc during which we had to contend with a significant foreign exchange loss with respect to the servicing of international obligations. The Company incurred exchange loss of N421.04million arising from Daewoo loan liability during the year under review as against exchange gain of N23.39million last year.

During the period under review, our company recorded a 19.20 percent increase in underwriting profit from N1.51 billion recorded in 2014 to N1.80 billion in 2015 financial year. However, the economic slow-down took a toll on the company's top lines as net premiums income (NPI) fell by 7.2 percent to N3.51 billion in 2015 from

N3.78 billion in 2014. Gross premium income also reduced by 3.1 percent to N4.78 billion in the period under review compared to N4.93 billion in 2014. Underwriting expenses reduced by 8.2 percent to N830.04 million in 2015 against N903.37 million in 2014. The cost savings was premised on the need to minimise costs and maximize the value of shareholders.

Strategic Investment by SUNU Group

SUNU Assurance Vie Cote D'Ivoire and SUNU Participations Holding SA both acquired 60 percent majority stake in the company. With this acquisition, the company's share capital is N7 billion divided into 14,000,000,000 ordinary shares of 50 Kobo each fully paid up.

The new investment by SUNU is in line with the company's vision to be a leading African Insurance Group. SUNU is present in 12 Francophone countries and with the proposed acquisition in Equity Assurance Limited Ghana and Equity Assurance Company Liberia Limited; the SUNU Group will have presence in 3 Anglophone countries. This synergy will bring market presence in 15 African countries. Our company has become a member of a major insurance conglomerate on the continent.

We hope to leverage on these synergies to maximise all the possible economies of scale including market competition for the overall benefit of our shareholders.

Governance and Board changes

In order to meet the regulatory requirements, the Company adjusted and enriched the composition of the Board of Directors and Board Committees. During the year, Mr Adetutu Buraimo resigned as the Chairman and the Board at its meeting of 18th December, 2015 unanimously elected my humble self as the Chairman in line with the provisions of the Company's Articles of Association. With your support and cooperation, we shall endeavour to quickly turn around the future prospects of our company.

Similarly, Mrs Markie Idowu resigned her appointment on the Board on account of the divestment of Skye Financial Services from the shareholding of the Company. Both Mr. Adetutu Buraimo and Mrs Markie Idowu have served on the Board meritoriously. I wish to thank them for their immense contributions while on our Board and wish them well in their future endeavours.

On account of the acquisition of 60% shareholding by SUNU Group the board approved the appointments of four Directors on the Board:

1. Mr Almamy Timite as Group Managing Director
2. Mr. Karim-Franck Dione as Group Executive Director
3. Mr. Mohamed Bah Non Executive Director
4. Mr. Philippe Ayivor Non-Executive Director

The shareholders will in the course of the meeting be requested to approve the appointments accordingly.

To enforce the importance of good governance and set the right standards throughout the company, the Board during the year under review approved a new Code of Conduct for all employees and members of the Board setting out the values and standards we expect in the conduct of business.

The Board also reviewed the company's whistle-blowing policy to further strengthen the importance of its governance processes. The Board will also submit itself to external evaluation to enable it perform better in future.

Future Outlook

I am very optimistic that the future outlook is bright given the level of synergies which have been developed with SUNU Group as we positioned the company to leverage on the opportunities that this collaboration will generate.

We are optimistic to gradually overcome the challenges of the merger and forge ahead as one unified entity.

We shall continue to consolidate our edge in underwriting, utilising appropriate risk based methodology and procedures.

Appreciation & Conclusion

I am proud to say that our people are absolutely committed to serving our customers and are often the difference between us and our competitors. We must therefore show extraordinary commitment and dedication to customers who are central to our growth strategy to enable us become profitable in the foreseeable future.

In concluding, I would like to thank my fellow board members and all shareholders for your support and understanding. May God bless you all.

Mr. Ibidolapo Balogun
Chairman, Board of Directors

Adetutu Buraimo *mni*

Ibidolapo Balogun

Godwin A. Alegieuno

Almamy Timite

Ibikunle Balogun

Olanrewaju B. Ogunbanjo

Mrs. Markie Idowu

Ekpe Ukpabio

Karim Franck-Dione

29TH ANNUAL REPORT

The Directors are pleased to submit their 29th annual report together with the audited Consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2015.

LEGAL FORM

The Company was incorporated on 13th December, 1984 and has one wholly owned subsidiary and two partly owned subsidiaries namely: EA Capital Management Limited (wholly owned subsidiary) with Equity Assurance Limited, Ghana and Managed Healthcare Services Limited (partly owned subsidiaries).The Company has a concession of 25 years for the management of Equity Resort Hotel (formerly Gateway Hotel) Ijebu-Ode.

Equity Assurance Limited, Ghana was incorporated in Ghana on 23rd January, 2008 to undertake the business of general insurance. EA Capital Management Limited was incorporated in Nigeria on 29 October 2008 as a private limited liability company to carry on the business of finance leases to both individual and corporate clients. Managed Healthcare Services Limited was incorporated on 11 December, 1997 to carry on the business of health management and it is a nationally licenced Health Management Organization (HMO).

PRINCIPAL ACTIVITIES

The principal activity of the Company is provision of non-life insurance business, health management and financial services to corporate and retail customers both in Nigeria, Ghana and Liberia respectively.

REVIEW OF BUSINESS AND FUTURE PROSPECTS

RESULT FOR THE YEAR

	Group 2015	Group 2014	Company 2015	Company 2014
	N'000	N'000	N'000	N'000
(Loss)/profit for the year before tax	(487,033)	310,757	(695,571)	161,050
Tax expense	(93,161)	(127,423)	(50,359)	(73,393)
(Loss)/profit for the year after tax	(580,194)	(183,334)	(745,930)	(87,657)

BENEFICIAL OWNERSHIP

Share Range Analysis:

Range	No. of Holders	Units	%
1 - 1,000	6,723	4,523,463	0.03
1,001 - 5,000	11,179	33,094,965	0.24
5,001 - 10,000	6,534	55,768,247	0.40
10,001 - 50,000	11,511	304,014,407	2.17
50,001 - 100,000	3,267	266,026,906	1.90
100,001 - 1,000,000	2,698	753,338,842	5.38
1,000,001 - 5,000,000	202	429,891,975	3.07
5,000,001 - 10,000,000	22	157,432,010	1.12
10,000,001 - 1,000,000,000	51	3,330,823,420	23.79
1,000,000,001- And Above	3	8,665,085,765	61.89
TOTAL	42,190	14,000,000,000	100

The following shareholders held more than 5% of the issued share capital of the Holding company as at 31 December, 2015:

	2015	2014	2015	2014
Shareholders Names	**Ordinary shares of 50k each**		**%**	**%**
Sunu Participations Holding SA	5,152,701,580	-	36.81	0.00
Sunu Assurances vie Cote Divoire	2,496,859,790	-	17.83	0.00
Gateway Holdings Limited	1,015,524,395	1,015,524,395	7.25	11.48
KYT Investments Limited	80,195,996	527,624,378	0.57	5.96
Total	8,745,281,761	1,543,148,773	62.47	17.44

DIRECTORS

Beneficial interests

The interests of the Directors of Equity Assurance Plc in the issued share capital of the Holding Company as recorded in the Register of Members as at 22 March, 2016 and as notified by them for the purpose of Section 275 (1) of the Companies and Allied Matters Act CAP C20 LFN 2004 is as follows:

Ordinary shares of 50k each as at 22 March, 2016

Directors	Direct	Indirect	Total
Mr. Adetutu Buraimo(Resigned wef 21 December 2015)	41,837	-	41,837
Mr. Ibidolapo Balogun (Appointed Chairman wef 1 January 2016)	419,200,000	-	419,200,000
Mr. Almamy Timite (Appointed wef 18 December 2015)		2,496,859,790	2,496,859,790
Mr Karim-Franc Dione (Appointed wef 18 December 2015)		5,152,701,580	5,152,701,580
Mr. Godwin Alegieuno (Independent Director)	-	-	-
Mr. Ibikunle Balogun (Representing KYT Investments Limited)	500,000	345,825,280	346,325,280
Mrs Markie Idowu (Resigned wef 18 December 2015)	-	-	-
Mr.Olanrewaju Ogunbanjo (Representing Life Care Ventures Limited)	316,667	98,551,016	98,867,683
Mr Ekpe Ukpabio (Managing Director)	15,814,494	-	15,814,494

In accordance with Section 277 of the Companies and Allied Matters Act, CAP C20 LFN 2004, none of the directors has notified the Holding Company of any declarable interest in contracts with the Holding Company or other members of the Group.

Responsibilities

In accordance with the provisions of the Companies and Allied Matters Act, CAP C20 LFN 2004, the Directors are responsible for the preparation of the financial statements which give a true and fair view of the state of affairs of the Company and its subsidiaries at the end of each financial year and of the profit or loss for that period.

The responsibilities include ensuring that:

- Appropriate internal controls are established to safeguard the assets of the Company, to prevent and detect fraud and irregularities;
- the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which ensures that the financial statements comply with the requirements of the Companies and Allied Matters Act CAP C20 LFN 2004;
- the Company maintains suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates and that all applicable accounting standards have been followed; and
- it is appropriate for the financial statements to be prepared on a going concern basis.

Appointment and Re-election of Directors

The Board during the financial year appointed Mr Almamy Timite as the Group Managing Director and Mr Karim-Franck Dione as Group Executive Director, Performance and Strategy Management. Similarly, in accordance with Article 93 of the Company's Article of Association, Mr Ibikunle Balogun and Mr. Olanrewaju Ogunbanjo will retire by rotation , and being eligible, will be offering themselves for re-election.

Corporate Governance

The Board is responsible for the entrenchment of corporate governance in the Company. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial status of the company and ensures that the financial statements comply with the provisions of the Companies and Allied Matters Act CAP C20 LFN 2004.

They are also responsible for safeguarding the assets of the Company by taking reasonable steps for the prevention and detection of fraud and irregularities.

During the year under review, the Company was managed by a Board of 7 Directors consisting of 5 Non-Executive Directors (which includes the Chairman) and 2 Executive Directors.

The Board of Directors ensured that the Company's objectives were implemented through the following constituted board committees:

Audit Committee

The Committee is established in compliance with Section 359(6) of the Companies and Allied Matters Act CAP C20 LFN 2004 and it has the oversight responsibility for the Company's financial statements.

Board Finance & Investment Committee

The Board Committee oversees the Company's investment and corporate finance transactions, reviews management policies and guidelines, reviews the Company's investment performance, and the Company's capital structure. The Committee also makes recommendations to the Board concerning:

1 The Company's investment policies and guidelines, the Company's implementation of and compliance with those policies and guidelines, and the performance of the Company's investment portfolios and investment managers.
2 Corporate financial policies relating to capital structure, financial performance, in relation to both the capital and revenue budgets, including debt limits, dividend policy, stock splits and repurchases of stocks or other securities.
3 The Company's Capital needs and financing arrangements, the Company's ability to access the capital market and management's financing plans.
4 The Company's policies and procedures for investment risk management.
5 The Company's accounting and investment policies

Board Technical, Risk Management and Compliance Committee

The Committee has oversight functions over the internal control, assessment of associated risk in the Company's business and compliance functions within the Company.

Board Human Resources and Remuneration Committee

The Committee has oversight functions in determining the terms of reference for the Executive Management. It recommends the remuneration of the Executive Directors.

Reinsurance Arrangements

The company had treaty arrangements with the following Companies during the year:
Munich Mauritius Reinsurance Co. Ltd
African Reinsurance Corporation
Continental Reinsurance Plc
Nigerian Reinsurance Corporation

DONATIONS
The Company gave N300,000 (2014 -N650,000) in donation to the Institute of Direct Marketing of Nigeria

POST BALANCE SHEET EVENTS
There are no significant developments since the end of the accounting year which could have a material effect that have not been adequately provided for in the financial statements.

DISCLOSURE OF CONTRAVENTION

In adherence to the corporate governance disclosure requirements and the Nigeria Stock Exchange (NSE) post listing requirements, we hereby state our contravention as follows:

(1) Sum of N600,000 to NSE for default filing of Audited Financial Statements for the year ended 31st December, 2015.

(2) Sum of N100,000 for Late filing of 2015 3rd Quarter Financial Statements.

EMPLOYMENT AND EMPLOYEES

1. **Employment of disabled persons**
   It is the policy of the Company that there should be no discrimination in considering applications for employment including those from disabled persons. During the year under review, there were no disabled persons in the Company's employment.

2. **Health, safety at work and welfare of employees**
   Health and safety regulations are in force within the Company's premises and employees are aware of existing regulations. The Company provides subsidies to all levels of employees for medical, transportation, housing, lunch, etc.

3. **Employees' involvement and training**
   The Company is committed to keeping employees fully informed as far as possible regarding the Company's performance and progress and in seeking their views wherever practicable on matters which particularly affect them as employees.
   Employees' development is carried out at various levels within the Company through both internal and external training.
   Management, professional and technical expertise are the Company's major assets and investments in developing such skills continue.
   Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate and some of those schemes include bonus, etc.

AUDITORS

The Auditors, BDO Professional Services (Chartered Accountants) have indicated their willingness to continue in office as the Company's Auditors in accordance with Section 357(2) of the Companies and Allied Matters Act, CAP C20 LFN 2004. A resolution will be proposed authorizing the Directors to determine their remuneration at the next Annual General Meeting.

BY ORDER OF THE BOARD

Lagos, Nigeria

John Nkemakonam Akujieze
COMPANY SECRETARY
FRC/2014/NBA/00000007629
18 May 2016

We the undersigned hereby certify the following with regards to our audited report 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 operation 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 and its consolidated subsidiaries 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 deficiencies 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 weaknesses 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.

Mr. Ekpe Ukpabio
FRC/2013/CIIN/00000002047
Managing Director/CEO

Mr. Akeem Adamson
FRC/2013/ICAN/00000002182
Chief Finance Officer

Equity Assurance Plc is a public quoted company, committed to improving shareholder value through best business practices. The Company has consistently adopted, implemented and applied best practices in corporate governance, service delivery and value creation for all its stakeholders.

Good corporate governance is essential in earning and retaining the confidence and trust of stakeholders. It is designed to ensure the accountability of the Board and Management of the company to stakeholders.

The Company has provided structures upon which the objectives of the group and the means of attaining these objectives are set. The Company has designed and put in place charters, policies and processes, which are reviewed periodically to ensure proper organization and conduct of the company's business.

Equity Assurance Plc is committed to protect and increase shareholder's value through transparency Corporate Governance practices which imbibe local regulatory standards and international best practices. The Company ensures compliance with the Code of Corporate Governance for Public Companies issued by the Securities and Exchange Commission (the SEC Code), the Code of Corporate Governance for Insurance Industry in Nigeria (the NAICOM Code), the Companies and Allied Matters Act as well as disclosure requirements under the International Financial Reporting Standard (IFRS).

The principles of Corporate Governance and the standards therein have been incorporated into and reflected in a number of documents such as the Board charter, the charter of the various Board Committees, Company policies and staff handbook. The Company carries out a quarterly review of its compliance status, and a Board evaluation exercise was carried out for the year under review.

GOVERNANCE STRUCTURE

The Board of Directors

The ultimate responsibility for the governance of the Company resides with the Board of Directors which is accountable to shareholders for creating and delivering sustainable value through the management of the Company. The Board's oversight function is exercised through its various Committees, namely, Board Technical, Risk Management and Compliance Committee; Board Establishment, Human Resources and Governance Committee, Board Finance and Investment Committee and the Audit Committee. Through these Committees the Board sets broad policy guidelines, and ensures proper management of the Company on a regular basis.

The Board is made up of seasoned professionals who have excelled in their various professions and possess the requisite integrity, skill and experience to bring to bear independent judgement on the deliberations of the Board. The effectiveness of the Board is derived from the appropriate balance and mix of skills and experience of all the Directors. The Board meets once in every quarter and additional meetings are convened when required. The Board met six(6) times during the year ended December 31 2015.

Role of Chairman and Chief Executive Officer

The roles of the Chairman and Chief Executive are separate, and no one individual combines the two positions. The Chairman's main responsibility is to lead and manage the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibilities. The Chairman is responsible for ensuring that Directors receive accurate, timely and clear information to enable the Board take informed decisions, and effectively monitor and provide advice necessary for the growth and success of the Company.

Role of Group Managing Director

The Group Managing Director reports to the Board directly.

The Group Managing Director is responsible for all executive management matters affecting the Group. The Group Managing Director has an oversight function over all the Subsidiaries in the Group.

The responsibility for the day to day management of the Company is vested in the Managing Director/Chief Executive Officer, who is supported by Executive Management. The Managing Director executes the powers vested in him in accordance with guidelines approved by the Board of Directors. The Executive Management is accountable to the Board for the development and implementation of strategies and policies.

Management Committees

The Company has 2 Committees which comprises of management staff.

The Management Committee (MC) is the Committee set up to identify and make recommendations on strategies that will aid the long term objectives of the Company. Whilst the Management Underwriting and Investment Committee (MUIC) was initiated to analyze the risks the Company is underwriting at any given period.

The MUIC also ensures that risk investment limits as contained in the Board Finance & Investment charter are complied with at all times. They provide inputs from the Board Committee and also ensure that recommendations of the Board Committees are effectively and efficiently implemented. Both Committees meet frequently as necessary to immediately take action and decisions within the confines of their powers.

The Secretary to the Committees is the Company Secretary.

Internal management structure

The Company operates an internal management structure where all officers are accountable for duties and responsibilities attached to their respective offices and there are clearly defined and acceptable lines of authority and responsibility.

A bi-annual appraisal of the duties assigned and dedicated to each person is done by the first and last half of the following year.

Board meetings attendance for year 2015

S/N	NAME	02/09/2015	26/3/2015	06/02/2015	21/9/2015	29/10/2015	18/12/2015
1	Mr. Adetutu Buraimo	P	P	P	P	P	P
2	Mr. Ibidolapo Balogun	P	P	P	P	P	P
3	Mr Almamy Timite	N/A	N/A	N/A	N/A	N/A	P
4	Mr. Godwin Alegieuno	P	P	P	P	P	P
5	Mr. Ibikunle Balogun	P	P	P	P	P	P
6	Mrs. Markie Idowu	P	P	P	P	A	R
7	Mr. Olanrewaju Ogunbanjo	P	A	P	A	P	P
8	Mr. Karim Franck-Dione	N/A	N/A	N/A	N/A	N/A	P
9	Mr. Ekpe Ukpabio	P	P	P	P	P	P

Board Finance & Investment Committee

The Board Committee oversees the Company's investment and corporate finance transactions, reviews management policies and guidelines, reviews the Company's investment performance, and the Company's capital structure. The Committee also makes recommendations to the Board concerning:

1. The Company's investment policies and guidelines, the Company's implementation of and compliance with those policies and guidelines, and the performance of the Company's investment portfolios and investment managers.
2. Corporate financial policies relating to capital structure, financial performance, in relation to both the capital and revenue budgets, including debt limits, dividend policy, stock splits and repurchases of stocks or other securities.

3. The Company's Capital needs and financing arrangements, the Company's ability to access capital market and management's financing plans.
4. The Company's policies and procedures for investment risk management.
5. The Company's accounting and investment policies

Finance & Investment Committee membership and attendance for year 2015

S/N	NAME	05/12/2015	27/7/2015	22/10/2015	17/12/2015
1	Mrs. Markie Idowu	P	P	A	R
2	Mr. Ibidolapo Balogun	P	P	P	P
3	Mr. Ekpe Ukpabio	P	P	P	P
4	Mr. Ibikunle Balogun	P	P	P	P
5	Mr. Olanrewaju Ogunbanjo	P	P	P	P

Board Establishment, Human Resources & Governance Committee

The Board Establishment, Human Resources and Governance Committee assists the Board of Directors in performing its oversight functions of identifying, evaluating and making recommendations to the Board in respect of qualified individuals to be appointed Board members. The Committee formulates policies that guarantee effective Human Resources operations and the highest standard of Governance, consistency with the approved policy guidelines by the Board and the various Codes of Corporate Governance.

The Committee's terms of reference include but is not limited to the following:

1. Making recommendations with respect to the composition of the Board and its committees.

2. Making recommendation to the Board for evaluating the effectiveness of the Board's and Company's governance structure.

3. Evaluate and make recommendations to the Board regarding the adoption of best practices appropriate for the governance of the affairs of the Board, its committees and the Company.

4. Discharge the Board's responsibilities relating to compensation and benefits of the Company's Chief Executive Officer, Officers of the Company who are designated as Principal Officers, and Other Senior Officers, as appropriate, including responsibility for evaluating and reporting to the Board on matters concerning Management Performance, Compensation and Benefits, Appointments, Promotion and Separation.

5. Align human capital policies, programs, processes and systems to support accomplishment of the Company's mission, vision, goals and priorities.

6. Set strategic direction for Human capital development throughout the Company.

7. Recommend and periodically review the Company's compensation policy for Board approval.

8. Ensure that the Company's Board is independent, effective, competent and committed to enhancing shareholder value.

Board Establishment, Human Resources & Governance Committee membership and attendance for year 2015

S/N	NAME	05/12/2015	27/7/2015	22/10/2015	17/12/2015
1	Mrs. Markie Idowu	P	P	A	R
2	Mr. Ibidolapo Balogun	P	P	P	P
3	Mr. Olanrewaju Ogunbanjo	P	P	P	P
4	Mr. Ekpe Ukpabio	P	P	P	P

Board Technical, Risk Management & Compliance Committee

The Committee has oversight function over the implementation of the Company's Enterprise Risk Management Framework, assessment of the non financial risks inherent in the Company's operations and ensuring compliance with both regulatory provisions and directives and internally laid down policies. The Committee also has oversight over the implementation of the Company's Anti Money Laundering and Compliance program.

The Committee's terms of reference includes but is not limited to:

* ensuring that sound technical, risk management and compliance policies and framework are in place to identify, access and manage risks within the Company's risk appetite as determined by the Board.

* ensuring that the Company is fully compliant with statutory and regulatory guidelines and directives.

* reviewing the adequacy and effectiveness of the Company's Risk Management and Controls.

Board Technical, Risk Management & Compliance Committee meeting and attendance for year 2015

S/N	NAME	05/11/2015	08/04/2015	21/10/2015	16/12/2015
1	Mr. Godwin Alegieuno	P	P	P	P
2	Mr. Ibidolapo Balogun	P	P	P	P
3	Mrs. Olayiwola Adeola	P	P	P	P
4	Mr. Ekpe Ukpabio	P	P	P	P

Audit Committee

Pursuant to Section 359(3) of the Companies and Allied Matters Act CAP, C20 LFN 2004, the Company has an Audit Committee comprising 3 Directors and 3 Shareholders. The functions of the Audit Committee are as laid down in Section 359(6) of the Companies and Allied Matters Act, CAP C20 LFN 2004.

Audit Committee Meeting and attendance for the year 2015

S/N	NAME	24/3/2015	05/11/2015	08/04/2015	21/10/2015	16/12/2015
1	Prince Adebunmi Adebanjo	P	P	P	P	P
2	Mr. Samuel Adedoyin	P	P	P	P	P
3	Mr. Oluyinka Oniwinde	A	P	P	P	P
4	Mr. Godwin Alegieuno	P	P	P	P	P
5	Mr. Olanrewaju Ogunbanjo	P	P	A	P	P
6	Mr. Ibikunle Balogun	P	P	P	P	P

Key

P – Present

A – Absent

R – Resigned from the Board

N/A – Not a Board member at the date of the meeting

Directors Training

Training and Education of Directors on issues pertaining to their oversight function is a continuous process, which is necessary in order to update their knowledge and skills and keep them informed of new developments in the Company's business and operating environment. The training of its Directors is of great importance to the Company. The Directors received training locally during the financial period ended December 31 2015.

Communication policy

It is the responsibility of Executive Management under the direction of the Board, to ensure that the Board receives adequate information on a timely basis, about the Company's businesses and operations at appropriate intervals and in an appropriate manner, to enable the Board to carry out its responsibilities.

Furthermore, the Board and Management of the Company ensures that communication and dissemination of information regarding the operations and management of the Company to shareholders, stakeholders and the general public is timely, accurate and continuous, to give a balanced and fair view of the Company's financial and nonfinancial matters. Such information, which is in plain language, readable and understandable, is available on the Company's website www.equityassuranceplc.com

The website also has an Investors' Relations portal where the company's annual reports and other relevant information about the company is published and made accessible to its shareholders, stakeholders and the general public.

In order to reach its overall goal on information dissemination, the Company is guided by the following principles, legislation and codes of corporate governance of the jurisdictions within which it operates. These include the Insurance Act, the NAICOM Operational Guidelines, the Companies and Allied Matters Act (CAMA) and the codes of Corporate Governance issued by NAICOM and SEC.

Insider trading and price sensitive information

In line with the Rules of the Nigerian Stock Exchange, the company has a Security Trading Policy guiding its related parties in its shares. To this end, the company is clear in its prohibition of insider trading by its Board, Management, Officers and related persons who are privy to confidential price sensitive information. Such persons are further prohibited from trading in the Company's securities where such transactions would amount to insider trading.

Directors, insiders and related parties are prohibited from disposing, selling, buying or transferring their shares in the Company for a period commencing from the date of receipt of such insider information until such a period when the information is released to the public or any other period as defined by the Company from time to time.

Enforcement of Corporate Govermence

i) Chief Compliance Officer

The Chief Compliance Officer monitors compliance with money laundering requirements and the implementation of the Corporate Governance Code of the Company. The Chief Compliance Officer together with the Chief Executive Officer certifies each year to NAICOM and SEC that they are not aware of any other violation of the Corporate Governance Code, other than as disclosed during the year.

ii) **Whistle blowing procedures**

In line with the Group's commitment to instill the best corporate governance practices, a whistle blowing procedure was established that ensures anonymity on any reported incidence(s).

The Company has a dedicated address for whistleblowing procedures at info@equityassuranceplc.com.

Code of professional conduct for employees

The Company has an internal Code of Professional Conduct, which all members of staff are expected to subscribe to upon assumption of duties. Staff are also required to reaffirm their commitment to the Code annually. All members of staff are expected to strive to maintain the highest standards of ethical conduct and integrity in all aspects of their professional life as contained in the Code of Professional Conduct which prescribes the common ethical standards, culture and policies of the Company relating to employee values.

Complaint Management Policy

The Company has in place a Customer Complaints Management Policy. The objective of this policy is to provide a clearly define complaints management procedure for the Company and to ensure effective handling and resolution of concerns within the purview of regulations.

Code of Conduct And Ethics for employees and Directors

This Code summarizes the values, principles and business practices that guide the business conduct of Equity Assurance Plc and also provide a set of basic principles to guide employees and directors regarding the minimum ethical requirements expected of them.

Shareholders
The General Meeting of the Company is conducted in a transparent and fair manner. Shareholders have ample time and opportunity to express their opinions on the Company's financial performance and other issues affecting the Group. Representatives of the National Insurance Commission, Nigerian Stock Exchange, Securities and Exchange Commission, Shareholder Associations and members of the press are invited to observe the proceedings of the meeting. Attendance at the meetings is open to all Shareholders or their proxies.

Protection of Shareholders Rights and Communication to Shareholders
The Board ensures the protection of the statutory and general rights of Shareholders at all times, particularly their right to vote at General Meetings. All Shareholders are treated equally regardless of volume of shareholding or social status.

The Board and Management of the Company ensure that accurate communication and information regarding the operations of the Company is properly disseminated to Shareholders, Stakeholders and the general public timely and continuously. These information which includes the Company's Annual Reports are also made available on the Company's web portal at www.equityassuranceplc.com.

Independent Advice
Independent professional advice is available on request to the Board at the expense of the Company where such advice is required to enable the Board members effectively perform their duties.

GROUP STRUCTURE

The Company established a Group office in 2012. The purpose of the Group Office is to:

- Coordinate the formulation and implementation of Group Strategy
- Anticipate and identify potentially profitable business opportunities and champion the expansion of the Group.
- Monitor risk exposure of subsidiaries, investments and potential investments to align with the Group's risk appetite.
- Design Group-wide policies
- Provide support synergies and efficient sharing of resources across the Group
- Institutionalise appropriate structures for effective management reporting, monitoring and control of the Groups business.
- Ensure more strategic focus on growth and other emerging opportunities and;
- Establish a formal structure that reduces redundancies within the current system and effectively maximises the talents of available staff within the business.

The Group Managing Director oversees the affairs of the Group, which comprises of the following companies:

- **Equity Assurance Plc**
  Equity Assurance Plc is the Parent company and is engaged in General Insurance business covering Motor, Marine, Fire & Special Peril, Special Risks (Oil & Gas, Aviation), Contractors all risk, amongst others.

- **Equity Assurance Ghana Limited**
  Equity Assurance Ghana Limited like the Parent company is also engaged in General Insurance business

- **Managed Healthcare Services Limited**
  This is a Health Maintenance Organization. It provides qualitative healthcare services to individuals and organizations within Nigeria. The company provides easy access to healthcare delivery, and is accredited by the National Health Insurance Scheme.

- **EA Capital Management Limited**
  EA Capital Management Limited is into business of Leasing of assets. The company is engaged in equipment leasing to Corporate and Individual clients.

- **Equity Resort Hotel Limited**
  Equity Assurance Plc has a concession from the Ogun State Government. Equity Resort Hotel provides hotel catering and entertainment services in Ijebu-Ode and beyond.

As at 31 December 2015, Equity Group comprises of Equity Assurance Plc (Parent company) and 3 subsidiaries. The group's major business activities are insurance, health and asset management respectively.

This "Management Discussion and Analysis" (MD&A) has been prepared as at 31 December 2015 and should be read in conjunction with the consolidated financial statements of EQUITY ASSURANCE PLC AND ITS SUBSIDIARY COMPANIES.

Forward Looking Statements
The MD & A contains forward looking statements related to Equity Assurance Plc financial and other projections, expected future plans, event, financial and operating results, objectives and performance as well as underlying assumptions all of which involve risk and uncertainties. When used in this MD&A the words "believe", "anticipation", "intended", "estimate" and similar expressions are used to identify forward looking statements, although not all forward looking statements contain such words. These statements reflect management's current belief and are based on information available to Equity Assurance Plc and are subject to certain risk, uncertainties and assumptions.

Business Strategy of the Company and Overall Performance
The Group is engaged in providing insurance, health management and investment management to the corporate and retail sector of Nigeria and in Ghana. It also aims to establish itself as the apex insurance company in Nigeria and the West Africa region. Equity Assurance Plc began the implemention of the NAICOM directive on "no premium no cover policy" from the 1 January 2013. The policy aims to stimulate liquidity within the system by reducing the huge receivables being carried on the statement of financial position of insurance companies. This will positively impact the income statements of insurance companies by eliminating the large portion of provision for outstanding premium charged for the receivables and make more cash available which can be used to generate more investment income.

On the contrary, this would reduce the premium income recognised by companies initially (as premium would only be recognised when cash is received) but the situation would normalize as the insured public adjust their cash flow management to the new regulation.

The Group's strategy is to use technology and international best practices to provide its customers with tailor made solutions, superior services and specially designed programs to assist its patrons through a network of regional and agency offices spread over Nigeria and Ghana.

Operating Result, Cashflow and Financial Condition
(in thousands of Nigerian Naira)

	Group			Company		
	Dec-15	Dec-14	%chg	Dec-15	Dec-14	%chg
Gross premium written	4,470,627	4,845,997	(8)	2,476,047	3,415,146	(27)
Net premium income	3,513,393	3,784,359	(7)	1,966,412	2,619,630	(25)
Underwriting results	1,801,272	1,512,914	19	1,061,134	927,727	14
Investment income	574,893	285,339	101	409,581	157,381	160
Operating expenses	(2,776,187)	(2,148,503)	29	(1,832,542)	(1,431,035)	28
(Loss)/profit before tax	(487,033)	310,757	(257)	(695,571)	161,050	(532)

% change = Percentage change in years.

The Group experienced a decrease of 8% in gross written premium when compared to prior year result. The decrease was peculiar to the general election that took place in Nigeria in 2015.

Revenue and Underwriting Results

The decrease in the Group's level of activity was due to peculiarity of 2015 being an election year in Nigeria which reflected in the decrease of 7% in earned premium from N3.784billion in 2014 to N3.513billion in 2015.

However, the underwriting result at the end of the year improved significantly from N1.513billion in 2015 to N1.801billion in 2015, an increase of 19%.

Investment Income

Investment income for the year amounted to N576.916million, an increase of 102% over December 2014 figure of N285.34million.

Operating Expenses

Operating expenses for the year totalled N2.776billion an increase of 29% when compared to prior year figure of N2.149billion.

In accordance with the provision of section 359(6) of the Companies and Allied Matters Act CAP C20, Laws of the Federation of Nigeria, 2004, we have reviewed the audited financial statements of the Company for the year ended 31 December 2015 and report as follows:

1. The Audit Committee met in exercise of its statutory responsibilities in accordance with section 359 (6) of the Companies and Allied Matters Act. (CAP C20), LFN 2004.

2. We have examined the Auditors report and findings and recommendations on management matters, we are satisfied with management responses thereon.

3. The accounting and reporting policies of the Company are consistent with legal requirements and agreed ethical practices.

4. The Company maintained effective systems of accounting and internal controls during the year.

5. We are satisfied that the management is aggressively pursuing the goals and objectives of the Company.

Dated this 16 May 2016

Prince Adebunmi Adebanjo
Chairman Audit Committee
FRC/2014/NIM/00000006896

Prince Adebunmi Adebanjo

Mr. Samuel A. Adedoyin *FCA*

Mr. Yinka Oniwinde

Godwin A. Alegieuno

Olanrewaju B. Ogunbanjo

Ibikunle Balogun

1. We have audited the accompanying financial statements of Equity Assurance Plc and its subsidiary Companies ('together the Group') for the financial year ended 31 December 2015, which comprises the consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements.

Directors' responsibility for the financial statements

2. 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 interpretation 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 policies and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

3. 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 Company'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.

Opinion

4. In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and the Group financial position as at 31 December 2015 and of the 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 and the Companies and Allied Matters Act, CAP C20 LFN 2004 and the Insurance Act, CAP I17, LFN 2004 and its interpretation issued by the National Insurance Commission in its Insurance Industry Policy Guidelines.

Report on other legal requirements

5. The Companies and Allied Matters Act, CAP C20 LFN, 2004 requires that in carrying out our audit, we consider and report to you on the following matters. We confirm that:

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 Company and its subsidiaries; and

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

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

Lagos, Nigeria
23 May 2016

1 REPORTING ENTITY

These financial statements are the consolidated financial statements of Equity Assurance Plc, a Company incorporated in Nigeria and its subsidiaries (hereafter referred to as ' the Group').

The Company emerged as a result of the merger between Equity Indemnity Insurance Limited and First Assurance Plc. In the scheme of the merger arrangement, First Assurance Plc acquired the net assets of Equity Indemnity Insurance Limited and subsequently changed its name to Equity Assurance Plc.

The Company was incorporated in Nigeria as a private limited liability company, on December 13, 1984 to carry out non-life insurance business and was converted to a Public Liability Company in 1985.

The principal activities of the Group is mainly the provision of non-life insurance, health management, assets management and hospitality services.

The consolidated financial statements for the year ended December 31, 2015 were approved for issue by the Board of Directors on 18 May 2016.

2 BASIS OF PREPARATION

(a) GOING CONCERN

These financial statements have been prepared on the going concern basis. The group has no intention or need to reduce substantially its business operations. The Management believes that the going concern assumption is appropriate for the group due to sufficient capital adequacy ratio and projected liquidity, based on historical experience that short-term obligations will be refinanced in the normal course of business. Liquidity ratio and continuous evaluation of current ratio of the group is carried out by the group to ensure that there are no going concerns threats to the operation of the group.

(b) STATEMENT OF COMPLIANCE WITH IFRS

The financial statements have been prepared in accordance with, and comply with, International Financial Reporting Standards (IFRSs) and in the manner required by Companies and Allied Matters Act of Nigeria, the Insurance Act of Nigeria and the Financial Reporting Council of Nigeria.

(c) BASIS OF MEASUREMENT

These consolidated and separate financial statements have been prepared on the historical cost basis except for the following:

- Non-derivative financial instruments are measured at fair value through profit or loss.
- Available-for-sale financial assets that are measured at fair value.
- Investment property is measured at fair value.
- Insurance liabilities measured at present value of future cashflows.

(d) USE OF SIGNIFICANT ESTIMATES, ASSUMPTIONS AND MANAGEMENT JUDGEMENT

The presentation of the group's consolidated financial statements requires management to make estimates and judgement that affect the reported amount of assets and liabilities at the reporting date and the reported amount of income and expenses during the year ended.

The Group makes estimates and assumptions about the future that affect the reported amounts of assets, liabilities, income, expenses and equity. Estimates and judgments are continually re- evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income 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.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in Note 4 of the financial statements.

(e) FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the consolidated financial statement of each entity of the group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity(" the functional currency"). These consolidated financial statements are presented in Nigerian Naira(N), which is the Company's functional currency. The financial information has been rounded to the nearest thousands , except as otherwise indicated.

(f) REGULATORY AUTHORITY AND FINANCIAL REPORTING

The Company is regulated by the National Insurance Commission of Nigeria (NAICOM) under the Nigeria Insurance Act. The Act specifies certain provisions which have impact on financial reporting as follows:

(I) Section 20(1a) provides that provisions for unexpired risks shall be calculated on a time apportionment basis of the risks accepted in the year.

(ii) Section 20(1b) requires provision for outstanding claims to be credited with an amount equal to the total estimated amount of all outstanding claims with a further amount representing 10% of the estimated figure for outstanding claims in respect of claims incurred but not reported at the end of the year under review.

(iii) Section 21(1a) requires maintenance of contingency reserves for general businesses at specified rate as set out under Note 3.17 to cover flunctuations in securities and variation in statistical estimates

(iv) Section 24 requires the maintenance of a margin of solvency to be calculated in accordance with the Act.

(v) Section 10(3) requires insurance companies in Nigeria to deposit 10% of the minimum paid up share capital with the Central Bank of Nigeria

(vi) Section 25(1) requires an insurance company operating in Nigeria to invest and hold investment in Nigeria assets equivalent to not less than the amount of policyholders' funds in such accounts of the insurer. Note 52 sets out assets allocation that covers policyholders' funds.

Section 59 of the Financial Reporting Council Act , 2011 (FRC Act) provides that in matters of financial reporting, if there is any inconsistency between the FRC Act and other Acts which are listed in section 59(1) of the FRC Act, the FRC Act shall prevail. The Financial Reporting Council of Nigeria acting under the provision of the FRC Act has promulgated IFRS as the National financial reporting framework of Nigeria. Consequently, the provision of Section 20(1b) of the Insurance Act 2003 which conflicts with the provisions of IFRS have not been adopted. Section 20(1b) of the Insurance Act requires provision of 10% for outstanding claims in respect of claims incurred but not reported at the end of the year under review whereas Claims incurred but not reported liabilities have been estimated in line with accounting policy.

(g) OFFSETTING

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity.

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 periods presented, unless otherwise stated.

2.1 Basis of presentation and compliance with IFRS

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) applicable to companies reporting under IFRS. Additional information required by National regulations is included where appropriate.

The consolidated financial statements comprise the consolidated statement of financial position, the statements of changes in equity, the consolidated statement of cash flows and the notes.

2.2 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 9 (2014) (issued Jul 2014)	Financial Instrument	Classification and measurement Financial assets will either be measured - at amortised cost, - fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (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 increase in credit risk after initial recognition 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 for 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 exchange 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."	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.

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 transaction 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 whether 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.

3 SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are defined as those that are reflective of significant judgements and uncertainties and potentially give rise to different results under different assumptions and conditions.

The accounting policies set out below have been consistently applied to all periods presented in these financial statements.

3.1 CONSOLIDATION

(i) Subsidiaries

The financial statements of subsidiaries are consolidated from the date the Group acquires control, up to the date that such effective control ceases. For the purpose of these financial statements, subsidiaries are entities over which the Group, directly or indirectly, has power to govern the financial and operating policies so as to obtain benefits from their activities.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners). Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the Group.

Inter- company transactions, balances and unrealised gains on transactions between companies within the Group are eliminated on consolidation. Unrealised losses are also eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Investment in subsidiaries in the separate financial statements of the Company entity is measured at cost.

Acquistion - related costs are expensed as incurred.
If the business combination is achieved in stages, fair value of the acquirer's previously held equity interest in the acquiree is re- measured to fair value at the acquisition date through profit or loss.

(ii) Disposal of subsidiaries

On loss of control, the Group derecognises the assets and liabilities of the subsidiary, any controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained interest is accounted for as an equity, accounted investment or as an available - for - sale financial asset depending on the level of influence retained.

(iii) Special purpose entities

Special purpose entities that are created to accomplish a narrow and well- defined objective such as the securitisation of particular assets, or the execution of specific borrowings or lending transactions or the provision of certain benefits to employee.

The financial statements of special purpose entities are included in the Group's consolidated financial statements, where the substance of the relationship is that the Group controls the special purpose entity.

3.2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include notes and coins on hand and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. Cash and cash equivalents are carried at amortized cost in the statement of financial position.

3.3 FINANCIAL ASSETS

3.3.1 Classification of financial assets

The Group classifies its financial assets into the following categories:,
(a) Financial assets at fair value through profit or loss
(b) Available-for-sale financial assets
(c) Held-to-maturity financial assets
(d) Loans and receivables

The classification depends on the purpose for which the investments were acquired. Management determines the classification of investments at initial recognition and re-evaluates this at each reporting date.

A financial asset is classified into the 'financial assets at fair value through income category at inception if acquired principally for the purpose of selling in the short-term, if it forms part of a portfolio of financial assets in which there is evidence of short-term profit-taking, or if so designated by management.

(a) Fair value through profit or loss

Fair value through profit or loss financial assets can be classified into two sub-categories, namely:
i) those which are held for trading, and
ii) those designated at fair value through profit or loss at inception.

(i) Held-for-trading

A financial asset must be classified as fair value through profit or loss when the instrument is deemed to be held-for-trading.

Management designates a financial instrument which is held-for-trading to any other category of financial instruments (e.g. as available-for-sale or held-to-maturity) if it

i. is acquired principally for the purpose of selling in the short-term, or
ii. forms part of a portfolio of financial assets in which there is evidence of short-term profi-taking

(ii) Other financial assets designated at fair value through profit or loss

Management may elect to designate any financial asset at fair value through profit or loss. Such a designation by management may only be made at initial recognition and is an irrevocable decision. Two possible situations where management may want to designate financial instruments which are not held-for-trading are as follows:

· Instruments held in internal funds to match insurance and investment contracts liabilities that are linked to the changes in fair value of these assets. The designation of these assets to be at fair value through profit or loss eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases; and

· Instruments managed and whose performance is evaluated on a fair value basis. Information about these financial assets is provided internally on a fair value basis to the company's key management personnel. The company's investment strategy is to invest in equity and debt securities and to evaluate them with reference to their fair values. Assets that are part of these portfolios are designated upon initial recognition at fair value through profit or loss.

(b) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives financial assets that are either designated as such by management in this category or not classified in any of the other categories. Unquoted equity securities whose fair values cannot be reliably measured are carried at cost less impairment allowance if any. All other available -for- sale investments are carried at fair value. Dividends received on Available-for-sale financial assets are recognized in the statement of profit or loss and other comprehensive income in the period in which the dividends are approved by the investee Companys' shareholders in the annual general meeting and the Group's right to receive payment has been established. Foreign exchange gains or losses on availabe-for- sale debt security investments are recognized in profit or loss.

A non- derivative financial asset may be reclassified from the available-for-sale category to the loans and receivable category if it otherwise would have met the definition of loans and receivables and if the Group has the intention and ability to hold that financial asset for the foreseeable future or until maturity.

(c) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the company's management has the positive intention and ability to hold to maturity. These assets are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

A provision for impairment of debt securities held to maturity is established when there is objective evidence that the company will not be able to collect all amounts due according to their original terms.

(d) 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 Group intends to sell in the short term or that it has designated as at fair value through income or available for sale. Loans and receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

A provision for impairment of loans and receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to their original terms. Receivables arising from insurance contracts are also classified in this category and are reviewed for impairment as part of the impairment review of loans and receivables.

(d)(i) Trade receivables

Trade receivables arising from insurance contracts are stated after deducting allowance made for specific debts considered doubtful of recovery. Trade receivables are reviewed at every reporting period for impairment.

3.3.2 Measurement

Regular-way purchases and sales of financial assets are recognized on trade-date which is the date on which the Group commits to purchase or sell the asset.

Financial assets are initially recognized at fair value, in the case of all financial instruments not carried at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the income statement.

Financial assets are derecognized when the rights to cash flows from them have expired or where they have been transferred and the company has also transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value.Loans and receivables and held-to-maturity financial assets are carried at amortized cost using the effective interest method. Realized and unrealized gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Unrealized gains and losses arising from changes in the fair value of available-for-sale financial assets are recognized in equity. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as net realized gains/losses on financial assets.

Interest on available-for-sale securities calculated using the effective interest method is recognized in the income statement. Dividends on available-for-sale equity instruments are recognized in the income statement when the company's right to receive payments is established. Both are included in the investment income line.

3.3.3 De-recognition

The Group derecognizes a financial asset when the contractual rights to the cashflows from the financial asset expire, or when it transfers the rights to receive contractual cashflows on the financial asset in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability.

The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

3.3.4 Amortized cost measurement

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

3.3.5 Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.
For financial instruments traded in active markets, the determination of fair values of financial assets and liabilities is based on quoted market prices readily available in major exchanges (for example, NSE, LSE).

For all other financial instruments , fair value is determined using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing model making maximum use of market inputs and relying as little as possible on entity-specific inputs.
In cases where the fair value of unlisted equity instruments cannot be determined reliably, the instruments are carried at cost less impairment.

3.3.6 IMPAIRMENT OF FINANCIAL ASSETS

The Group assesses at each reporting date whether there is objective evidence that a financial asset or group of financials is impaired. A financial asset or a group 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 that occurred after the initial recognition of the asset(a loss event) and that loss event (or events) has an impact on the estimated future cashflows of the financial asset or group of financial assets that can be reliably estimated. The criteria that the Group uses to determine that there is objective evidence of an impairment

(i) significant financial difficulty of the issuer or debtor
(ii) it becomes probable that the premium debtors will enter bankruptcy or other financial re-organization
(iii) a breach of contract, such as a default or delinquency in interest or principal payments
(iv) deterioration of the borrower's competitive position
(v) deterioration in the value of collaterals
(vi) observable data indicating that there is a measurable decrease in the estimated future cash flow from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the Group

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.

(a) For assets carried at amortized cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant and individually or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Asset that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

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 not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the consolidated income statement.

(b) For assets classified as available for sale, the Group assesses at each reporting date 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 prolonged decline in the fair value of the security below its cost is an objective evidence of impairment resulting into the recognition of an impairment loss. In this respect, a decline of 20% or more is regarded as significant, and a period of 12months or longer is considered to be prolonged. If any such quantitative evidence exists, 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 that financial asset previously recognised in profit or loss is removed from equity and recognized in the consolidated income statement. Impairment losses recognized in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If in a subsequent period the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed through the consolidated income statement.

(c) Trade receivables - They are initially recognized at fair value and subsequently measured at amortized cost less provision for impairment. A provision 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 Group will not be able to collect all the amount due based on the original terms of the invoice. Allowances are made based on an impairment model which consider the loss given default for each customer, probability of default for the sectors in which the customer belongs and emergence period which serves as an impairment trigger based on the age of the debt. Impaired debts are derecognized 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 recognized, the previous recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortized cost at the reversed date. Any subsequent reversal of an impairment loss is recognized in the profit and loss.

3.4 REINSURANCE RECEIVABLES

Contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group and that meet the classification requirements for the insurance contracts in accounting policy 4 are classified as reinsurance contracts held. Contract that do not meet these classification requirements are classified as financial assets. Insurance contracts entered in to by the Group under which the contract holder is another insurer (inwards reinsurance) are included with insurance contracts. Reinsurance 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. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in compliance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due. The Group has the right to set-off re-insurance payables against amount due from re-insurance and brokers in line with the agreed arrangement between both parties.

The Group assesses its reinsurance assets for impairment on a yearly basis. If there is objective evidence that the reinsurance asset is impaired, the Group reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in the income statement. The Group gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortised cost. The impairment loss is calculated using the incurred loss model for these financial assets.

(a) Receivables and payables related to insurance contracts

Receivables and payables are recognised when due. These include amounts due to and from agents, brokers and insurance contract holders. If there is objective evidence that the insurance receivable is impaired, the Group reduces the carrying amount of the insurance receivable accordingly and recognises that impairment loss in the income statement. The Group gathers the objective evidence that an insurance receivable is impaired using the same methodology adopted for financial assets held at used for these financial assets. These processes are described in accounting policy.

3.5 DEFERRED ACQUISITION COSTS

Acquisition costs comprise all direct and indirect costs arising from the writing of non-life insurance contracts. Deferred acquisition costs represent a proportion of commission which are incurred during a financial year and are deferred to the extent that they are recoverable out of future revenue margins. It is calculated by applying to the acquisition expenses the ratio of unearned premium to written premium.

3.6 PREPAYMENTS AND OTHER RECEIVABLES

Other receivables are made up of prepayments and other amounts due from parties which are not directly linked to insurance or investment contracts, prepayments are carried at amortised cost.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 and accumulated impairment losses

3.7 INVESTMENT IN SUBSIDIARIES

In the separate Financial statements of Equity Assurance Plc, investments in subsidiaries is accounted for at cost.

3.8 INVESTMENT PROPERTIES

Properties that are held for long-term rental yields or for capital appreciation or both and that are insignificantly occupied by the entities in the consolidated group are classified as investment properties. These properties consist of office and residential buildings. The Group considers the owner-occupied portion as insignificant when it occupies less than 20 percent.In order to determine the percentage of the portions, the Group uses the size of the property measured in square metre.

Recognition of investment properties takes place only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost can be measured reliably.

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing parts of an existing investment property at the time the cost was incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market condition at the date of the consolidated statement of financial position.

Gains or losses arising from the changes in the fair value of investment properties are included in the consolidated income statement in the year in which they arise. Subsequent expenditure is included in the assets carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the consolidated income statement during the financial period in which they are incurred. The fair value of investment property is based on the nature, location and condition of the specific asset.

Rent receivable is recognized in profit or loss and is spread on a straight-line basis over the period of the lease. Where lease incentive, such as a rent free period are given to a Lessee, the carrying value of the related investment property excludes any amount reported as a separate asset as a result of recognizing rental income on this basis.

3.9 INTANGIBLE ASSETS

(i) Software

Software acquired by the Group is stated at cost less accumulated amortization and accumulated impairment losses. Expenditure on internally developed software is recognized as an asset when the Group is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits and can reliably measure the costs to complete the development. Development costs previously expensed cannot be capitalized. The capitalized costs of internally developed software include all costs attributable to developing the software and capitalized borrowing costs and are amortized over its useful life. Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The maximum useful life of software is five years.Amortization methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

(ii) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets of the company acquired at the date of acquisition. Goodwill is tested annually for impairment and carried as cost less accumulated impairment losses. Impairment losses in goodwill are not reversed.

(iii) Amortization of investment in Equity Resort Hotel Limited

The Company's investment in Equity Resort Hotel Limited will be written off over the concession period of 25 years and is tested annually for possible impairment. Profit/(loss) accruing to the Company from the operations of the Hotel will be taken into statement of profit or loss and other comprehensive income.

3.10 PROPERTY, PLANT AND EQUIPMENT

(i) Recognition and measurement

Property, plant and 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.

All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Any increase in assets carrying amount, as a result of revaluation is credited to other comprehensive income and accumulated in Revaluation Surplus within Revaluation reserves in equity. The increase is recognized in profit or loss to the extent that it reverses reduction decrease of the same asset previously recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property or equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

(iii) Depreciation

Depreciation is recognized in Profit or Loss and is provided on a straight-line basis over the estimated useful life of the assets.Depreciation methods, estimated useful lives and residual values are reviewed annually and adjusted when necessary. The average useful lives per class of asset are as follows:

Assets class	**Average useful life**
Buildings	50 years
Office equipment	5 years
Furniture and fittings	5 years
Motor Vehicles	5 years

(iv) De-recognition

An item of property and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset which is calculated as the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss in the year the asset is derecognized.

3.10.1 LEASES

Leases are accounted for in accordance with IAS 17 AND IFRIC 4. They are divided into finance and operating leases respectively.

(a) When the Group is the Lessee

(i) Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

(ii) Finance lease

Leases, where the Group has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalized at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other liabilities. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(b) When the Group is the Lessor

When assets are held subject to a finance lease, the present value of the lease payments is recognized as a receivable. The difference between the gross receivable and the present value of the receivable is recognized as unearned finance income. Lease income is recognized over the term of the lease using the net investment method which reflects a constant periodic rate of return.

3.10.2 IMPAIRMENT OF NON- FINANCIAL ASSETS

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be fully recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value- in- use and fair value less costs to sell, the asset is written down accordingly.

For the purpose of 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 assessment of the time value of money and the risks specific to the asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash flows. The Company has two cash-generating units for which impairment testing is performed. Impairment charges are included in profit or loss except to the extent they reverse gains previously recognized in other comprehensive income.

Goodwill and intangible assets with indefinite useful lives will be tested for impairment annually, regardless of any indicators an impairment of goodwill will not be reversed.

3.11 STATUTORY DEPOSIT

Statutory deposit represents 10% of the paid up capital of the Company deposited with the Central Bank of Nigeria (CBN) in pursuant to Section 10(3) of the Insurance Act of Nigeria CAP I17, 2004. Statutory deposit is measured at cost.

3.12 INSURANCE CONTRACT LIABILITIES

The Group underwrites risks that individuals, corporate and other entities wish to transfer to an insurer. These risks relate to property, personal accident, motor, liability, marine and other perils which may arise from an insured event. The company is therefore exposed to uncertainty surrounding the timing, frequency and severity of claims under insurance contracts. The major risk is that the frequency and severity of claims may be greater than estimated or expected. The Group is engaged in the general and health insurance businesses and most of the risks it underwrites are insurance which claims are settled within one year of the occurrence of the events giving rise to the claims.

In accordance with IFRS 4 on insurance contracts, the Company has continued to apply certain accounting policies which are applied in accordance with pre-changeover Nigeria GAAP.

Technical Reserves

Technical Reserves are statutory amounts which are computed in accordance with the provisions of Sections 20(1) (a) of the Insurance Act of Nigeria CAP I17 LFN 2004 as follows:

a) Insurance Funds

i) Reserves for unearned premium

Reserves for unearned premium is made on the basis of percentage of net premiums written on time apportionment in accordance with section 20(1) (a) of the Insurance Act of Nigeria CAP I17 LFN 2004.

ii) Reserves for additional unexpired risk

A provision for additional unexpired risk reserves (AURR) is recognized for an underwriting year where it is envisaged that the estimated cost of claims and expenses would exceed the unearned premium reserve ("UPR")

iii) Reserves for outstanding claims

Reserves for outstanding claims is maintained as the total amount of oustanding claims incurred and reported plus claims incurred but not reported ("IBNR") as at the balance sheet date. The IBNR is based on the liability adequacy test.

b) Liability adequacy test

This is an assessment of whether the carrying amount of an insurance liablity needs to be increased (or the carrying amount of related deferred acquisition costs or related intangible assets decreased), based on a review of future cashflows. At each reporting date the Company performs a liability adequacy test on its insurance liabilities less deferred policy acquisition expenses to ensure that the carrying amount is adequate. If the assessment shows that the carrying amount is inadequate, the deficiency is recognized in the income statement by setting up an additional provision in the statement of financial position at amortised cost. The impairment loss is calculated under the same method.

The provisions of the Insurance Act CAP I17, 2004 requires 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 of Nigeria, CAP I17 LFN,2004 gives superiority to the provision of IFRS and since it results in a more conservative reserving than the provision of the Insurance Act of Nigeria,CAP I 17 2004, it well serves the Company's prudential concerns.

3.13 TRADE AND OTHER PAYABLES

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. 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.

3.14 BORROWINGS

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds(net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs 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 there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates. Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liabilities for at least 12 months after the date of the statement of financial position.

3.15 INCOME TAX

Income tax expense comprises current and deferred tax

(i) Current income tax

Income tax payable is calculated on the basis of the applicable tax law in the respective jurisdiction and is recognized as an expense for the period except to the extent that current tax related to items that are charged or credited in other comprehensive income or directly to equity. In these circumstances, current tax is charged or credited to other comprehensive income or to equity for example, current tax on available-for-sale investment.

(ii) Deferred income tax

Deferred income tax is provided using liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the date of the consolidated statement of financial position and are expected to apply when the related deferred income tax asset is

The principal temporary differences arise from depreciation of property, plant and equipment, revaluation of certain financial assets and liabilities and in relation to acquisitions on the difference between the fair values of the net assets acquired and their tax base.

However, deferred income tax is not recognized for:
(a) Temporary differences arising on the initial recognition of goodwill

(b) Temporary differences on the intial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

(c) Temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognized when it is probable that future taxable profit will be available against which these temporary differences can be utilized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to taxes levied by the same tax authority on the same taxable entity or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.16 SHARE CAPITAL AND PREMIUM

Ordinary shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax. Share premium accounts for the amount the Company raises in excess of par value.

3.16.1 TREASURY SHARES

Where any member of the Group purchases the Company's equity share capital(treasury shares), the consideration paid, including any directly attributable costs (net of income taxes), is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently sold, reissued or otherwise disposed off, any consideration received is included in equity attributable to the Company's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects.

3.16.2 DIVIDENDS

Dividends on the company's ordinary share are recognized in equity in the period in which they are approved by the company's shareholders. Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the year which the dividend is approved by the company's shareholders.

3.17 CONTINGENCY RESERVE

Contingency reserve is credited at the higher of 3% of total premiums during the year and 20% of net profit per year, until it reaches the higher of the minimum paid up capital or 50% of net premium in accordance with Section 21 (2) of the Insurance Act CAP I17, LFN 2004.

When the group's land and building are revalued by independent professional valuer, surpluses arising on the revaluation of these assets are credited to the asset revaluation reserve account. When assets previously revalued are disposed off, any revaluation surplus relating to the disposed assets is transferred to retained earnings.

3.18 RETAINED EARNINGS

This represents the amount available for dividend distribution to the equity shareholders of the Company.

3.19 FOREIGN CURRENCY TRANSLATION

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Nigerian Naira (N), which is the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. 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 profit or loss.

Foreign exchange gains and losses are presented in the income statement within 'Other operating income' or ' Other operating expenses'.

(c) Foreign Operations

The results and financial position of all the subsidiaries (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position.

ii. Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions.

All resulting exchange differences are recognised in other comprehensive income.

3.20 NON-CONTROLLING INTEREST

The group applies IAS 27- Consolidated and Separate Financial Statements in accounting for acquisitions of non-controlling interests. Under this accounting policy, acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as owners and therefore, no goodwill is recognized as a result of such transactions. The adjustments to non-controlling interests are based on the proportionate amount of the net assets of the subsidiary.

3.21 REVENUE RECOGNITION

Revenue comprises the fair value for services, net of value-added tax, after eliminating revenue within the Group. Revenue is recognized as follows:

(a) Rendering services: Revenue arising from asset management and other related services offered by the Group are recognised in the accounting period in which the services are rendered.

(b) Dividend income: Dividend income for available-for sale equities is recognised when the right to receive payment is established, this is the ex- dividend date for equity securities.

Recognition and Measurement of Insurance Contracts

i **Gross written premium**
Gross premium is recognized at the point of attachment of risk to a policy before deducting cost of reinsurance cover. All written premium relating to risk for period not falling due within the accounting period is carried forward as an unearned premium.

ii **Gross premium earned**
Gross premium earned is stated at premium written on direct and indirect business after deducting premium relating to unexpired risks which is determined on time apportionment basis.

iii **Net premium earned**
Net premium represents total amount invoiced to policy holders less reinsurance and is recognized as an income from the date of attachment of risk.

iv **Reinsurance premium**
The Group cedes reinsurance in the normal course of business with retention limits varying by line of business for the purpose of limiting its net loss potential. Reinsurance arrangements however do not relieve the Company from its direct obligation to its policy holders. This is recognized as an expense or deduction from the gross premium and it relates to premium on business ceded on treaty and facultative and is recognized on part apportionment basis.

3.22 REINSURANCE EXPENSES
Reinsurance cost represents outward premium paid to reinsurance companies less the unexpired portion as at the end of the accounting year.

3.23 COMMISSION INCOME
Commissions earned are recognized on ceding businesses to the reinsurers and other insurance companies and are credited to the income statement.

3.24 CLAIMS AND LOSS ADJUSTMENT EXPENSES
Claims and loss adjustment expenses are charged to income as incurred based on the estimated liability for compensation owed to contract holders or third parties damaged by the contract holders. They include direct and indirect claim settlement costs and arise from events that have occurred up to the end of the reporting period even if they have not yet been reported to the Group. The Group does not discount its liabilities for unpaid claims.
Liabilities for unpaid claim are estimated using the input of assessments for individual cases reported to the Group and statistical analyses for the claims incurred but not reported, and to estimate the expected ultimate cost of more complex claims that may be affected by external factors (such as court decisions).

(a) **Salvages**
Some non-life insurance contracts permit the Group to sell (usually damaged) property acquired in the process of settling a claim.
The Group may also have the right to pursue third parties for payment of some or all costs of damages to its clients property (i.e. subrogation right).
Salvage recoveries are used to reduce the claim expenses when the claim is settled.

3.25 UNDERWRITING EXPENSES
Underwriting expenses comprise acquistion costs and other underwriting expenses. Acquisition costs comprise all direct and indirect costs arising from the writing of insurance contracts. Examples of these costs include, but are not limited to, commission expense, supervisory levy, superintending fees and other technical expenses. Other underwriting expenses are those incurred in servicing exisitng policies/contract.

(a) Commission expenses

Commission expenses are brokerage fees paid to brokers and agents which are certain percentages based on the class of business underwritten as below:

Class of business	%
Motor	12.5
General Accident	20
Marine	20
Fire	20

(b) Maintenance expenses

Maintenance expenses are expenses incurred in servicing existing policies/contract. These expenses are charged to the revenue account in the accounting period in which they are incurred.

3.26 EMPLOYEE BENEFIT EXPENSES

(a) Defined contribution plans

The Group operates a defined contributory pension scheme for eligible employees. Employees and the Group contribute 7.5% each of the qualifying staff's salary in line with the provisions of the Pension Reform Act 2004. The Group pays contributions to pension fund administrator on a mandatory basis. The Group 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.

(b) Short-term benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are recognised as employee benefit expense and accrued when the associated services are rendered by the employees of the Group.

3.27 OTHER OPERATING EXPENSES

Other expenses are expenses other than claims, investment expenses, employee benefit, expenses for marketing and administration and underwriting expenses. They include rents, professional fee, depreciation expenses and other non-operating expenses. Other operating expenses are accounted for on accrual basis and recognised in the income statement upon utilization of the service or at the date of their origin.

3.28 INTEREST INCOME AND EXPENSES

Interest income and expenses for all interest bearing financial instruments including financial instruments measured at fair value through profit or loss, are recognised within investment income and finance cost in the income statement using the effective interest rate method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

3.29 EARNINGS PER SHARE

The group 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 oustanding during the period excluding treasury shares held by the Group. 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.

3.30 SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it can earn and incur expenses, including revenues and expenses that relate to transaction with any of the Group's other components, whose revenues and operating results are reviewed regularly by Executive Management to make decisions about the resources allocated to each segment and assess its performance, and for which discrete financial information is available.All costs that are directly traceable to the operating segments are allocated to the segment concerned while indirect costs are allocated based on the benefits derived from such costs.

3.31 CONTINGENT LIABILITIES

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the ocurrence or non-ocurrence of one or more uncertain future events not wholly within the control of the Group or the Group has a present obligation as a result of past events which is not recognised because it is not probable that an outflow of resources will be required to settle the obligation; or the amount cannot be reliably estimated. Contingent liabilities normally comprise of illegal claims under arbitration or court process in respect of which a liability is not likely to crystallise.

Statement Of Financial Position
As At 31 December 2015
(in Thousand Of Nigerian Naira Unless Otherwise Stated)

EQUITY assurance plc

	NOTES	Group 2015	Restated Group 2014	Company 2015	Company 2014
ASSETS					
Cash and cash equivalents	6.1	3,596,868	3,741,023	3,169,212	3,357,358
Financial assets					
- At fair value through profit or loss	7.1	95,293	166,660	91,934	162,091
- Available-for-sale	7.2	35,758	38,757	35,758	38,757
- Held-to-maturity	7.3	525,974	412,989	-	-
Trade receivables	8	489,931	350,826	4,078	57,406
Reinsurance receivables	9	1,236,171	1,360,748	938,439	1,133,154
Deferred acquisition costs	10	247,150	259,582	142,249	183,371
Prepayments and other receivables	11	497,210	534,009	307,005	402,627
Investment in subsidiaries	12	-	-	929,976	1,120,842
Investment properties	13	397,477	397,477	301,400	-
Goodwill and Intangible assets	14	972,035	978,644	909,447	968,116
Property, plant and equipment	15	3,427,817	939,954	2,898,218	435,357
Statutory deposit	16	324,302	322,671	300,000	300,000
Total assets		11,845,987	9,503,341	10,027,716	8,159,079
LIABILITIES					
Insurance contract liabilities	17	2,706,871	3,302,335	2,143,016	2,945,797
Trade payables	18	148,998	127,040	43,013	27,668
Other payables	19	865,556	394,214	577,916	186,200
Deposit for shares	20	800	500	-	-
Borrowings	21	1,945,815	1,454,615	1,955,095	1,452,233
Income tax liabilities	22	153,657	160,570	87,132	71,331
Deferred tax	23	22,359	50,898	48,994	48,994
Total liabilities		5,844,056	5,490,172	4,855,166	4,732,223
EQUITY					
Paid up share capital	24	7,000,000	4,423,649	7,000,000	4,423,649
Share premium	25	1,023,465	1,105,193	1,023,465	1,105,193
Contingency reserves	26	837,291	715,820	731,725	657,444
Revaluation reserves	27	168,890	168,890	168,890	168,890
Available for sale reserve	28	(21,467)	(18,468)	(21,467)	(18,468)
Retained earnings	29	(3,398,053)	(2,653,393)	(3,730,063)	(2,909,852)
Foreign currency translation reserve		(43,974)	(16,432)	-	-
		5,566,152	3,725,259	5,172,550	3,426,856
Non controlling interest	30	435,779	287,910	-	-
Total equity		6,001,931	4,013,169	5,172,550	3,426,856
Total liabilites and equity		11,845,987	9,503,341	10,027,716	8,159,079

Signed on behalf of the Board of Directors on 18 May 2016

Mr. Ibidolapo Balogun	**Mr. Ekpe Ukpabio**	**Mr. Akeem Adamson**
FRC/2013/CIIN/00000011890	FRC/2013/CIIN/00000002047	FRC/2013/ICAN/00000002182
Chairman	Managing Director/CEO	Chief Financial Officer

Statement Of Profit Or Loss And Other Comprehensive Income

For The Year Ended 31 December 2015

(in Thousand Of Nigerian Naira Unless Otherwise Stated)

	NOTES	Group 2015	Group 2014	Company 2015	Company 2014
Gross premium written	32	4,470,627	4,845,997	2,476,047	3,415,146
Gross premium income	32	4,776,660	4,927,941	2,955,530	3,557,882
Re-insurance expenses	33	(1,263,267)	(1,143,582)	(989,118)	(938,252)
Net premium income	32	3,513,393	3,784,359	1,966,412	2,619,630
Commission income	34	147,083	149,637	81,657	94,195
Net underwriting income		3,660,476	3,933,996	2,048,069	2,713,825
Claims:					
Claims expenses (Gross)	35	1,643,243	2,120,748	660,004	1,599,991
Claims expenses recovered from reinsurers	35	(614,083)	(603,042)	(186,654)	(499,970)
Claims expenses (Net)	35	1,029,160	1,517,706	473,350	1,100,021
Underwriting expenses	36	830,044	903,376	513,585	686,077
Total underwriting expenses		1,859,204	2,421,082	986,935	1,786,098
Underwriting results		1,801,272	1,512,914	1,061,134	927,727
Net income from non-insurance subsidiaries	37	225,649	143,297	-	-
Investment income	38	574,893	285,339	409,581	157,381
Profit/(loss) from concessionary arrangement	11.3	20,544	(113,155)	20,544	(113,155)
Net realised gains on assets	39	9,682	2,508	9,697	2,508
Net fair value (loss) on financial assets	40	(50,023)	(42,432)	(49,530)	(40,666)
Other operating income	41	88,228	748,694	63,945	730,743
Employee benefit expenses		(682,361)	(655,804)	(343,379)	(398,866)
Impairment loss	42	(60,605)	(276,434)	-	(233,074)
Other operating expenses	43	(2,033,221)	(1,216,265)	(1,489,163)	(799,095)
Results of operating activities		(105,942)	388,662	(317,171)	233,503
Finance costs	44	(381,091)	(77,905)	(378,400)	(72,453)
(Loss)/profit before tax		(487,033)	310,757	(695,571)	161,050
Income tax expense	22.1	(93,161)	(127,423)	(50,359)	(73,393)
(Loss)/profit for the year		(580,194)	183,334	(745,930)	87,657
Profit attributable to:					
Owners of the parent		(623,190)	163,365	(745,930)	87,657
Non-controlling interests	30	42,996	19,969	-	-
		(580,194)	183,334	(745,930)	87,657
Other comprehensive income:					
Items within OCI that may be reclassified to profit or loss					
Gains on available for sale financial assets		(2,999)	134	(2,999)	134
Exchange difference on translation of foreign operations		(22,143)	(73,802)	-	-
Items within OCI that may not be reclassified to profit or loss					
Other comprehensive income for the year		(25,142)	(73,668)	(2,999)	134
Total comprehensive income for the year		(605,336)	109,666	(748,929)	87,791
Attributable to:					
Owners of the parent		(653,731)	99,737	(748,929)	87,791
Non-controlling interests		48,395	9,929	-	-
Total comprehensive income for the year		(605,336)	109,666	(748,929)	87,791
(Loss)/earnings per share:					
Basic (Loss)/earnings per share	45	(4.5)	1.8	(5.3)	1.0
Diluted (Loss)/earnings per share	45	(6.7)	1.8	(8.0)	1.0

Statement of Changes in Equity
For The Year Ended 31 December 2015
In Thousands of Nigerian Naira

Group	Share capital	Share premium	Revaluation reserves	Foreign currency reserve	Available for sale reserve	Contingency reserve	Retained Earnings	Total	Non-Controlling Interest	Restated Total Equity
Balance at 1 January 2015	4,423,649	1,105,193	168,890	(16,432)	(18,468)	715,821	(2,653,393)	3,725,260	287,910	4,013,170
Total Comprehensive income for the year										
(Loss)/profit for the year	-	-	-	-	-	-	(623,190)	(623,190)	42,996	(580,194)
Transfer to contingency reserves	-	-	-	-	-	121,470	(121,470)	-	-	-
Other comprehensive income:										
Gain on available for sale financial assets	-	-	-	-	(2,999)	-	-	(2,999)	-	(2,999)
Exchange difference on translation of foreign operations	-	-	-	(27,542)	-	-	-	(27,542)	5,399	(22,143)
Total comprehensive income for the year	-	-	-	(27,542)	(2,999)	121,470	(744,660)	(653,731)	48,395	(605,336)
Transactions with owners, recorded directly in equity contributions by and distributions to owners										
Private placement costs		(81,728)						(81,728)	-	(81,728)
Increase in share capital	2,576,351	-	-	-	-			2,576,351	99,474	2,675,825
Transfer from Contingency reserves	-	-	-	-	-	-	-	-	-	-
Transferred to Minority interest	-	-	-	-	-	-	-	-	-	-
Total transactions with owners	2,576,351	(81,728)	-	-	-	-	-	2,494,623	99,474	2,594,097
Balance at 31 December 2015	7,000,000	1,023,465	168,890	(43,974)	(21,467)	837,291	(3,398,053)	5,566,152	435,779	6,001,931

Statement of Changes in Equity
For The Year Ended 31 December 2015
In Thousands of Nigerian Naira

Group	Share capital	Share premium	Revaluation reserves	Foreign currency reserve	Available for sale reserve	Contingency reserve	Retained Earnings	Total	Non-Controlling Interest	Total Equity
Balance at 1 January 2014	4,423,649	1,105,193	1,560,478	19,531	6,587	623,027	(4,087,900)	3,650,565	201,561	3,852,126
Correction of prior period error (Note 29(a))	-	-	-	-	-	-	14,888	14,888	-	14,888
As restated	4,423,649	1,105,193	1,560,478	19,531	6,587	623,027	(4,073,012)	3,665,453	201,561	3,867,014
Total Comprehensive income for the year										
Profit for the year	-	-	-	-	-	-	163,365	163,365	19,969	183,334
Transfer to contingency reserves	-	-	-	-	-	106,545	(125,247)	(18,702)	18,702	-
Other comprehensive income:										
Gain on available for sale financial assets	-	-	-	-	134	-	-	134	-	134
Realisation of Revaluation surplus on property, plant and equipment disposed off	-	-	(1,391,588)	-	-	-	1,391,588	-	-	-
Transfer to Available for Sale Investment	-	-	-	-	(25,189)	-	19,980	(5,209)	5,209	-
Exchange difference on translation of foreign operations	-	-	-	(35,963)	-	(13,751)	(14,048)	(63,762)	(10,040)	(73,802)
Total comprehensive income for the year	-	-	(1,391,588)	(35,963)	(25,055)	92,794	1,435,638	75,826	33,840	109,666
Transactions with owners, recorded directly in equity contributions by and distributions to owners										
Capitalisation of reserves -Bonus shares	-	-	-	-	-	-	(4,831)	(4,831)	-	(4,831)
Dividend paid	-	-	-	-	-	-	(11,188)	(11,188)	(5,372)	(16,560)
Transfer from share capital of Equity Assurance Limited, Ghana	-	-	-	-	-	-	-	-	6,055	6,055
Deposit for shares utilised	-	-	-	-	-	-	-	-	51,826	51,826
Total transactions with owners	-	-	-	-	-	-	(16,019)	(16,019)	52,509	36,490
Balance at 31 December 2014	4,423,649	1,105,193	168,890	(16,432)	(18,468)	715,821	(2,653,393)	3,725,260	287,910	4,013,170

In 2015, Equity Assurance Limited Ghana had an over provision of income tax liability of 271,714 Ghana cedi equivalent to N14,888,000. This had resulted in the overstatement of income tax liability and understatement of retained earnings in 2012. The correction of this error is accounted for retrospectively and opening retained earnings for 2015 has been increased by N14,888,000 while tax liability decreased by the same amount which is the amount of error relating to the year ended 31 December 2012.

Statement of Changes in Equity
For The Year Ended 31 December 2015
In Thousands of Nigerian Naira

Company	Share capital	Share premium	Available for sale reserves	Revaluation reserves	Contingency reserves	Retained Earnings	Total
Balance at 1 January 2015	4,423,649	1,105,193	(18,468)	168,890	657,444	(2,909,852)	3,426,856
Total Comprehensive income for the year Loss for the year	-	-	-	-	-	(745,930)	(745,930)
Transfer to contingency reserves	-	-	-	-	74,281	(74,281)	-
Other comprehensive income:							
Transfer to Available for Sale Reserve	-	-	(2,999)	-	-	-	(2,999)
Total comprehensive income for the year	-	-	(2,999)	-	74,281	(820,211)	(748,929)
Transactions with owners, recorded directly in equity contributions by and distributions to owners							
Private placement costs	-	(81,728)	-	-	-		(81,728)
Increase in share capital from private placement	2,576,351	-	-	-	-	-	2,576,351
Total transactions with owners	2,576,351	(81,728)	-	-	-	-	2,494,623
Balance at 31 December 2015	7,000,000	1,023,465	(21,467)	168,890	731,725	(3,730,063)	5,172,550
Balance at 1 January 2014	4,423,649	1,105,193	6,587	1,560,478	554,990	(4,311,832)	3,339,065
Total Comprehensive income for the year							
Profit for the year	-	-	-	-	-	87,657	87,657
Transfer to contingency reserves	-	-	-	-	102,454	(102,454)	-
Other comprehensive income:							
Realization of Revaluation surplus							
on Property, Plant & Equipment disposed off	-	-	-	(1,391,588)	-	1,391,588	-
Gain on available for sale financial assets	-	-	134	-	-	-	134
Transfer to Available for sale reserve	-	-	(25,189)	-	-	25,189	-
Total comprehensive income for the year	-	-	(25,055)	(1,391,588)	102,454	1,401,980	87,791
Transactions with owners, recorded directly in equity contributions by and distributions to owners							
Total transactions with owners	-	-		-	-	-	-
Balance at 31 December 2014	4,423,649	1,105,193	(18,468)	168,890	657,444	(2,909,852)	3,426,856

In Thousands of Nigerian Naira

	NOTES	Group 2015	Group 2014	Company 2015	Company 2014
Premium received from policy holders		4,331,522	5,360,139	2,529,375	3,761,149
Commission received		179,512	149,637	114,086	94,195
Receipt from reinsurance recovery	9.4	599,418	248,807	255,933	216,575
Claims paid	35	(1,920,192)	(1,400,607)	(983,301)	(843,730)
Commission paid		(698,247)	(821,354)	(396,626)	(593,352)
Maintenance cost	36	(107,013)	(52,696)	(72,389)	(52,696)
Reinsurance premium paid		(1,151,361)	(1,342,540)	(851,785)	(1,092,711)
Other operating income		53,055	39,469	28,972	21,518
Operating costs and payment to employees		(815,574)	(1,607,800)	(511,127)	(1,138,702)
Tax paid	22	(94,117)	(99,842)	(34,558)	(71,257)
Net cash inflow from operating activities	45	377,003	473,213	78,580	300,989
Cash flows from investing activities					
Additions to investment in subsidiaries		-	-	-	-
Additions to Investment properties	13	-	(470)	-	-
Additions to Intangible assets	14	(11,968)	(6,415)	-	(5,001)
Additions to financial assets at fair value through profit or loss	7.1a	(8,665)	(45,995)	(8,665)	(45,995)
Rental income	38	2,023	6,766	2,023	1,266
Proceeds from disposal of financial assets at fair value through profit or loss		39,691	31,171	38,990	31,171
Deposit for property	11	(76,016)	-	-	-
Dividend received	38	35,226	27,003	35,160	27,003
Proceeds from disposal of Property Plant & Equipment		3,646	2,501,748	2,282	2,501,748
Additions to property, plant and equipment	15	(2,587,243)	(142,864)	(2,531,349)	(87,797)
Held to maturity investment	7.3	(112,985)	(82,940)	-	-
Net cash inflow/(outflow) from investing activities		(2,716,291)	2,288,004	(2,461,559)	2,422,395
Cash flows from financing activities					
Deposit for shares	20	300	-	-	-
Share issue costs		(81,728)	-	(81,728)	
Proceed from private placement	24	2,576,351	-	2,576,351	-
Repayment of borrowings	21.3	(338,626)	(827,264)	(338,626)	(827,264)
Dividend Paid		-	(11,188)	-	-
Net cash outflow from financing activities		2,156,297	(838,452)	2,155,997	(827,264)
Net increase/(decrease) in cash and cash equivalents		(182,991)	1,922,764	(226,982)	1,896,120
Cash and cash equivalents brought forward		3,741,023	1,818,259	3,357,358	1,461,238
Cash and cash equivalents carried forward	6	3,558,032	3,741,023	3,130,376	3,357,358

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and Judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Provision for unpaid claims

Liabilities for unpaid claims are estimated on case by case basis. The reserves made for claims flunctuate based on the nature and severity on the claim reported. Claims incurred but not reported are determined using statistical analysis.

Impairment of available-for-sale investments

The Group determines that available-for-sale investments are impaired when there has been a significant or prolonged decline in fair value below its cost. The determination of what is significant or prolonged requires judgment. In making this judgment the Group considers among other factors, the normal volatility in market price, the financial health of the investee, industry and sector performance, changes in technology and operational and financing cashflow. In this respect, a decline of 20% or more is regarded as significant and a period of twelve months 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.

Income taxes

The Company periodically assesses its liability and contingencies related taxes for all years open to audit based on the latest information available. 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 that they have adequately provided for the probable outcome of these matters; however, the final outcome may result in materially different outcome than the amount included in the tax liabilities.

Fair value of investments not quoted in an active market

The fair value of securities that are not quoted in an active market is determined by using valuation techniques, primarily earning multiples, discounted cash flows and recent comparable transactions.

5.0 MANAGEMENT OF INSURANCE AND FINANCIAL RISKS

The Group issues contracts that transfer insurance risk or financial risk or both. This section summarizes these risks and the way the Group manages them.

5.1 Insurance Risk

The risk in any Insurance contract is the possibility that the insured event occurs which could result in a claim. This risk is very random and unpredictable.

The principal risk that the Group faces under its insurance contracts is that the actual claims and benefits payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amounts of claims and benefits will vary from year to year from the level established using statistical techniques.

The Group 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.

Insurance risk is increased by the lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

a) ***Frequency and severity of claims***

The frequency and severity of claims can be affected by several factors. The most significant are the increasing level of awards for the damages suffered as a result of road accidents. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Group has the right to renew individual policies, it can impose excess or deductibles and it has the right to reject the payment of fraudulent claim. Insurance contracts also entitle the Group to pursue third parties for payment of some or all costs. The reinsurance arrangements include excess and proportional coverage. The effect of such reinsurance arrangements is that the Group should not suffer total loss.

The Group has a specialized claims unit that ensures mitigation of the risks surrounding all known claims. This unit investigates and adjusts all claims in conjunction with appointed loss adjusters. The Group actively manages and pursues early settlements of claims to reduce its exposure to unpredictable developments.

Management assesses risk concentration per class of business. The concentration of insurance risk before and after reinsurance by class in relation to the type of insurance risk accepted is summarized below, with reference to the carrying amount of the insurance liabilities(gross and net reinsurance) arising from non-life insurance.

(*b)* ***Sources of uncertainty in the estimation of future claims payments***

Claims on non-life insurance contracts are payable on a claims-occurence basis. The Group is liable for all insured claims that occur during the term of the contract. 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 risk management procedures adopted.

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value and other recoveries. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions it is likely that the final outcome will prove to be different from the original liability established.

The reserves held for these contracts comprises provision for IBNR, a provision for reported claims not yet paid and a provision for unearned premiums at the end of the reporting period.

c) ***Process used to decide on assumptions***

For non-life insurance risks, the Group uses different methods to incorporate the various assumptions made in order to estimate the ultimate cost of claims. The two methods used are Basic Chain Ladder and the Inflation Adjusted Chain Ladder methods.

Claims data was grouped into triangles by accident year or quarter and payment year or quarter. The choice between quarters or years was based on the volume of data in each segment. The claims paid data was sub-divided into large and attritional claims. Large claims were projected separately as they can significantly distort patterns. Where there was insuficcient claim data, large and attritional claims were projected together as removing large claims would reduce the volume of data in the triangles and compromise the credibility.

Basic Chain Ladder method (BCL)

Development factors were calculated using the last 5 years of data by accident year or quarter. Ultimate development factors are calculated for each of the permutations and the most prudent result is selected.

Ultimate development factors are applied to the paid per accident year or quarter and an ultimate claim amount is calculated. The future claims (the ultimate amount less paid claims to date) are allocated to future payment periods in line with the development patterns calculated above. The outstanding claims reported to date are then subtracted from the total future claims to give the resulting IBNR figure per accident year or quarter.

For cases where there were large losses that had been reported but not paid, and therefore would not have influenced the development patterns, the total cash reserve were excluded from the calculation of the IBNR.

i.e IBNR= Ultimate claim amount (excl. extreme large losses) Minus paid claims to date Minus claims outstanding(excl. extreme large losses)

Assumptions underlying the BCL

The Basic Chain Ladder Method assumes that the past experience is indicative of future experience i.e that claims recorded to date will continue to develop in a similar manner in the future.
An implicit assumption is that, for an immature accident year, the claims observed thus far tell you something about the claims yet to be observed.
A further assumption is that it assumes consistent claim processing, a stable mix of types of claims, stable inflation and stable policy limits.
If any of these assumptions are invalidated, the results of the reserving may prove to be inaccurate.

Inflation Adjusted Chain Ladder method (IACL)

Under this method, the historical paid losses are inflated using the corresponding inflation index in each of the accident years to the year of valuation and accumulated to their ultimate values for each accident year to obtain the projected outstanding claims. These projected outstanding by the future claims are further multiplied by inflation index from the year of valuation to the future year of payment of the outstanding claims. Past official inflation index and 12% p.a for the future are adopted

Assumptions underlying the IACL

The IACL anticipates that total claims may be exposed to inflationary increase and it further recognises that present value needs to be reserved for total payments. Unearned premium provision was calculated using a time- apportionment basis, in particular, the 365ths method. The same approach was taken for deferred acquisition costs as for the calculation of the UPR balance.

(d) Change in assumptions and sensitivity analysis

There was no change in the assumptions used to estimate the ultimate cost of claims paid during the year.

(e) Sensitivity analysis and claims development tables

Sensitivity analysis are performed to test the variability around the reserves that are calculated at a best estimate level. The estimated claim amounts can never be an exact forecast of the future claim amounts and therefore looking at how these claim amount can vary could provide valuable information for business planning and risk appetite considerations.

Claims Paid Triangulations as at December 2015

Accident

Incremental Chain ladder - Yearly Projections (N'000)

A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9
2007	25,910	56,204	19,302	3,099	4,620	10	26	-	-
2008	9,623	57,322	11,343	9,534	3,484	2,062	861	-	-
2009	36,290	77,255	50,883	6,339	7,871	580	2,421	-	-
2010	33,918	98,868	39,340	18,228	15,895	1,115			
2011	36,389	49,219	23,054	6,801	3,852				
2012	26,196	51,875	34,616	3,493					
2013	26,574	39,254	29,256						
2014	30,145	59,724							
2015	28,898								

Fire

Cumulative Chain ladder- Yearly Projections (N'000)

A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9
2007	15,858	53,230	22,484	2,780	1,109	428	-	-	-
2008	34,928	10,279	7,754	19,838	728	38	10	93	-
2009	10,289	16,133	11,202	15,851	14,051	5,402	-	-	-
2010	51,416	49,920	19,577	1,192	357	-			
2011	16,632	99,883	11,228	5,028	585				
2012	18,427	29,550	18,149	2,057					
2013	52,030	35,454	28,449						
2014	16,357	24,014							
2015	19,372								

Engineering

Incremental Chain ladder-Yearly Projections (N'000)

A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9
2007	-	-	-	555	-	-	-	-	-
2008	-	-	6,501	97	-	14	-	-	
2009	-	6,209	576	728	-	12	76		
2010	1,188	11,840	3,052	87	-	-			
2011	1,083	2,620	5,696	1,606	565				
2012	4,259	1,549	1,915	-					
2013	7,354	3,646	668						
2014	6,631	12,113							
2015	2,507								

Marine

Incremental Chain ladder-Yearly Projections (N'000)

A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9
2007	403	7,029	7,210	3,014	20	17	-	-	-
2008	2,709	3,005	1,602	1,210	512	1,543	-	-	
2009	278	4,668	4,895	2,824	-	-	-		
2010	8,478	9,134	1,577	1,105	-	293			
2011	4,710	7,854	4,708	7,317					
2012	4,971	15,645	1,161	95					
2013	8,740	10,445	57						
2014	14,785	30,078							
2015	19,223								

Motor

Incremental Chain ladder-Yearly Projections (N'000)

A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9
2007	69,042	93,856	7,781	1,934	1,692	-	-	-	-
2008	123,217	121,480	6,112	756	165	28	-	-	
2009	109,488	127,883	22,327	3,025	286	-	338		
2010	90,318	103,367	3,884	3,609	206	512			
2011	78,170	63,272	13,635	2,267	25				
2012	110,916	101,782	4,218	19	-				
2013	123,427	86,868	1,347	-					
2014	225,537	155,085							
2015	120,490								

Claims Paid Triangulations as at December 2014

Accident

Incremental Development Pattern - Annual Projections

A/Y year/ Dev Years	1	2	3	4	5	6	7
2007	25,910	65,222	32,576	3,654	4,620	10	26
2008	28,739	79,738	17,844	9,630	3,484	2,076	861
2009	45,678	97,469	51,460	7,067	8,289	580	
2010	47,411	111,178	80,144	18,315	16		
2011	37,472	104,323	29,242	6,801			
2012	42,442	76,656	34,616				
2013	34,357	49,031					
2014	30,145						

Fire

Incremental Development Pattern - Annual Projections

A/Y year/ Dev Years	1	2	3	4	5	6	7
2007	15,858	53,230	26,615	2,780	1,109	428	
2008	34,928	77,424	38,712	19,838	728	38	
2009	43,172	88,133	44,067	15,851	14,051	5,402	
2010	51,416	79,920	65,895	1,192	357		
2011	67,704	51,869	11,228	5,028			
2012	59,560	157,543	18,927				
2013	72,988	35,454					
2014	87,389						

Motor

Incremental Development Pattern - Annual Projections

A/Y year/ Dev Years	1	2	3	4	5	6	7
2007	75,468	93,856	7,781	1,934	1,692		
2008	123,217	165,972	6,112	756	165	28	
2009	120,790	143,672	22,327	3,025	285		
2010	90,318	109,667	3,884	3,609	206		
2011	78,170	70,927	13,635	2,267			
2012	125,251	118,065	4,218				
2013	130,575	96,102					
2014	247,827						

Marine

Incremental Development Pattern - Annual Projections

A/Y year/ Dev Years	1	2	3	4	5	6	7
2007	403	7,029	7,210	3,014	20	17	
2008	2,709	3,005	1,602	1,210	512	1,543	
2009	5,593	12,478	4,895	2,824			
2010	8,478	22,389	10,916	1,629			
2011	4,710	27,274	13,273	7,317			
2012	4,971	31,070	1,161				
2013	8,740	10,445					
2014	42,690						

5.2 FINANCIAL RISK MANAGEMENT

Introduction and overview
Equity Assurance plc has a robust and functional Enterprise-wide Risk Management (ERM) Framework that is responsible for identifying and managing the inherent and residual risks facing the Group. The Group has exposure to the following risks from its use of financial instruments:

Credit risk
Liquidity risk
Market risk
Other key risks faced by the Group as a result of its existence and operations include operational risks, property risks, reputational and strategy risks.
This note presents information about the Group's exposure to each of the risks stated above, the Group's policies and processes for measuring and managing risks, and the Group's management of capital.

Internal Control and Risk Management Systems

Being an insurance company, the management of risk is at the core of the operating structure of Equity Assurance Plc. As a result, the Company employs the best risk management practices to identify, measure, monitor, control and report every material risk prevalent in our business operation.

The Company's ERM framework is in line with Committee of Sponsoring Organizations of the Treadway Commission (COSO) as approved by the insurance industry regulator, National Insurance Commission (NAICOM), to identify, assess, manage and monitor the risks inherent in our operations.

The risk structure includes our approach to management of risks inherent in the business and our appetite for these risk exposures. Under this approach, we continuously assess the Company's top risks and monitor our risk profile against approved limits. Our main strategies for managing and mitigating risk include policies and tools that target specific broad risk categories.

Enterprise-wide Risk Management Principles
The Company seeks to be the reference point for risk management in the industry while maximizing our value to stakeholders through an approach that balances the risk and reward in our business. In order to ensure effective integration over time into the Group's processes so that risk management not only protects value but creates value, Equity Assurance Plc is being guided by the following principles:

a) The Company will not take any action that will compromise its integrity. It shall identify, measure, manage, control and report as practical as possible all risks.

b) The Company will at all times comply with all government regulations and uphold international best practice.

c) The Company will build and entrench an enduring risk culture, which shall pervade the entire organization.

d)The Company will only accept risks that fall within its risk acceptance criteria and have commensurate returns and continually review its activities to determine inherent risks level and adopt appropriate risk response at all times.

e) The Company will make decisions based on careful analysis of the implications of such risk to its strategic goals and operating environment.

Enterprise-wide Risk Management Framework

This framework is developed to promote a strong risk management culture and integrate risk considerations into management and decision-making processes through a robust risk governance structure. It ensures that top risks are properly identified, analyzed and assessed, in a consistent manner across the organization. We operate the 'three lines of defence model' for the oversight and management of risk to create and promote a culture that emphasizes effective management and adherence to operating controls as illustrated below:

1st line – Management

It involves broad setting of strategy, risk appetite, performance measurement, establishment and maintenance of internal control and risk management in the business. In addition, business units have the primary responsibility for managing risks and required to take responsibility for the identification, assessment, management, monitoring and reporting of risks arising within their respective businesses, thereby ensuring an informed risk and reward balance.

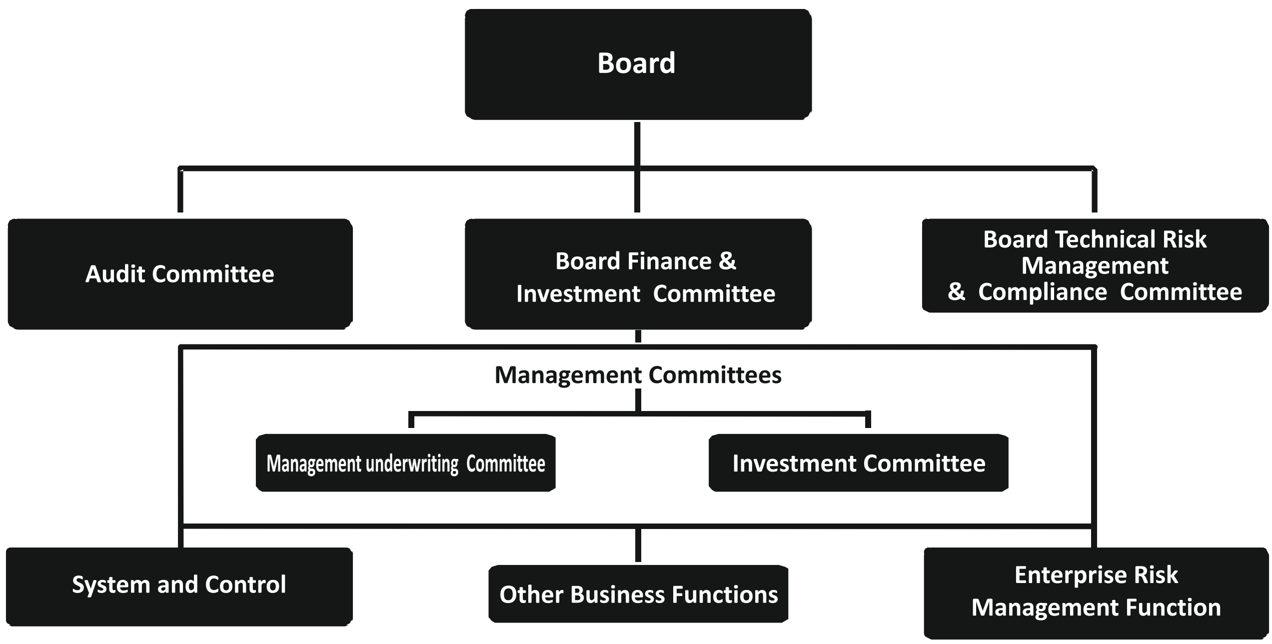
2nd line – Risk oversight

The Company's risk management function provides oversight and independent reporting to executive management, implements the group's risks management policy in the business units, approve risk within specific mandates and provides an independent overview of the effectiveness of risk management by the first line of defence.

3rd line – Independent assurance

The last line of defence comprises the internal audit function that provides independent and objective assurance of the effectiveness of the Company's systems of internal control established by the first and second lines of defence in management of enterprise risks across the organization.

ERM Governance Structure



The Board sets the organization's risk appetite, approves the strategy for managing risk and is ultimately responsible for the organization's system of internal control.

This function is carried out via its Board Committees as follows:

BOARD COMMITTEES	FUNCTIONS
Board Audit & Compliance	a) Oversight of financial reporting and accounting b) Oversight of the external auditor c) Oversight of regulatory compliance d) Monitoring the internal control process
Board Risk Management & Technical Committee	a) Assist in the oversight of the review and approval of the companies risk management policy including risk appetite and risk strategy; b) Review the adequacy and effectiveness of risk management and controls; c) Oversee management's process for the identification of significant risks across the company and the adequacy of prevention, detection and reporting mechanisms; d) Review of the company's compliance level with applicable laws and regulatory requirements that may impact the company's risk profile; e) Review changes in the economic and business environment, including emerging trends and other factors relevant to the company's risk profile; and d) Review large underwritten risks for adequacy of reinsurance and other risk management techniques including environmental & social management system e) Review and recommend for approval of the Board risk management procedures and controls for new products and services f) Oversight of enterprise risk management
Board Finance and Investment Committee	a) Reviews and approves the company's investment policy b) Approves investments over and above managements' approval limit c) Ensures that optimum asset allocation is achieved

The Company's ERM Management committee in line with Management Investment Committee recommends to the Board Risk Management and Technical Committee an amount at risk that it is prudent for the risk committee to approve in line with the Company's business strategies. The Board Risk Management and Technical Committee approve the Company's risk appetite each year, based on a well-defined and broad set of risk measures.

The Company's ERM Management committee is also responsible for establishing, documenting and enforcing all policies that involve risk. Specifically, the Chief Risk Officer(a member of the Management Committee) is responsible for the risk policies, risk methodologies and risk infrastructure.

The Chief Risk Officer (CRO) plays a pivotal role in informing the Board, as well as ERM Management Committee about the risk profile of the Company and also communicates the views of the Board and Senior Management down the Company. The CRO is also responsible for independently monitoring the broad risk set by the board throughout the year, and delegating some responsibilities to the heads of the various Strategic Business Units within the Company.

The internal audit functions evaluate the design and conceptual soundness of risk measures, accuracy of risk models, soundness of elements of the risk management information systems, adequacy and effectiveness of the procedures for monitoring risk, the progress of plans to upgrade risk management systems, the adequacy and effectiveness of application of the vetting processes.

Risk Appetite

The Company recognizes that its long-term sustainability is dependent upon the protection of our brand, preservation of the value and relationship with customers. To this end, we will not accept risks that materially impair reputation and value and requires that our customers are always treated with integrity.

The Company's risk appetite is defined by a clear risk strategy and limit structure. Close risk monitoring and reporting allows us to detect potential deviations from our risk tolerance at an early stage at both the Group and operating entity levels.

Risk Management Policies and Procedures

We have developed policies and procedures for each broad risk category inherent in our business. The policies set out and ensure alignment and consistency in the way in which we deal with major risk types across the group, from identification to reporting. Procedures targeted at managing each broad risk category are embedded in our Enterprise-wide Risk Management framework approved by the Board.

Risk Management is an ongoing activity and is to be carried out as part of day-to-day business. The risks are identified by different portfolio and strategic business units and re-assesses regularly to determine whether there are new or emerging risks in light of any current or anticipated changes. Treatment plans for identified risks are monitored to ensure that risks are being mitigated as planned.
The company -wide risk assessments is refreshed and reported twice per year. Management is responsible and accountable for ensuring that:
a) Risk management policies, framework and processes are complied with.
b) The risk profiled for areas under their control are refreshed and updated on a timely basis to enable the collation, analysis and reporting of risks to the Board Committees.
c) Explanations are provided to the Board Committees for any major gaps in the risk profiled and any significant delays in planned treatments for high risk and high priority matters

Our internal audit function, the Systems &Control (SYSCON) group, conducts a risk-based audit on all business units using outputs of the annual company-wide risk assessment to guide its annual audit planning.

Risk Categorization

Equity Assurance Plc is exposed to an array of risks through its operations. The Company has identified and categorized its exposure to these broad risks as listed below:
a) Market risk
b) Underwriting risk
c) Credit risk
d) Operational risk
e) Liquidity risk
g) Business risk
h) Reputational risk

Market risk: This reflects the possibility that the value of investment’s funds will fall as a result of changes in market conditions, whether those changes are caused by factors specific to the individual investment or factors affecting all investments traded in the market. The Company is exposed to this risk through its financial assets and comprises.

a) Equity price risk: the risk associated with volatility in the stocks in our investment portfolio.
b) Foreign exchange risk: may arise from movement of currency prices on assets held in foreign currency
c) Interest rate risk: the risk that the value of a fixed income security will fall as a result of movement in market interest rates.
d) Property price risk: The Company's portfolio is subject to property price risk arising from changes in the market value of properties.

Underwriting risk: Our activities are primarily concerned with the pricing, acceptance and management of risk arising from our contracts with customers. It entails the risk that:

a) The prices charged by the company for insurance contracts will be ultimately inadequate to support the future obligations arising from those contracts, risk exposure under its insurance contracts that were unanticipated in the design and pricing of the insurance contract;

b) risks are not adequately ceded to reinsurers exposing the company to potential high claims payout;
c) many more claims occur than expected or that some claims that occur are much larger than expected claims resulting in unexpected losses and;
d) The company's policyholder will act in ways that are unanticipated and have an adverse effect on the company

Credit risk: This is the risk arising from the uncertainty of an obligor's ability to perform its contractual obligations. Risks that brokers and large corporate who are allowed extended payment period may default and this is closely allied to cash flow risks. The three sources of credit risk identified are :

a) Direct Default Risk: risk that the company will not receive the cash flows or assets to which it is entitled because a party with which the firm has a bilateral contract defaults on one or more obligations.
b) Downgrade Risk: risk that changes in the possibility of a future default by an obligor will adversely affect the present value of the contract with the obligor today.
c) Settlement Risk: risk arising from the lag between the value and settlement dates of securities transactions

Operational risk: This is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This includes legal risk, strategic risk and reputational risk. Legal risk includes, but is not limited to, exposure to fines, penalties, or punitive damages resulting from supervisory actions, as well as private settlements.

Liquidity risk: The Company recognizes the risk of loss due to insufficient liquid assets to meet cash flow requirements or to fulfill its financial obligation once claims crystallize. The Company's exposure to liquidity risk comprises:
a) Funding liquidity risk: Arising from our investment-linked products where there is a financial obligation to customers.

b) Asset liquidity risk: arising from our financial assets where we might not be able to execute transactions at prevailing market price because there is temporarily, no appetite for the deal at the other side of the market

Business risk: Business risk relates to the potential erosion of our market position or revenue shortfall compared to the cost base due to strategic and/or reputational reasons.

Reputational risk: The Company is exposed to this risk through events that damage its image amongst stakeholders and the public which may impair the ability to retain, generate and drive sustainable business.We understand that reputational risk is the biggest risk to our business as it poses a special threat to the confidence of our customers, regulators and industry.

Market Risk Management

The identification, management, control, measurement and reporting of market risk are aligned towards the sub-risk categories namely:

1. Equity price risk
2. Foreign exchange risk
3. Interest-rate risk
4. Property price risk

1. Equity price risk

The Group's management of equity price risk is guided by the investment quality and limit analysis.

Investment quality and limit analysis

Management Investment Committee establishes and approves a list of eligible listed and unlisted stocks aligned with investment approval/dealer limits as approved by the Board through its Board Finance & Investment Committee. These approval limits are illustrated using an approval hierarchy that establishes different levels of authority necessary to approve investment decisions of different naira amounts. The approval limit system:

a) sets a personal discretionary limit for Chief Executive Officer;
b) requires that investment decisions above this personal discretionary limit requires approval by the Group Managing Director(GMD);
c) requires that investment decisions above the GMD's limit requires approval by the Board of Directors and;
d) sets out lower limits for Chief Investment Officer (CIO) and, or provides the CIO with the authority to assign limits to subordinates.

2. Foreign Exchange risk

Equity Assurance Group is exposed to foreign exchange currency risk primarily through certain transactions denominated in foreign currency. The Group is exposed to foreign currency risk through its investment in Equity Assurance Limited, Ghana and bank balances in other foreign currencies.

The carrying amounts of the Group's foreign currency-denominated assets as at end of the year are as follows:

	Cash & Cash Equivalents	
	2015 N'000	2014 N'000
Dollars	64,114	175,457
Euros	2,639	8,241
Pounds	452	453
Cedis	307,382	196,848
	374,587	**380,999**

The Group limits its exposure to foreign exchange to 12% of total investment portfolio. Foreign currency changes are monitored by the investment committee and holdings are adjusted when offside of the investment policy. The Group further manages its exposure to foreign exchange risk using sensitivity analysis to assess potential changes in the value of foreign exchange positions and impact of such changes on the Group's investment income. At the year end, the foreign currency investments held in the portfolio were on unquoted equity and cash and cash equivalents. There have been no major changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

3. Interest-rate Risk

The Group is moderately exposed to interest-rate risk through its conservative investment approach with high investment in Fixed Income and Money Market instruments. Interest rate risk is managed principally through monitoring interest rate gaps and sensitivity analysis across all investment portfolios.

4. Property Price Risk

The Group is exposed to property price risk through its investment in property. Exposure to property price risk accounts for 10% of the total investment portfolio. The Group manages the risk by constantly monitoring the contribution of property to its portfolio and converting some of this class to earning properties.

Underwriting Risk Management

The Group faces underwriting risk through its core business when actual claims and benefits payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims.

EQUITY Assurance plc manages its underwriting risk by diversification across large portfolio of insurance. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements. The Group purchases reinsurance as part of its risk mitigation program and establishes retention limits for reinsurance across product lines.

The Group's internal processes and policies also ensure that amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. In addition, the Group recognizes that its reinsurance program with respect to ceded reinsurance is exposed to credit risk, to the extent that any reinsurer who is unable to meet its obligations assumed under such reinsurance agreements, thus it is not relieved of its direct obligations to its policyholders.

The Group also recognizes that a concentration of risk may arise from insurance contracts issued in a specific geographical location since most of the insurance contracts are written in Nigeria and Ghana and constantly conducts concentration risk analysis to evaluate and manage its exposure to the risk.

The Group holistically manages this risk via its underwriting and reinsurance strategy within an overall risk management framework. Exposures are limited by having documented underwriting limits and criteria. Pricing of policies are based on trends and past experience amongst others in an attempt to correctly match policy revenue with exposed risk.

Business Risk Management

Business risk is managed by Management Underwriting & Investment Committee through consistent monitoring of product lines' profitability, stakeholder engagement to ensure positive outcomes from external factors beyond the Group's control and prompt response to changes in the external environment.

Reputational Risk Management

EQUITY Assurance Plc's norms and values set a tone for acceptable behaviours required for all staff members, and provide structure and guidance for non-quantifiable decision making, thereby assisting in the management of the group's reputation.

The Group identifies, assesses and manages reputational risks predominately within its business processes. Management of reputational risks is based on the Group's risk governance framework. In addition, company-wide risks are identified and assessed qualitatively as part of the annual risk & control self-assessment. The Group's risk functions analyses the overall risk profile and regularly informs management about the current profile and potential exposures to the risk. Risk functions' presentation of potential reputational risk guides management decisions in executing business operations and strategies.

The Group has laid great emphasis on effective management of its exposure to credit risk especially premium related debts. The Group defines credit risk as the risk of counterparty's failure to meet its contractual obligations. Credit risk arises from insurance cover granted to parties with payment instruments or payments plan issued by stating or implying the terms of contractual agreement. Credit risk exposure to direct business is low as the Company requires debtors to provide payment plans before inception of insurance policies. The Company's exposure to credit risk arising from brokerage business is relatively moderate and the risk is managed by the Group's internal rating model for brokers. Our credit risk internal rating model is guided by several weighted parameters which determine the categorization of brokers the Group transacts businesses with.

The Group credit risk originates from reinsurance recoverable transactions, retail clients, corporate clients, brokers and agents.

Management of credit risk due to outstanding premium

Credit Rating
We constantly review brokers' contribution to ensure that adequate attention is paid to high premium contributing brokers while others are explored for possible potentials.

Receivables are reviewed and categorized into grade A, B, C and D on the basis of:
a) Previous year contribution (4 years)
b) Payment mode
c) Outstanding as at December of the previous year
d) Future prospect
e) Recommendation

The Group credit risk is constantly reviewed and approved during the weekly Management Operations meeting. The monthly Group management meeting is responsible for the assessment and continual review of the Company premium debt and direct appropriate actions in respect of delinquent ones. It also ensured that adequate provisions are taken in line with the regulatory guidelines. Other credit risk management includes:

a) Formulating credit policies with strategic business units, underwriters, brokers covering brokers grading, reporting, assessment, legal procedures and compliance with regulatory and statutory bodies.

b) Identification of credit risk drivers within the Group in order to coordinate and monitor the probability of default that could have an unfortunate impact

c) Developing and monitoring credit limits. The Group is responsible for setting credit limits through grading in order to categorize risk exposures according to the degree of financial loss and the level of priority expected from management.

d) Assessment of credit risk. All firsthand assessment and review of credit exposures in excess of credit limits, prior to granting insurance cover are subject to review process and approval given during management meeting.

e) Continuous reviewing of compliance and processes in order to maintain credit risk exposure within acceptable parameters.

In measuring credit risk, the Group considers three models:

a) The Probability of Default(PD), the likelihood that the insured will fail to make full and timely payment of financial obligations

b) The Exposure at Default (EAD) is derived from the Group's expected value of debt at the time of default

c) The Loss Given Default (LGD) which state the amount of the loss if there is a default, expressed as a percentage of the (EAD).

Impairment Model
Premium debtors, which technically falls under receivables is recognized at a fair value and subsequently measured at amortized cost, less provision for impaired receivables. Under IFRS, an asset is impaired if the carrying amount is greater than the recoverable amount. The standard favours the use of the incurred loss model in estimating the impairment of its receivables

Following the provisions of IAS 36, the impairment of the premium debtors will be assessed at two different levels, individually or collectively. The premium debt of the Group will be assessed for impairment using the incurred loss model adapted for insurance business.

The model used is defined as thus:
Impairment loss = EP * LGD * EAD * PD
Where EP is Emergency Period;
LGD is Loss Given Default;
EAD is Exposure At Default; and
PD is 1-year Probability of Default.

Credit quality

The Group loan and receivables has no collateral as security and other credit enhancements, thus the group has no loan or receivables that are past due but not impaired. Insurance receivables are to be settled on demand and the carrying amount is not significantly different from the fair value.

The Group further manages its exposure to credit risk through deduction of transactions at source and investment in blue-chip companies quoted on Nigerian Stock Exchange. The exposure to credit risk associated with other receivables is low.

Operational Risk Management
A summary of the analytical tools that the Group employed in operational risk management are discussed below:

Issue tracking report/action plan report:
Issues can surface from the internal self-assessment process, an audit, or regulators requirements. A key result of the self-assessment process is an action plan with assigned responsibilities. This report contains a reap of major issues, the status of the action plan, and an aging of overdue tasks.

Risk control and self-assessment (RCSA): The business areas perform self-assessments semi- annually and results are aggregated to provide a qualitative and quantitative profile of risk across the organization and related action items. Severity of the risks identified is compared with previous RCSA risk severity and a trend is ascertained. The register summarizes findings into list of risks facing the institution. These summary results are accompanied by descriptions of the significant gaps and trends, suggested mitigants, and process owners and timeline for each risk.
The profile of risks across the organization is an integral input for the Group's internal audit whilst preparing audit plans. Areas with high-risk exposures are thoroughly audited and performance of recommended controls tested by the Group's internal control function to ascertain that risks are properly managed.

Risk Maps: Risk maps typically are graphs on which impact of each risk is plotted against probability of occurrence. Risk maps are designed either to show inherent or residual risk categories by line of business. Risks in the upper right are very severe and need to be monitored closely to reduce the Group's exposure. High-frequency/low-severity risks create the basis for expected losses and are often subject to detailed analysis focused on reducing the level of losses.

Key risk indicators dashboard: These are numerous measures of actual risks in the business and support functions, such as error rates and control breaks. Summary indicators, related escalation criteria, explanations of any excesses, and identified trends are all important aspects that are tracked. Many indicators are specific to each business unit or process, but some may be common and reported in a consolidated fashion. Threshold is set by management for each key risk indicators and escalation of indicators above such levels triggers a mitigation response.

Loss events report: The ERM team developed a database for loss event collation named Loss Event Register. This register allows staff to report actual and near-miss (an unplanned event that did not result in injury, illness, or damage – but had the potential to do so) loss events. Summary statistics from the loss event database are used to show trends of total losses and mean average loss, with analysis by type of loss and business line.

Business continuity plan: A critical tool in managing our operational risk is the Business Continuity Plan (BCP) that documents the procedures to be executed by relevant teams in the event of a disaster.

Liquidity Risk Management

Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. The Group mitigates this risk by monitoring cash activities and expected outflows. The Group's current liabilities arise as claims are made and clients request for termination of their investment-linked products. The Group has no material commitments for capital expenditures and there is no need for such expenditures in the normal course of business. Claims payments are funded by current operating cash flow including investment income. The Group has no tolerance for liquidity risk and is committed to meeting all liabilities as they fall due.

The Group's investment policy requires that 35% of the Group's portfolio to be held in cash and short-term investments. This highlights liquid marketable securities sufficient to meet its liabilities as at when due. Short term investments include treasury bills and term deposits with an original maturity of less than one year.

The limits are monitored and reported on a weekly and monthly basis to ensure that exposure of the Group's investment portfolio to this risk is properly managed.

5.3 CAPITAL MANAGEMENT

The Group's objectives with respect to capital management are to maintain a capital base that is designed to satisfy regulatory requirement and optimize capital allocations.
Equity Assurance Plc has over the years been deploying capital from earnings and equity funds to support growth in business volumes while striving to meet dividend commitments to shareholders. To be able to continue to generate and deploy capital both to grow core businessess and reward shareholders, there is need for the Company to execute the right strategy, the right growth dynamics, the right cost structure and risk discipline as well as the right capital management.

The Group's capital management strategy focus on the creation of shareholders' value whilst meeting the crucial and equally important objective of providing an appropriate level of capital to protect stakeholders'interests and satisfies regulators.

The Group's objectives when managing capital are as follows:
1. To ensure that capital is, and will continue to be, adequate for the safety, soundness and stability of the Group.
2. To generate sufficient capital to support the Group's overall business strategy.
3. To ensure that the Group meets all regulatory capital ratios
4. To maintain a strong risk rating.
5. To ensure that capital allocation decisions are optimal, considering the return on economic and regulatory capital.
6. To determine the capital required to support each business activity based on returns generated on capital to facilitate growth/expansion of existing businesses.
7. To establish the efficiency of capital utilisation;

In reporting financial strength, capital and solvency are measured using the rules prescribed by the National Insurance Commission. These regulatory capital tests are based upon required levels of solvency, capital and a series of prudent assumptions in respect of the type of business written.

Minimum Capital Requirement

Equity Assurance Plc complied with the minimum capital requirement of N3billion for non-life operations. This is shown under Shareholders' fund in the statement of financial Position.

Solvency Margin

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

Section 24 of the Insurance Act CAP I17, 2004 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 or the minimum capital base (N3billion) whichever is higher.

This test compares insurers' capital against the risk profile. The regulator indicated that insurers should produce a minimum solvency margin of 100%. The company exceeded its solvency margin by N1.292Billion for the year ended 31 December 2015. The regulator has the authority to request more extensive reporting and can place restriction on the Company's operations if the company falls below this requirement.

In Thousands Of Nigerian Naira

Solvency margin computation	**December 2015**
	N'000
Cash and Cash equivalents	3,159,257
Fair value through profit or loss	91,934
Available for sale	35,758
Trade receivables	4,078
Reinsurance receivables	938,439
Deferred acquisition cost	142,249
Due from Staff	9,891
Investment in subsidiaries	622,594
Intangible assets other than computer software	895,463
Property, plant and equipment	2,898,218
Statutory deposits	300,000
Admissible assets	9,097,881
Insurance contract liabilities	2,143,016
Trade payable	43,013
Obligation under finance lease	12,270
Convertible redeemable loan	1,903,989
Bank Overdraft	38,836
Other credit balances	577,916
Taxation	87,132
Admissible liabilities	4,806,172
Solvency margin	4,291,709
The higher of 15% of net premium income and shareholders funds	3,000,000
Solvency ratio	143.06

5.4 SEGMENT INFORMATION

The Group is organized into three operating segments. These segments distribute their products through various forms of Brokers, Agencies and direct marketing programs. These segments and their respective operations are as follows:

Non-Life

This segment covers the protection of customers' assets (particularly their properties, both for personal and commerical business) and indemnification of other parties that have suffered damage as a result of Customers' accidents. All contracts in this segment are short term in nature. Revenue in this segment is derived primarily from insurance premium, investment income, net realized gains on financial assets and net fair value gains on financial assets at fair value through profit or loss.

Asset Management

This segment offers finance leases to both individual and corporate clients. Revenue from this segment is derived primarily from lease income, investment income, net realized gains on financial assets and net fair value gains on financial assets at fair value through profit or loss.

Health Management

This segment offers health management to both individual and corporate clients. It derives its revenue primarily from premium on plan scheme, income from consultancy, income from third party administration, fee for service, investment income, net realized gains on financial assets and net fair value gains on financial assets at fair value through profit or loss.

Expenses for the Group office that renders services for all the business segments are initially paid by the general business segment and transferred to other business units at cost price. The expenses are allocated based on service man hours rendered by the group office to the various business segments.

The corporate expenses for the following centrally shared services are being apportioned to all business segments in the;

- System and controls
- Financial controls
- Human resources
- Information technology
- Strategy and Performance Management

EA Capital Management Limited rendered asset management services for other business segments of the Group. All fee income earned on group asset management services is eliminated on consolidation.

In Thousands of Nigerian Naira

5.4 SEGMENT REPORTING -2015

GROUP	NON-LIFE	HEALTHCARE	ASSET MGT	TOTAL
Revenue:				
Derived from external customers				
Gross Premium	4,049,038	421,589	-	4,470,627
Gross Premium income	4,358,133	418,527	-	4,776,660
Reinsurance expenses	(1,263,267)	-	-	(1,263,267)
Net Premium income	3,094,866	418,527	-	3,513,393
Commission income	147,083	-	-	147,083
Income from non-insurance subsidiaries	-	187,556	38,092	225,648
Investment income	535,534	32,437	8,945	576,916
Income from concessionary arrangement	20,544			20,544
Net realised gains on financial assets	9,697	(15)	-	9,682
Net fair value loss on financial assets at fair value through profit or loss	(49,530)	(493)	-	(50,023)
Other operating income	77,457	2,046	6,702	86,205
Net income	3,835,651	640,058	53,739	4,529,448
Insurance claims	1,384,511	258,732	-	1,643,243
Insurance claims recovered from reinsurer	(614,083)	-	-	(614,083)
Net insurance claims	770,428	258,732	-	1,029,160
Acquisition costs	659,600	22,310	-	681,910
Other underwriting expenses	113,510	34,624	-	148,134
Employee benefit expense	528,588	146,058	7,715	682,361
Depreciation and amortization	162,652	23,192	622	186,466
Impairment loss	32,881	25,858	1,866	60,605
Other expenses	1,713,074	115,204	18,476	1,846,754
Net expenses	3,980,733	625,978	28,679	4,635,390
Reportable segment profit	(145,082)	14,080	25,060	(105,942)
Finance cost	(380,271)	(820)		(381,091)
Profit before income tax from reportable segments	(525,353)	13,260	25,060	(487,033)
Income tax	(78,236)	(6,960)	(7,965)	(93,161)
(Loss) after income tax	(603,589)	6,300	17,095	(580,194)

In Thousands of Nigerian Naira

SEGMENT REPORTING -2014

GROUP	NON-LIFE	HEALTHCARE	ASSET MGT	TOTAL
Revenue:				
Derived from external customers				
Gross Premium	4,478,807	367,190	-	4,845,997
Gross Premium income	4,559,176	368,765	-	4,927,941
Reinsurance expenses	(1,143,582)	-	-	(1,143,582)
Net Premium income	3,415,594	368,765	-	3,784,359
Commission income	149,637	-	-	149,637
Income from non-insurance subsidiaries	-	107,528	35,769	143,297
Investment income	242,985	34,001	9,619	286,605
Net realised gains on financial assets	2,508		-	2,508
Net fair value (loss)/gain on financial assets at fair value through profit or loss	(40,666)	(1,766)	-	(42,432)
Other operating income	740,897	2,591	3,940	747,428
Net income	4,510,955	511,119	49,328	5,071,402
Insurance claims	1,892,470	228,278	-	2,120,748
Insurance claims recovered from reinsurer	(603,042)	-	-	(603,042)
Net insurance claims	1,289,430	228,278	-	1,517,708
Acquisition costs	840,189	10,491	-	850,680
Other underwriting expenses	52,696	-	-	52,696
Employee benefit expense	537,517	112,723	5,564	655,804
Depreciation and amortization	164,176	23,961	1,017	189,154
Impairment loss	276,434	-	-	276,434
Other expenses	884,287	121,291	21,533	1,027,111
Loss from concessionary arrangement	113,155	-	-	113,155
Net expenses	4,157,882	496,744	28,114	4,682,740
Reportable segment profit	353,073	14,375	21,214	388,662
Finance cost	(76,188)	(1,717)	-	(77,905)
Profit before income tax from reportable segments	276,885	12,658	21,214	310,757
Income tax	(107,652)	(13,406)	(6,364)	(127,422)
Profit after income tax	169,233	(748)	14,850	183,335

In Thousands of Nigerian Naira

5.5 FINANCIAL ASSETS AND LIABILITIES

Accounting classification measurement basis and fair values.

The table below sets out the Group's classification of each class of financial assets and liabilities, and their fair values

(a) Group	Held for trading	Held -to- maturity	Loans & receivables	Available- for- sale	Other financial liabilities at amortized cost	Total Carrying amount	Fair Value
December 31, 2015							
Cash and cash equivalents	-	-	3,596,868	-	-	3,596,868	3,596,868
Financial assets	95,293	525,974	-	35,758	-	657,025	657,025
Trade receivables	-	-	489,931	-	-	489,931	489,931
Other receivables excluding prepayments	-	-	385,023	-	-	385,023	385,023
	95,293	525,974	4,471,822	35,758	-	5,128,848	5,128,848
Insurance contract liabilities	-	-	-	-	2,706,871	2,706,871	2,706,871
Trade and other payables	-	-	-	-	1,014,554	1,014,554	1,014,554
Borrowings	-	-	-	-	1,945,815	1,945,815	1,945,815
	-	-	-	-	5,667,240	5,667,240	5,667,240

Group	Held for trading	Held -to- maturity	Loans & receivables	Available- for- sale	Other financial liabilities at amortized cost	Total Carrying amount	Fair Value
December 31, 2014							
Cash and cash equivalents	-	-	3,741,023	-	-	3,741,023	3,741,023
Financial assets	166,660	412,989	-	38,757	-	618,406	618,406
Trade receivables	-	-	350,826	-	-	350,826	350,826
Other receivables excluding						-	
Prepayments	-	-	379,323	-	-	379,323	379,323
	166,660	412,989	4,471,172	38,757	-	5,089,578	5,089,578
Insurance contract liabilities	-	-	-	-	3,302,335	3,302,335	3,302,335
Trade and other payables	-	-	-	-	521,252	521,252	521,252
Borrowings	-	-	-	-	1,454,615	1,454,615	1,454,615
	-	-	-	-	5,278,202	5,278,202	5,278,202

In Thousands of Nigerian Naira

(b) FINANCIAL ASSETS AND LIABILITIES

Accounting classification measurement basis and fair values.

The table below sets out the Company's classification of each class of financial assets and liabilities, and their fair values

Company	Held for trading	Held -to- maturity	Loans & receivables	Available- for- sale	Other financial liabilities at amortized cost	Total carrying amount	Fair value
December 31, 2015							
Cash and cash equivalents	-	-	3,169,212	-	-	3,169,212	3,169,212
Financial assets	91,934	-	-	35,758	-	127,692	127,692
Trade receivables	-	-	4,078	-	-	4,078	4,078
Other receivables excluding prepayments	-	-	278,910	-	-	278,910	278,910
	91,934	-	3,452,200	35,758	-	3,579,892	3,579,892
Insurance contract liabilities	-	-	-	-	2,143,016	2,143,016	2,143,016
Trade and other payables	-	-	-	-	620,929	620,929	620,929
Borrowings	-	-	-	-	1,955,095	1,955,095	1,955,095
	-	-	-	-	4,719,040	4,719,040	4,719,040

Company	Held for trading	Held -to- maturity	Loans & receivables	Available- for- sale	Other financial liabilities at amortized cost	Total carrying amount	Fair value
December 31, 2014							
Cash and cash equivalents	-	-	3,357,358	-	-	3,357,358	3,357,358
Financial assets	162,091	-	-	38,757	-	200,848	200,848
Trade receivables	-	-	57,406	-	-	57,406	57,406
Other receivables excluding Prepayments	-	-	339,815	-	-	339,815	339,815
	162,091	-	3,754,579	38,757	-	3,955,427	3,955,427
Insurance contract liabilities	-	-	-	-	2,945,797	2,945,797	2,945,797
Trade and other payables	-	-	-	-	213,867	213,867	213,867
Borrowings	-	-	-	-	1,452,233	1,452,233	1,452,233
	-	-	-	-	4,611,897	4,611,897	4,611,897

In Thousands of Nigerian Naira

5.6 FAIR VALUE HIERARCHY

The Group's accounting policy and basis of fair value measurements are disclosed under notes 3.3.1

Level 1: Quoted market price in an active market for an identical instrument

Level 2: Valuation techniques based on observable inputs. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in market that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: This includes financial instruments, the valuation of which incorporate significant inputs for the asset or liability that is not based on observable market data(unobservable inputs). Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the product. These inputs are generally determined based on inputs of a similar nature, historic observations on the level of the input or analytical techniques.

The table below analyses financial instruments measured at fair value at the end of the year, by the level in the fair value hierarchy into which the fair value measurement is categorised:

Group- December 31, 2015	**Level 1**	**Level 2**	**Level 3**	**Total balance**
Assets				
Equity securities - Held for trading	95,293	-	-	95,293
Financial assets measured at fair value	95,293	-	-	95,293

Group- December 31, 2014	**Level 1**	**Level 2**	**Level 3**	**Total balance**
Assets				
Equity securities - Held for trading	166,660	-	-	166,660
Financial assets measured at fair value	166,660	-	-	166,660

Company- December 31, 2015	**Level 1**	**Level 2**	**Level 3**	**Total balance**
Assets				
Equity securities - Held for trading	91,934	-	-	91,934
Financial assets measured at fair value	91,934	-	-	91,934

Company- December 31, 2014	**Level 1**	**Level 2**	**Level 3**	**Total balance**
Assets				
Equity securities - Held for trading	162,091	-	-	162,091
Financial assets measured at fair value	162,091	-	-	162,091

In Thousands of Nigerian Naira

6.0 CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statement, cash and cash equivalents comprise the following balances with original maturity of less than 90 days.

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Cash at bank and in hand	167,670	342,600	75,065	251,424
Short term deposits	3,429,198	3,398,423	3,094,147	3,105,934
	3,596,868	3,741,023	3,169,212	3,357,358

Deposits with banks earned interest at floating rates based on the daily rates. Cash and deposits are available for use in the company's day-to-day operations.
Cash and bank overdrafts include the following for the purposes of the cash flow statement:

Cash at bank and in hand	3,596,868	3,741,023	3,169,212	3,357,358
Bank overdraft	(38,836)	-	(38,836)	-
	3,558,032	3,741,023	3,130,376	3,357,358

7.0 FINANCIAL ASSETS

The Group's financial assets are summarized below by measurement category in the table below:

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Fair value through profit or loss (see note 7.1 below)	95,293	166,660	91,934	162,091
Available- for-sale (see note 7.2 below)	35,758	38,757	35,758	38,757
Held-to-maturity (see note 7.3 below)	525,974	412,989	-	-
Total financial assets	657,025	618,406	127,692	200,848
Current	621,267	579,649	91,934	162,091
Non-current	35,758	38,757	35,758	38,757

7.1 (a) Details of fair value through profit or loss is as follows:

Cost				
Balance 1 January	402,534	397,194	396,199	390,859
Purchases during the year	8,665	45,995	8,665	45,995
Disposal during the year	(38,998)	(40,655)	(38,282)	(40,655)
Balance 31 December	**372,201**	**402,534**	**366,582**	**396,199**
Impairments				
Opening balance	235,874	205,434	234,107	205,434
Addition during the year	50,023	42,432	49,530	40,666
Provision no loger required due to disposal	(8,989)	(11,992)	(8,989)	(11,992)
Balance 31 December	**276,908**	**235,874**	**274,648**	**234,108**
	95,293	**166,660**	**91,934**	**162,091**

In Thousands of Nigerian Naira

7.1 Financial assets at fair value through profit or loss

These are equity securities as analysed below:

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Access Bank	1,251	1,044	1,090	824
Africa Prudential Registrar Plc	24	28	2	2
Ashaka	365	320	365	320
C & I Leasing	449	449	449	449
Consolidated Hallmark	278	1,000	278	1,000
Dangote Cement	5,890	6,930	5,890	6,930
Dangote Sugar	2,763	2,862	2,763	2,862
Deap Capital	934	941	934	941
Diamond Bank	12,650	30,690	12,650	30,690
Dunlop	-	69	-	69
ETI	1,641	1,815	1,620	1,792
FCMB	1,955	2,358	1,955	2,358
FBN Holdings	11,250	15,641	11,250	15,641
Flour Mills	2,637	2,579	2,637	2,579
GTB	20,958	57,765	20,958	57,765
Guinea Ins	250	250	250	250
Guiness	1,008	1,407	1,008	1,407
International Breweries	127	186	127	186
Julius Berger	1,782	2,574	1,782	2,574
National Salt Company Plc	865	752	693	603
Nestle	3,061	3,601	3,061	3,601
Nigeria Breweries	3,219	3,912	3,219	3,912
Oando	47	129	47	129
PZ	699	647	699	647
Regency	4,355	5,070	3,342	3,342
Skye Bank	1,190	1,906	1,190	1,906
Skye Shelter	1,618	2,186	1,618	2,186
STACO	275	275	275	275
Sterling Bank	450	2,786	1	2,159
Thomas Wyatt	-	21	-	20
Total	34	34	34	34
UAC	224	230	224	230
UBA	2,664	3,388	1,694	2,154
UBA Capital Plc	49	61	3	4
Union Bank	553	681	553	681
Union Homes	78	313	78	313
Unity Bank	7	33	7	33
Universal Insurance Company Plc	500	500	-	-
WAPCO	1,435	1,193	1,435	1,193
Wapic	13	15	8	10
Wema	370	355	370	355
Zenith Bank	7,375	9,664	7,375	9,665
	95,293	166,660	91,934	162,091

In Thousands of Nigerian Naira

7.2 Available - for- sale financial assets

These represent interest in unquoted companies as analyzed below

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Intercontinental Homes	3,125	3,125	3,125	3,125
FBN Heritage	25,000	25,000	25,000	25,000
FCSL Asset Management Company Ltd	22,500	22,500	22,500	22,500
Energy and Special Risk Insurance	6,600	6,600	6,600	6,600
	57,225	57,225	57,225	57,225
Fair value gain	2,388	3,998	2,388	3,998
Less: provision for impairment	(23,855)	(22,466)	(23,855)	(22,466)
Total available-for-sale financial assets	35,758	38,757	35,758	38,757
Non-current	35,758	38,757	35,758	38,757

7.2.1 Available-for-sale financial assets represent the Group's investments in unlisted securities in other corporate entities. The investment is carried at fair value based on the net assets value of the group's investments in the other corporate entities and where determinable the market price of the Investment.

7.2.2 The analysis of the fair value gain of N2,388,000 on available for sale investment as at 31 December 2015 is as follows:

	Trust bond Mortgage Bank Dec 2015	FCSL Asset Management Limited Dec 2014	FBN Heritage Fund Dec 2015	Total Dec 2015
Net asset value of other corporate entities	5,210,060	685,091	-	5,895,151
Unit of shares held by Equity Assurance Plc	-	-	250	250
Percentage holding/unit price	0.05%	0.88%	109.55	
Fair value of available for sale financial assets	2,345	6,025	27,388	35,758
Carrying value of available for sale financial assets	(2,345)	(6,025)	(25,000)	(33,370)
Fair value gain	-	-	2,388	2,388

7.3 Held - to- maturity financial assets at amortized costs

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Short term deposits with financial institutions	495,920	361,868	250	-
Treasury bills with Ghana government	38,448	51,121	-	-
	534,368	412,989	250	-
Less: provision for impairment	(8,394)	-	(250)	-
	525,974	412,989	-	-
Current	525,974	412,989	-	-
Non-current	-	-	-	-

Financial assets held-to-maturity are presented at amortized cost less impairment on the Group's consolidated financial statement.

In Thousands of Nigerian Naira

8.0 TRADE RECEIVABLES

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Insurance receivables (Note 8.1a)	967,442	2,076,208	825,141	2,038,319
Other trade receivables (Note 8.2a)	394,708	293,420	-	-
	1,362,150	2,369,628	825,141	2,038,319
Less: Provision for impairment:				
Insurance receivables (Note 8.1b)	(846,361)	(2,018,802)	(821,063)	(1,980,913)
Other trade receivables (8.3)	(25,858)	-	-	-
TRADE RECEIVABLES	489,931	350,826	4,078	57,406

8.1a The movement in Insurance receivables is shown below:

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Balance at the beginning	2,076,208	2,580,979	2,038,319	2,384,322
Acquisition during the year	13,987			
Exchange difference	3,042	(24,673)		
Additions during the year	4,049,038	4,428,820	2,476,047	3,415,146
Payment received during the year	(3,975,061)	(4,789,292)	(2,529,375)	(3,761,149)
Write off of provision	(1,199,772)	(119,626)	(1,159,850)	-
Balance at the end of the year	967,442	2,076,208	825,141	2,038,319

8.1b The movement in provision for impairment for insurance receivable is shown below:

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Balance at the beginning	(2,018,805)	(2,113,987)	(1,980,913)	(1,980,913)
Acquisition during the year	(3,837)	-	-	-
Exchange difference	878	18,247	-	-
Additions during the year	(24,369)	(42,688)	-	-
Write off of provision	1,199,772	119,626	1,159,850	-
Balance at the end of the year	(846,361)	(2,018,802)	(821,063)	(1,980,913)

8.1c The make up of the insurance receivables are as follows:

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Brokers	747,796	1,512,686	605,495	1,508,397
Agents	208,325	505,562	208,325	502,609
Direct clients	11,321	57,960	11,321	27,313
Total	967,442	2,076,208	825,141	2,038,319
Less: impairment from brokers	(626,715)	(1,455,280)	(601,417)	(1,450,991)
Less: impairment from agents	(208,325)	(505,561)	(208,325)	(502,609)
Less: impairment from direct clients	(11,321)	(57,960)	(11,321)	(27,313)
	(846,361)	(2,018,802)	(821,063)	(1,980,913)

The age analysis of gross insurance receivables as at the end of the year is as follows:

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
0- 90 days	146,379	57,406	4,078	57,406
91- 180 days	4,843	11,726	4,843	11,726
Above 180 days	816,220	2,007,076	816,220	1,969,187
Total	967,442	2,076,208	825,141	2,038,319

In Thousands of Nigerian Naira

8.2a The make up of other trade receivables are as follows:

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Trade Receivables from operations of Managed Healthcare Services Ltd	96,404	109,113	-	-
Trade Receivables from operations of EA Capital Management Ltd	298,304	184,307	-	-
Total	394,708	293,420	-	-

8.2b The movement in Other trade receivables is shown below:

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Balance at the beginning	293,420	264,903	-	-
Additions during the year	633,572	510,399	-	-
Payment received during the year	(532,284)	(481,882)	-	-
Balance at the end of the year	394,708	293,420	-	-

		Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
8.3	Impairment charged to comprehensive income				
	Insurance receivables (Note 8.1b)	24,369	42,688	-	-
	Other trade receivables (Note 8)	25,858	-	-	-
		50,227	42,688	-	-

		Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
9.0	**REINSURANCE RECEIVABLES**				
	Prepaid re-insurance (Note 9.1)	350,009	478,841	247,314	372,750
	Reinsurers' share of outstanding claims(Note 9.2)	703,441	724,794	589,083	630,118
	Reinsurers' share of IBNR (Note 9.3)	124,914	149,221	102,042	130,286
	Reinsurers' share of claims paid(Note 9.4)	57,807	7,892	-	-
		1,236,171	1,360,748	938,439	1,133,154

		Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
9.1	The movement in prepaid reinsurance is as follows:				
	Balance at January 1	478,841	396,371	372,750	296,187
	Exchange difference	(6,849)	(23,562)	-	-
	Acquisition of assets in Liberia	1,902	-	-	-
	Reinsurance cost during the year	1,139,382	1,249,614	863,682	1,014,815
	Reinsurance expenses	(1,263,267)	(1,143,582)	(989,118)	(938,252)
	Balance at December 31	350,009	478,841	247,314	372,750

		Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
9.2	The movement in reinsurance share of outstanding claim is as follows:				
	Balance at January 1	724,794	492,788	630,118	446,194
	Exchange difference	(9,340)	(16,700)		-
	Changes during the year	(12,013)	248,706	(41,035)	183,924
	Balance at December 31	703,441	724,794	589,083	630,118

In Thousands of Nigerian Naira

		Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
9.3	The movement in reinsurance share of IBNR				
	Balance at January 1	149,221	40,134	130,286	30,815
	Exchange difference	(1,867)	(3,340)	-	-
	Changes during the year	(22,440)	112,427	(28,244)	99,471
	Balance at December 31	124,914	149,221	102,042	130,286

		Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
9.4	The movement in reinsurance share of recoverable on claims paid:				
	Balance at January 1	7,892	17,565	-	-
	Acquisition of asset in Liberia	3,287	-	-	-
	Exchange difference	(2,490)	(2,774)	-	-
	Reinsurance recoveries from claims paid	648,536	241,908	255,933	216,575
	Receipt from Reinsurance during the year	(599,418)	(248,807)	(255,933)	(216,575)
	Impairment	-	-	-	-
	Balance at December 31	57,807	7,892	-	-

(i) Reinsurance receivables are to be settled on demand and the carrying amount is not significantly different from the fair value.
(ii) Reinsurance assets are not impaired as balances are set-off against payables from retrocession.

10.0 DEFERRED ACQUISITION COSTS

This represents commission on unearned premium relating to the unexpired tenure of risk and the movement in deferred acquisition costs is as follows:

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
At 1 January	259,582	311,608	183,371	221,311
Exchange difference	(4,270)	(18,250)	-	-
Additions in the year	714,869	816,904	400,074	595,441
Expensed during the year	(723,031)	(850,680)	(441,196)	(633,381)
At 31 December	247,150	259,582	142,249	183,371

Deferred policies acquisition expenses will be recognized as an expense within 12 months after the reporting date.

11.0 PREPAYMENTS AND OTHER RECEIVABLES

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Other receivables (Note 11.1)	148,638	123,081	89,551	63,279
Due from related companies (Note 11.2)	-	12,904	29,890	143,732
Due from Equity Resort hotel (Note 11.3)	160,369	132,804	159,469	132,804
Prepayments - staff	11,510	71,398	9,891	52,474
Prepayments - others	100,677	83,288	18,204	10,338
Deposit for shares-Equity Assurance Liberia	-	110,534	-	-
	421,194	534,009	307,005	402,627
Deposit for property (Note 11.4)	76,016	-	-	-
	497,210	534,009	307,005	402,627

In Thousands of Nigerian Naira

11.1 OTHER RECEIVABLES	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Investment receivables	47,084	22,353	47,084	22,353
Withholding tax receivables	3,163	1,274	1,633	-
Insurance claims recoverable	1,964	1,832	1,964	-
Other debtors	96,427	97,622	38,870	40,926
At 31 December	148,638	123,081	89,551	63,279

11.2 DUE FROM RELATED PARTIES				
EA Capital Management Limited	-	-	-	4,194
Managed Health Care Services Limited	-	-	11,185	11,783
Equity Micro Life Insurance Company Limited	-	-	1,761	-
Equity Assurance Limited, Ghana	-	-	15,978	127,755
Equity Assurance Limited, Liberia	-	12,904	966	-
	-	12,904	29,890	143,732

Included in the decrease of N111,777,000 in due from Equity Assurance Limited Ghana is a balance of N110,534,000 which was used to increase the company's investment in Equity Assurance Ghana.

11.3 DUE FROM EQUITY RESORT HOTEL LIMITED	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
At 1 January	132,804	242,744	132,804	242,744
Reimbursable expenses incurred	7,021	3,215	6,121	3,215
Profit/(loss) from concessionary arrangement	20,544	(113,155)	20,544	(113,155)
At 31 December	160,369	132,804	159,469	132,804

11.4 DEPOSIT FOR PROPERTY				
At 31 December	76,016	-	-	-

This was deposit made by Equity Assurance Limited, Ghana towards acquisition of property number C709/14 situated at Forest Avenue Dzorwulu in Accra with a remaining balance of GHC1,400,000 (N73.395Million) as at the end of December 2015.

12 INVESTMENT IN SUBSIDIARIES	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
EA Capital Management Limited	-	-	278,294	579,694
Managed HealthCare Services Limited (MHS)	-	-	344,300	344,300
Equity Assurance Limited, Ghana	-	-	307,382	196,848
	-	-	929,976	1,120,842

Principal subsidiary undertakings:

The Group is controlled by Equity Assurance Plc "the company" (incorporated in Nigeria). The controlling interest of Equity Assurance Plc in the Group entities is disclosed in the table below:

Company name	Nature of business	Country of origin	% of equity capital controlled Dec-15	Dec-14
EA Capital Management Limited	Asset management	Nigeria	100	100
Managed Health Care Services Ltd	Health management	Nigeria	67.56	67.56
Equity Assurance Limited, Ghana	Non-life Insurance	Ghana	61.82	75.22

In Thousands of Nigerian Naira

Equity Assurance Plc has direct and indirect shareholding in Managed Healthcare Services totaling 67.56%. It has a direct shareholding of 55.83% with an indirect shareholding of 11.73% arising from the investment of its fully owned subsidiary named EA Capital Management Limited in Managed HealthCare Services Limited.

Although, the Company's investment In Equity Assurance Limited, Ghana increased from N196.848Million to N307.382Million due to the capitalization of deposit for shares made in 2013. however, its shareholding in Equity Assurance Limited, Ghana was diluted during the year due to additional investors subscribing into the shares of Equity Assurance Limited, Ghana.

1. EA Capital Management Limited was incorporated on October 29, 2008 as a private limited liability company primarily to carry on the business of finance leases to both individual and corporate clients. Its registered office is at Plot 1196 Bishop Oluwole Street, Victoria Island, Lagos, Nigeria.

2. Managed HealthCare Services Limited was incorporated on December 11, 1997 to carry on the business of health management. It is a nationally licensed Health Management Organization(HMO), accredited by the National Health Insurance Scheme (NHIS). It has its head office at 16 Obokun street, off Coker road, Ilupeju, Lagos, Nigeria and twelve branches across major cities in Nigeria.

3. Equity Assurance Limited, Ghana was registered and is domiciled in Ghana to undertake the business of general insurance and other businesses and agencies incidental thereto. Its registered office is 49, Senchi Street, Airport Residential Area, Accra, Ghana and it has fourteen branches across Ghana.

13 INVESTMENT PROPERTIES

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Balance at 1 January	397,477	803,678	-	-
Exchange difference	-	(11,671)	-	-
Reclassified to property plant & equipment	-	(395,000)	-	-
Additions	301,400	470	-	-
Transferred from EA Capital to the Company (13.1)	(301,400)	-	301,400	-
Balance at 31 December	397,477	397,477	301,400	-

The investment properties are being held as follows:

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Investment properties held by the Company:	301,400	-	301,400	-
Investment properties held by EA Ghana	46,077	46,077	-	-
Investment properties held by EA Capital	50,000	351,400	-	-
	397,477	397,477	301,400	-

13.1 In order to keep with the statutory requirements with respect to the amount of shareholders funds that can be invested in subsidiaries, the Company reduced its shareholdings in EA Capital through the exchange of investment properties totaling N301.4Million from EA Capital Management Limited.

In Thousands of Nigerian Naira

14 INTANGIBLE ASSETS

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
COST				
Balance at 1 January	1,252,453	1,246,040	1,235,560	1,230,559
Additions	11,051	8,041	-	5,001
Acquisition of assets in Liberia	917	-	-	-
Goodwill	44,599	-	-	-
Exchange difference	-	(1,626)	-	-
Balance as at 31 December	1,309,020	1,252,455	1,235,560	1,235,560
ACCUMULATED AMORTISATION				
Balance at 1 January	273,809	213,494	267,444	208,442
Acquisition during the year	122	-	-	-
Amortisation charge for the year	63,054	61,199	58,669	59,002
Exchange difference	-	(882)	-	-
Balance as at 31 December	336,985	273,811	326,113	267,444
Carrying value	972,035	978,644	909,447	968,116
The closing net book of the intangible assets comprises the following:				
Computer Software	31,973	36,261	13,984	25,733
Goodwill	44,599	-	-	-
Leasehold improvements on Equity Resort hotels	895,463	942,383	895,463	942,383

The Parent company was granted a concession right in 2010 by the Ogun state Government to manage the affair of Equity resort hotel, Ijebu-ode for the period of 25 years. The sum of N1.152 billion was spent to refurbish the hotel to enable it meet international standards. This sum above represents the carrying amount at cost of the improvements carried out on the hotel.

The Group acquired Equity Assurance Liberia Limited during the year through Equity Assurance Limited, Ghana. The sum of N44.599million represents goodwill arising from the acquisition and is arrived at as shown below.

	GHC	GHC
Cost of acquisition- Investment	-	1,671,840
Less:		
Share capital	2,278,436	
Contingency reserve	29,159	
General reserves	(1,413,820)	893,775
Goodwill		778,065
Converted to Naira @ N57.32 per GHC		N44.599million

In Thousands of Nigerian Naira

15.1 PROPERTY, PLANT AND EQUIPMENT (GROUP)

	Leasehold Land	Buildings	Office Equipment	Motor Vehicles	Furniture & Fittings	Bill Board	Total
COST							
At 1 January 2015	239,025	442,488	183,353	339,172	59,386	5,730	1,269,154
Additions	965,908	1,544,092	23,988	42,539	10,716	-	2,587,243
Acquisition of assets in Liberia		10,576	6,160	12,748	5,712		35,196
Disposals	-	-	(12,867)	(13,357)	-	-	(26,224)
At 31 December 2015	1,204,933	1,997,156	200,634	381,102	75,814	5,730	3,865,369
At 1 January 2014	949,025	1,184,139	157,911	259,137	58,332	5,730	2,614,274
Additions	-	368	31,155	106,802	4,539	-	142,864
Rclassification from investment property	-	395,000	-	-	-	-	395,000
Disposals	(710,000)	(1,135,000)	(1,597)	(13,960)	-	-	(1,860,557)
Exchange difference	-	(2,019)	(4,116)	(12,807)	(3,485)	-	(22,427)
At 31 December 2014	239,025	442,488	183,353	339,172	59,386	5,730	1,269,154
ACCUMULATED DEPRECIATION							
At 1 January 2015	-	18,862	106,486	158,067	41,201	4,584	329,199
Charge for the year	-	8,600	33,923	66,406	13,086	1,146	123,161
Acquisition in Liberia		3,986	1,025	1,822	1,015		7,848
Disposals	-	-	(10,453)	(12,203)	-	-	(22,656)
At 31 December 2015	-	31,448	130,981	214,092	55,302	5,730	437,553
At 1 January 2014	-	18,253	75,382	122,328	32,030	3,438	251,431
Charge for the year	-	24,866	35,109	55,774	11,059	1,146	127,954
Disposals	-	(22,700)	(1,579)	(13,627)	-	-	(37,906)
Exchange difference	-	(1,557)	(2,426)	(6,408)	(1,888)	-	(12,279)
At 31 December 2014	-	18,862	106,486	158,067	41,201	4,584	329,200
CARRYING VALUE							
At 31 December, 2015	1,204,933	1,965,708	69,653	167,011	20,512	-	3,427,817
At 31 December, 2014	239,025	423,626	76,867	181,105	18,185	1,146	939,954

Land and building held by Equity Assurance Plc was independently valued by Omotayo Adesina Associates, estate surveyors and valuers at November 2013 to ascertain the open market value of the land and building.

The fair value of land and buildings is determined by discounting the expected cash flows of the properties based upon internal plans and assumptions and comparable market transactions.

In Thousands of Nigerian Naira

15.2 PROPERTY, PLANT AND EQUIPMENT (COMPANY)

	Leasehold Land	Buildings	Office Equipment	Motor Vehicles	Furniture & Fittings	Bill Board	Total
COST							
At 1 January 2015	239,025	28,600	113,950	184,677	37,085	5,730	609,067
Additions	965,908	1,544,092	8,429	9,990	2,930	-	2,531,349
On disposals			(12,767)	(775)	-	-	(13,542)
At 31 December 2015	1,204,933	1,572,692	109,612	193,892	40,015	5,730	3,126,874
At 1 January 2014	949,025	1,163,600	93,589	134,786	35,097	5,730	2,381,827
Additions	-	-	21,958	63,851	1,988	-	87,797
On disposals	(710,000)	(1,135,000)	(1,597)	(13,960)	-	-	(1,860,557)
At 31 December 2014	239,025	28,600	113,950	184,677	37,085	5,730	609,067
ACCUMULATED DEPRECIATION							
At 1 January 2015	-	572	62,088	80,956	25,510	4,584	173,710
Charge for the year	-	572	21,468	35,665	7,231	1,146	66,082
On disposals	-	-	(10,454)	(682)	-	-	(11,136)
At 31 December 2015	-	1,144	73,102	115,939	32,741	5,730	228,656
At 1 January 2014	-	-	42,319	64,317	18,477	3,438	128,551
Charge for the year	-	23,272	21,348	30,266	7,033	1,146	83,065
On disposals	-	(22,700)	(1,579)	(13,627)	-	-	(37,906)
At 31 December 2014	-	572	62,088	80,956	25,510	4,584	173,710
CARRYING VALUE							
At 31 December 2015	**1,204,933**	**1,571,548**	**36,510**	**77,953**	**7,274**	**-**	**2,898,218**
At 31 December 2014	239,025	28,028	51,862	103,721	11,575	1,146	435,357

15.3 The addition to land and buildings totaling N2.51billion represents amount paid by the company in December 2015 to buy back the head office building, which was initially under operating lease arrangement.

In Thousands of Nigerian Naira

16 STATUTORY DEPOSIT

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Statutory deposit	324,302	322,671	300,000	300,000

These represent deposits with the Central Bank of Nigeria in accordance with Section 10(3) of the Insurance Act CAP I17 LFN 2004 and Investment in Government of Ghana Treasury Bills as required by National Insurance Commission (NIC), Ghana

17 INSURANCE CONTRACT LIABILITIES

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Claims reported and loss adjustment expenses (Note 17.1)	1,401,172	1,657,191	1,336,419	1,628,643
Claims incurred but not reported (17.2)	235,071	258,903	222,120	253,193
Unearned premiums (17.3)	1,070,628	1,386,241	584,477	1,063,961
Total Insurance contract liabilities, gross	2,706,871	3,302,335	2,143,016	2,945,797
Reinsurance receivables	886,162	881,907	691,125	760,404
Net insurance contract liabilities	1,820,709	2,420,428	1,451,891	2,185,393

17.1 The movement in claims reported and loss adjustment expenses is as follows

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Balance at the beginning of the year	1,657,191	1,068,020	1,628,643	998,757
Acquisition of liabilities in Liberia	1,189	-	-	-
Exchange difference	(3,607)	(10,615)	-	-
Increase/ (Decrease) during the year	(253,601)	599,786	(292,224)	629,886
Balance at the end of the year	1,401,172	1,657,191	1,336,419	1,628,643

17.2 The movement in claims incurred but not reported is as follows

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Balance at the beginning of the year	258,903	140,671	253,193	126,818
Acquisition of liabilities in Liberia	238	-	-	-
Exchange difference	(722)	(2,123)	-	-
Increase/ (Decrease) during the year	(23,348)	120,355	(31,073)	126,375
Balance at the end of the year	235,071	258,903	222,120	253,193

17.3 The movement in Unearned Premium is as follows

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Balance at the beginning of the year	1,386,241	1,541,238	1,063,961	1,206,697
Acquisition of liabilities in Liberia	22,385	-	-	-
Exchange difference	(31,965)	(73,053)	-	-
Increase/ (Decrease) during the year	(306,033)	(81,944)	(479,484)	(142,736)
Balance at the end of the year	1,070,628	1,386,241	584,477	1,063,961

18 TRADE PAYABLES

Trade payables represent liabilities to Agents, Brokers and Re-insurers as at year end.

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Reinsurance payable	99,490	116,416	35,385	23,488
Coinsurance payable	-	-	-	-
Commission payable	26,325	9,703	7,628	4,180
Other trade payables	23,183	921	-	-
	148,998	127,040	43,013	27,668

In Thousands of Nigerian Naira

19	OTHER PAYABLES	Dec 2015	Dec 2014	Dec 2015	Dec 2014
	Deferred income (Note 19.1)	94,379	93,469	-	-
	Dividend payable	45,585	45,585	38,798	38,798
	Due to EA Capital	-	-	14,072	-
	Withholding tax payable	48,058	56,277	24,200	28,657
	Staff pension & gratuity	29,601	14,265	21,801	7,415
	Unclaimed dividend	28,019	-	28,019	-
	Due to Director (Note 19.2)	206,207	-	206,207	-
	Unearned commission	32,429	-	32,429	-
	Due to Sunu Assurances Vie Cote D'Ivoire (Note 19.3)	99,874	-	99,874	-
	Other creditors	118,188	68,808	37,982	32,895
	Accrued expenses	163,216	115,810	74,534	78,435
		865,556	394,214	577,916	186,200
	Current	771,177	300,743	577,916	186,199
	Non-current	94,379	93,471	-	-

19.1 This represents unearned income from the businesses of EA Capital Management Limited- N51,119,131 (2014-N24,510,402) and Managed Healthcare Services Limited- N43,259,843 (2014-N68,958,989).

19.2 Included in the N206.207million was the sum of N200million that was advanced to the Company on November 10, 2015 by Mr Ibidolapo balogun, the Company's former Group Managing Director at zero interest to augment the Company's working Capital. This sum had been redeemed by the Company on 29 January 2016.

19.3 This represents deposit made by Sunu Assurances Vie Cote D'Ivoire with respect to the acquisition of shares in the Company.

20	DEPOSIT FOR SHARES	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
	At December 31	800	500	-	-

The sum of N800,000 represents deposit made by Dr Chika Enueme, a board member of Managed HealthCare Services Limited towards acquition of shares in Managed HealthCare Services Limited as at the end of 2015 (2014: N500,000).

21	BORROWINGS	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
	Bank overdraft (Note 21.1)	38,836	-	38,836	-
	Obligations under finance lease (Note 21.2)	2,990	9,248	12,270	6,866
	Convertible redeemable loan (Note 21.3)	1,903,989	1,445,367	1,903,989	1,445,367
	Total	1,945,815	1,454,615	1,955,095	1,452,233
	Maturity analysis				
	Current portion	41,826	9,248	51,106	6,866
	Non-current portion	1,903,989	1,445,367	1,903,989	1,445,367
		1,945,815	1,454,615	1,955,095	1,452,233

21.1 Bank Overdraft

During the year, the Company obtained N40million overdraft facility from Skye Bank Plc with effective from June 30, 2015 for a tenor of 365days to augment the working capital of the Company. This facility was secured with the Company's fixed deposit of N50million for the duration of the facility.

21.2 Obligation under finance lease

The finance leases are secured by the related non current assets that were procured using the leased funds.

21.3 Convertible redeemable loan

This represents zero coupon JPY1,350,000,000 direct, unconditional, unsubordinated and unsecured European Bond with options issued to Daewoo Securities Europe Limited in 2008. The underlying Bond has a put period of 48months with a yield to put of 4.25% per annum while the tenor of the convertible option is valid up to year 2026. The purpose for which the Bond was issued relates to upgrade of Information and Communication Technology, Expansion of Branch network and Working Capital.

In Thousands of Nigerian Naira

The Option commonly referred to as "Call Option" is the option side of the instrument and gives the Option holder (Daewoo Securities Europe Limited, the right but not obligation to subscribe to the equity of the issuer at an agreed price (Strike Price)and predetermined time period(Expiration). When exercised, a fresh injection of the capital is required to take up the new issues created.

The movement in the convertible loan during the year is as follows:

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Balance at January 1	1,445,367	2,227,549	1,445,367	2,227,549
Interest charges	376,204	68,467	376,204	68,467
Payments during the year	(338,626)	(827,264)	(338,626)	(827,264)
Exchange difference	421,044	(23,385)	421,044	(23,385)
Balance as at December 31	1,903,989	1,445,367	1,903,989	1,445,367

The Company's obligations under Daewoo Bond is currently being restructured over a 3 year repayment plan terminating in December 2018.
The impact of the convertible redeemable loan on the solvency margin is disclosed under Capital Management Note 5.3.

22 CURRENT INCOME TAX LIABILITIES **Restated**

The movement in this account during the year was as follows:

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Balance as at January 1	160,570	158,469	71,331	69,195
Acquisition during the year	(27,970)	-	-	-
Exchange difference	(7,890)	(21,972)	-	-
Charge for the year (see note 22.1 below)	123,064	123,915	50,359	73,393
Payment during the year	(94,117)	(99,842)	(34,558)	(71,257)
Balance as at December 31	153,657	160,570	87,132	71,331

22.1 The tax charge for the year comprises:

Company income tax				
-Equity Assurance Plc	34,285	-	34,285	-
-Managed Healthcare Services	5,260	4,031	-	-
-EA Capital Management Limited	7,965	6,364	-	-
-Equity Assurance Limited- Ghana	50,607	34,335	-	-
Education Tax				
-Equity Assurance Plc	16,074	1,361	16,074	1,361
-Managed Healthcare Services	351	-	-	-
Minimum tax				
-Equity Assurance Plc	-	22,035	-	22,035
National fiscal stabilisation levy/NITDA				
-Equity Assurance Plc	-	1,611	-	1,611
-Equity Assurance Limited- Ghana	8,522	5,792	-	-
Under provision in previous year				
-Equity Assurance Plc	-	48,386	-	48,386
	123,064	123,915	50,359	73,393
Deferred tax				
-Equity Assurance Plc	-	-		-
-Managed Healthcare Services	1,350	9,375	-	-
-EA Capital Management Limited	-	-	-	-
-Equity Assurance Limited- Ghana	(31,253)	(5,867)	-	-
	(29,903)	3,508	-	-
Total tax charge for the year	93,161	127,423	50,359	73,393

The charge for Income and Education taxes in these financial statements has been based on the provisions of the Companies Income Tax Act CAP C21 LFN 2004 as amended to date and Education Tax Act CAP E4 LFN 2004 respectively.

In Thousands of Nigerian Naira

22.2 Actual tax charge on the company's profit differ from the standard rate of corporate tax in Nigeria applied to profits for the year as analysed below:

	Company 2015	**Company 2014**
Current tax on results for the year:		
Income Tax	34,285	-
NITDA	-	1,611
Education tax	16,074	1,360
Under provision in previous year	-	48,386
Minimum tax	-	22,035
	50,359	73,392
Total current tax	50,359	73,392
Deferred tax liability		
Origination and reversal of temporary differences	-	-
Total tax expense	50,359	73,392
Tax Expense recognised in Other Comprehensive Income		
Capital Gains Tax on Revaluation Surplus	-	-

The reasons for the difference between the actual tax charge for year and the standard rate of corporate tax in Nigeria applied to profits for the year are as follows:

Profit/(loss) before tax	(695,571)	161,050
Expected tax charge based on the standard rate on Nigeria corporate tax at the domestic rate of 30% (2014:30%)	(208,671)	48,315
Income tax as per computations	34,285	-
Difference (see below)	(174,386)	48,315
Adjustment for tax deductible and non-deductible items		
Effect of incomes that are exempt from taxation	(549,434)	(2,581,045)
Effect of expenses that are not deductible in determining taxable profit	660,942	3,765,507
Loss relieved	(463,385)	(533,083)
Investment allowance	(843)	(2,196)
Capital allowances	(228,567)	(488,133)
Education tax	-	
Deferred tax	-	-
	(581,287)	161,050
Income tax @ 30% - Difference (as above)	(174,386)	48,315
Effective rate	0.25	0.30

In Thousands of Nigerian Naira

23 DEFERRED TAX

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Balance at the beginning of the year	50,898	44,657	48,994	48,994
Exchange difference	-	(573)	-	-
Acquisition during the year	1,364	-	-	-
Adjustment				
Write back for the year	-	(2,561)	-	-
Charge for the year:				
- Income statement	(29,903)	9,375	-	-
- Other comprehensive income	-	-	-	-
Balance at the end of the year	22,359	50,898	48,994	48,994
Current	-	-	-	-
Non current	22,359	50,898	48,994	48,994

23.1 Deferred income tax are attributable to the following:
Company

	Opening balance as at 1 January 2015	Recognized in net income	Recognized in OCI	Closing Balance at 31 December 2015
Deferred tax liabilities				
Excess of NBV over TWDV	30,986	-	-	30,986
Unrealised Exchange gain	-	-	-	-
Revaluation Surplus	18,008	-	-	18,008
	48,994	-	-	48,994
Deferred tax assets				
Other timing difference items	-	-	-	-
Net deferred tax liability/ (asset)	48,994	-	-	48,994

24 SHARE CAPITAL

Authorised	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
14,000,000,000 ordinary shares of 50k each	7,000,000	7,000,000	7,000,000	7,000,000
Issued and fully paid				
14,000,000,000 (2014: 8,847,298,420) ordinary shares of 50k each	7,000,000	4,423,649	7,000,000	4,423,649
The movement in issued and fully paid share capital was as follows:				
Opening balance	4,423,649	4,423,649	4,423,649	4,423,649
Proceeds from Private Placements	2,576,351	-	2,576,351	-
	7,000,000	4,423,649	7,000,000	4,423,649

The Company issued a Private Placement Memorandum offering for subscription 5,152,701,580 units of shares @ N0.50 per share which was fully subscribed by Sunu Participations Holdings SA and the proceed of N2,576,350,790 from the Private placement was credited to the Share Capital.

25 SHARE PREMIUM

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Opening balance	1,105,193	1,105,193	1,105,193	1,105,193
Private placement costs	(81,728)	-	(81,728)	-
At 31 December	1,023,465	1,105,193	1,023,465	1,105,193

Share premium comprises additional paid up capital in excess of the par value. The reserve is not ordinarily available for distribution

In Thousands of Nigerian Naira

26 CONTINGENCY RESERVES

In compliance with section 21(1) of Insurance Act CAP I17 LFN 2004, the contingency reserve for general insurance business is credited with the higher of 3% of total premiums during the year or 20% of the profits until it reaches the higher of the minimum paid up share capital or 50% of net premium.

The movement in this account during the year is as follows:

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
At 1 January	715,820	623,027	657,444	554,990
Exchange difference	-	(13,751)	-	-
Adjustment	-	-	-	-
Transfer from retained earnings	121,471	125,246	74,281	102,454
Due to Minority interest	-	(18,702)	-	-
At 31 December	837,291	715,820	731,725	657,444

27 ASSETS REVALUATION RESERVES

	Dec 2015	Dec 2014	Dec 2015	Dec 2014
As at 1 January	168,890	1,560,478	168,890	1,560,478
Transfer to retained earnings	-	(1,391,588)	-	(1,391,588)
At 31 December	168,890	168,890	168,890	168,890

28 AVAILABLE FOR SALE RESERVE

	Dec 2015	Dec 2014	Dec 2015	Dec 2014
At December 31	(21,467)	(18,468)	(21,467)	(18,468)

This represents gain on available for sale financial assets

29 RETAINED EARNINGS

The retained earnings represents the amount available for dividend distribution to the equity shareholders of the Company. The movement in the retained earnings is shown in the statement of changes in equity.

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
At 1 January	(2,653,393)	(4,087,900)	(2,909,852)	(4,311,832)
Correction of prior period error	-	14,888	-	-
As restated	(2,653,393)	(4,073,012)	(2,909,852)	(4,311,832)
Total comprehensive income for the year	(744,660)	1,435,638	(820,211)	1,401,980
Total transaction with owners	-	(16,019)	-	-
At 31 December	(3,398,053)	(2,653,393)	(3,730,063)	(2,909,852)

30 NON-CONTROLLING INTERESTS IN EQUITY

	Group Dec 2015	Group Dec 2014
Managed Healthcare Services Limited (MHS)	198,011	195,967
Equity Assurance Limited, Ghana	237,768	91,943
	435,779	287,910

In Thousands of Nigerian Naira

The movement in non-controlling interest was as follows:	Group Dec 2015	Group Dec 2014
Balance as at 1 January	287,910	201,561
Deposit for shares now utilised	-	51,826
Additional equity investment	99,474	-
Share in contingency reserves	11,694	18,702
Transfer from deposit for shares of Equity Assurance Ltd, Ghana	-	6,055
Exchange difference on translation on foreign operations	5,399	(10,040)
Transfer from retained earnings	(11,694)	5,209
Dividend paid	-	(5,372)
Transfer from the profit and loss account	42,996	19,969
	435,779	287,910

This represents the interest of shareholders holding 32.44% (2014: 32.44%) of the shareholding of Managed Healthcare Services Limited and 38.18%(2014:24.78%) of Equity Assurance Limited, Ghana respectively.

31 RELATED PARTY TRANSACTIONS

Transactions between Equity Assurance Plc and the subsidiaries meet the definition of related party transactions. Where these are eliminated as a result of consolidation, they are not disclosed in the consolidated financial statements.

Transactions with key management personnel
The Group'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 Group. Close members of family are those family members who may be expected to influence or be influenced by that individual in their dealings with Equity Assurance Plc.

The volume of related party transactions, outstanding balances at the year end and related expense and income for the year are as follows:

(a) Loans and advances to key management personnel	Dec 2015	Dec 2014
Balance outstanding as at January 1	40,000	7,517
Repayment during the year	(40,000)	(7,517)
Addition during the year	-	40,000
Balance outstanding as at 31 December	-	40,000

No provision has been recognized in respect of loans given to key management personnel (2014: N40million).

(b) Other Payables	Dec 2015	Dec 2014
Balance outstanding as at January 1	6,826	-
Additions during the year	15,249	6,826
Advances made during the year (Note 19.2)	200,000	-
payment during the year	(15,868)	-
Balance outstanding as at 31 December	206,207	6,826

(c) Key management compensation
See note 46 for key management compensation

(d) Sale of insurance contracts and other services	Dec 2015	Dec 2014
Premium received (Note d)	116,375	116,375
Training and other expenses	2,460	2,460
Claims paid	11,305	11,305

Terms and conditions

(i) Premium received relates to sale of insurance contracts and are at arm's length

In Thousands of Nigerian Naira

32 NET PREMIUM INCOME

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Gross direct premium written	4,426,701	4,772,494	2,432,121	3,341,643
Inward reinsurance premium	43,926	73,503	43,926	73,503
Gross premium written	4,470,627	4,845,997	2,476,047	3,415,146
Increase in unearned premiums	306,033	81,944	479,483	142,736
Gross Premium income	4,776,660	4,927,941	2,955,530	3,557,882
Reinsurance outwards	(1,263,267)	(1,143,582)	(989,118)	(938,252)
Net Premium income	3,513,393	3,784,359	1,966,412	2,619,630

33 REINSURANCE EXPENSES

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Prepaid reinsurance at the beginning of the year	478,841	396,372	372,750	296,187
Exchange difference	(6,849)	(23,562)	-	-
Acquisition of assets in Liberia	1,902			
Additions during the year	1,139,382	1,249,613	863,682	1,014,815
Total	1,613,276	1,622,423	1,236,432	1,311,002
Prepaid reinsurance at the end of the year	(350,009)	(478,841)	(247,314)	(372,750)
Reinsurance expenses	1,263,267	1,143,582	989,118	938,252

34 COMMISSION INCOME

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

35 NET CLAIMS EXPENSES

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Gross claims paid during the year	1,920,192	1,400,607	983,301	843,730
Changes in Outstanding Claims	(253,601)	599,786	(292,224)	629,886
Changes in IBNR	(23,348)	120,355	(31,073)	126,375
Gross Claims expenses	1,643,243	2,120,748	660,004	1,599,991
Recoverable from re-insurances	(614,083)	(603,042)	(186,654)	(499,970)
	1,029,160	1,517,706	473,350	1,100,021
Recoverable from re-insurances				
Reinsurance share of claims paid during the year	(648,536)	(241,908)	(255,933)	(216,575)
Changes in the Reinsurance share of outstanding claims	12,013	(248,706)	41,035	(183,924)
Changes in Reinsurance share of IBNR	22,440	(112,428)	28,244	(99,471)
Recoverable from re-insurances	(614,083)	(603,042)	(186,654)	(499,970)

36 UNDERWRITING EXPENSES

Underwriting expenses can be sub-divided into acquisition and other underwriting expenses. Acquisition expenses are those incurred in obtaining and renewing insurance contracts. They include commissions or brokerage paid to agents and brokers and indirect expenses. Other underwriting expenses are those incurred in servicing existing policies. These include processing costs, preparation of statistics and reports and other incidental costs attributable to maintenance.

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Acquisition expenses	723,031	850,680	441,196	633,381
Other underwriting expenses	107,013	52,696	72,389	52,696
Total underwriting expenses	830,044	903,376	513,585	686,077

In Thousands of Nigerian Naira

37 NET INCOME FROM NON-INSURANCE COMPANIES

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
EA Capital Management Limited	38,092	35,769	-	-
Managed Healthcare Services Limited	187,557	107,528	-	-
	225,649	143,297	-	-

This is the gross profit from the group's subsidiaries that are not related to insurance businesses.

38 INVESTMENT INCOME

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Cash and cash equivalents interest income	539,667	252,836	374,421	130,378
Dividend income	35,226	27,003	35,160	27,003
Rental income	2,023	6,766	2,023	1,266
	576,916	286,605	411,604	158,647

The investment income comprises the following:

	Dec 2015	Dec 2014	Dec 2015	Dec 2014
Investment income attributable to shareholders	202,495	136,321	37,183	8,363
Investment income attributable to policyholders	374,421	150,284	374,421	150,284
	576,916	286,605	411,604	158,647

39 NET REALISED GAINS ON FINANCIAL ASSETS

	Dec 2015	Dec 2014	Dec 2015	Dec 2014
Realised gain on quoted equity securities	9,682	2,508	9,697	2,508

40 NET FAIR VALUE LOSS ON FINANCIAL ASSETS

	Dec 2015	Dec 2014	Dec 2015	Dec 2014
Net fair value (loss) on financial assets at fair value through profit or loss	(50,023)	(42,432)	(49,530)	(40,666)

41 OTHER OPERATING INCOME

	Dec 2015	Dec 2014	Dec 2015	Dec 2014
Profit/(loss) from sale of property, plant & equipment	78	679,099	(122)	679,099
Realised exchange gain	19,268	19,041	7937	4,990
Bank interest	1,097	966	1,061	914
Unrealised exchange gain	33,072	28,860	33,072	28,860
Other income	32,690	19,462	19,974	15,614
	86,205	747,428	61,922	729,477

42 IMPAIRMENT LOSS

	Dec 2015	Dec 2014	Dec 2015	Dec 2014
Impairment on premium receivables	50,227	42,688	-	-
Impairment loss -others	10,378	233,746	-	233,074
	60,605	276,434	-	233,074

In Thousands of Nigerian Naira

43 OTHER OPERATING EXPENSES

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Depreciation and amortization charges	186,466	189,153	124,751	142,067
Auditors remuneration	15,899	12,906	7,700	7,000
Directors expenses	42,877	59,255	26,265	39,775
Professional fees	41,073	94,891	21,213	80,166
Bank charges	24,283	30,822	16,961	26,933
Training expenses	21,175	41,979	11,976	30,524
Communication expenses	48,832	55,536	37,170	40,288
Exchange loss	443,964	462	421,044	462
Marketing expenses	206,433	222,584	70,237	120,368
Statutory fees	33,739	42,686	22,598	33,627
Repairs and maintenance	77,264	73,341	42,414	54,859
Diesel and electricity	76,845	61,428	53,304	39,027
Rent and rates	434,151	32,792	413,368	14,487
Insurance expenses	21,797	23,604	14,466	13,880
Pension and gratuity	54,583	59,120	43,724	50,298
Printing and stationery	20,971	24,541	9,715	11,851
Travelling and accomodation	111,318	65,574	81,311	54,864
Office security	12,034	10,987	5,422	5,247
Subscription	16,601	20,822	4,409	3,995
Entertainment expenses	18,004	9,543	2,300	292
AGM expenses	5,950	6,484	5,950	6,484
Donation	1,450	1,258	1,450	950
Medical expenses	9,477	12,357	9,477	9,182
Contribution to NSITF	4,444	3,314	2,146	2,400
Contribution to Industrial Training Fund	5,130	4,379	3,197	3,412
VAT & WHT expenses	32,876	-	30,683	-
Group office overheads	34,904	27,972	-	-
Office expenses	30,681	28,475	5,912	6,657
	2,033,221	1,216,265	1,489,163	799,095

44 FINANCE COSTS

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
Loan interest	376,205	68,467	376,205	68,467
Lease interest	4,886	9,438	2,195	3,986
	381,091	77,905	378,400	72,453

45 EARNINGS/(LOSS) PER SHARE

(Loss)/earnings per share is calculated by dividing the (loss)/pro?t attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
(Loss)/profit attributable to the equity holders	(623,190)	163,365	(745,930)	87,657
Total number of ordinary shares of 50k each in issue	14,000,000	8,847,298	14,000,000	8,847,298
Weighted average number of ordinary shares in issue (thousands)	9,276,690	8,847,298	9,276,690	8,847,298
Basic (loss)/earnings per share (kobo per share)	(4.5)	1.8	(5.3)	1.0
Diluted (loss)/earnings per share (kobo per share)	(6.7)	1.8	(8.0)	1.0

In Thousands of Nigerian Naira

46 CASH GENERATED FROM OPERATIONS

This comprises:	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
(Loss)/profit for the year	(623,190)	163,365	(745,930)	87,657
Adjustment to reconcile profit before taxation to net cashflow from operations:				
Depreciation charges	123,161	127,954	66,082	83,065
(Profit)/ loss on sale of property, plant and equipment	(78)	(679,099)	122	(679,099)
Goodwill acquired on acquisition	(44,599)	-	-	-
Exchange difference on Property, plant and equipment	-	10,148	-	-
Property acquired on acquisition of control	(27,348)	-	-	-
Dividend income	(35,226)	(27,003)	(35,160)	(27,003)
Rental income	(2,023)	(6,766)	(2,023)	(1,266)
Exchange difference on investment in subsidiary	-	-	-	1,224
Exchange difference on investment property	-	11,671	-	-
Capitalisation of reserve - bonus reserve	-	(4,831)	-	-
Interest charges and exchange difference on borrowings	797,248	45,082	797,248	45,082
Contingency reserves	-	(32,453)	-	-
Exchange difference on translation of foreign operations	-	(14,048)	-	-
Exchange difference on deposit for Shares	-	(6,688)	-	-
Impairment of quoted equity securities	50,023	42,432	49,530	40,666
Gain on quoted equity securities	(9,682)	(2,508)	(9,697)	(2,508)
Amortization of intangible assets	63,176	60,317	58,669	59,002
Foreign currency translation reserve	(27,542)	(51,455)	-	-
Non-controlling interest	147,868	29,314	-	-
Operating profit before changes in working capital	411,789	(334,568)	178,841	(393,180)
Changes in working capital:				
(Increase)/decrease in trade receivables	(139,105)	514,142	53,328	346,003
Decrease/(increase) in reinsurance receivables	124,577	(352,652)	194,715	(359,958)
Decrease/(increase) in other receivables	112,814	70,257	14,912	79,099
Decrease/(increase) in deferred acquisition costs	12,432	52,026	41,122	37,940
(Increase)/decrease in statutory deposit	(1,631)	532	-	-
(Decrease)/increase in insurance contract liabilities	(595,464)	548,099	(802,781)	613,525
Increase/(decrease) in trade payables	21,958	(137,774)	15,345	(84,411)
Increase in other payables	471,342	99,464	391,716	66,675
(Decrease)/increase in obligation under finance lease	(6,258)	5,345	5,404	(6,840)
(Decrease)/increase in income tax liabilities	(6,913)	2,101	15,801	2,136
(Decrease)/increase in deferred tax liabilities	(28,539)	6,241	-	-
Changes in working capital	(34,786)	807,781	(100,262)	694,169
Net cash from operating activities	377,003	473,213	78,580	300,989

In Thousands of Nigerian Naira

47. SALARIES, BENEFITS AND DIRECTORS FEES AND REMUNERATION

		Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
	Chairman's and other directors' emoluments				
47.1	**Fees**				
	Chairman	1,750	1,506	1,000	500
	Other directors	4,900	4,793	2,400	1,500
	Total fees	6,650	6,299	3,400	2,000
47.2	Other emoluments				
	Chairman	5,400	3,257	4,650	2,050
	Other directors	46,100	65,753	28,940	35,725
	Total other emoluments	51,500	69,010	33,590	37,775
	Highest paid director per annum	20,000	20,000	20,000	20,000
47.3	The number of directors who had no emoluments is	NIL	NIL	NIL	NIL

48 EMPLOYEES BENEFITS

48.1 EMPLOYEES REMUNERATED AT HIGHER RATES

The number of employees in receipt of emoluments within the following ranges and the related staff costs are:

	Group Dec 2015	Group Dec 2014	Company Dec 2015	Company Dec 2014
N N	Number	Number	Number	Number
300,001 to 500,000	34	30	15	12
500,001 - 750,000	22	42	9	29
750,001 - 1,000,000	35	39	24	12
1,000,001 - 2,000,000	63	103	35	52
2,000,001 - 3,000,000	16	40	12	17
3,000,001 - 4,000,000	9	19	8	11
4,000,001 - 5,000,000	22	10	21	9
5,000,001 and above	19	22	15	14
	220	305	139	156

48.2 Staff costs

	Dec 2015	Dec 2014	Dec 2015	Dec 2014
	Number	Number	Number	Number
Managerial	73	72	56	57
Senior	110	103	59	66
Junior	37	130	24	33
	220	305	139	156
Staff costs	682,361	655,804	343,379	398,866

48.3 EMPLOYEES' RETIREMENT BENEFITS

The company and its subsidiaries operate a contributory retirement benefit scheme. For Companies resident in Nigeria the Contributions to the scheme are funded through payroll deductions at the rate of 8% monthly for employees and 10% employer's contribution in compliance with the provisions of the Pension Reform Act, 2004.

In accordance with Ghana National Pensions Act, 2008 Act 766,Equity Assurance Limited, Ghana, contributes 13% of regular employee's basic salary to the Social Security and National Insurance Trust (SSNIT) for employee pensions.

49 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

1. The company did not charge any of its assets to secure the liability of any third party.

2. There were no commitments to capital expenditure at the year-end both in respect of either contracted or authorized but not contracted.

3. The company had no known contingent liabilities as at the year end.

Acquisition during the year

On 1 January 2015, the Parent Company acquired Equity Assurance Liberia through Equity Assurance Limited Ghana. The total asset and liability acquired as at 1 January 2015 are shown as acquisition during the year.

50 CONTRAVENTION OF LAWS AND REGULATIONS

The Company incurred the sum of N750,000 as penalty for violation of NAICOM guidelines on Aviation businesses

51 EVENTS 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.

In Thousands of Nigerian Naira

52 HYPOTHECATION

The Group is exposed to a range of financial risks through its financial assets, financial liabilities, reinsurance assets and insurance liabilities. In particular, the key financial risk is that in the long term its investment proceeds will not be sufficient to fund the obligations arising from its insurance contracts, In response to the risk, the Group's assets and liabilities are allocated as follows:

Group - 31 December 2015	**Insurance funds**	**Shareholders' funds**	**Total**
Assets			
Cash and Cash equivalents	3,596,868	-	3,596,868
Financial assets	95,293	561,732	657,025
Trade receivables	-	489,931	489,931
Re-insurance receivables	1,236,171	-	1,236,171
Deferred acquisition costs	-	247,150	247,150
Other receivables and prepayments	-	497,210	497,210
Investment property	-	397,477	397,477
Intangible assets	-	972,035	972,035
Property, plant and Equipment	-	3,427,817	3,427,817
Statutory deposit	-	324,302	324,302
Total Assets	4,928,332	6,917,655	11,845,987
Liabilities			
Insurance contract liabilities	2,706,871	-	2,706,871
Trade payables	-	148,998	148,998
Provision and other payables	-	865,556	865,556
Deposit for shares	-	800	800
Borrowings	-	1,945,815	1,945,815
Income tax liabilities	-	153,657	153,657
Deferred tax liabilities	-	22,359	22,359
Total Liabilities	2,706,871	3,137,185	5,844,056
GAP	2,221,461	3,780,469	6,001,930

Group - 31 December 2014	**Insurance funds**	**Shareholders' funds**	**Total**
Assets			
Cash and Cash equivalents	3,741,023	-	3,741,023
Financial assets	166,660	451,746	618,406
Trade receivables	-	350,826	350,826
Re-insurance receivables	1,360,748	-	1,360,748
Deferred acquisition costs	-	259,582	259,582
Other receivables and prepayments	-	534,009	534,009
Investment property	-	397,477	397,477
Intangible assets	-	978,644	978,644
Property, plant and Equipment	-	939,954	939,954
Statutory deposit	-	322,671	322,671
Total Assets	**5,268,431**	**4,234,909**	**9,503,341**
Liabilities			
Insurance contract liabilities	3,302,335	-	3,302,335
Trade payables	-	127,040	127,040
Provision and other payables	-	394,212	394,212
Deposit for shares	-	500	500
Borrowings	-	1,454,615	1,454,615
Income tax liabilities	-	175,459	175,459
Deferred tax liabilities	-	50,898	50,898
Total Liabilities	**3,302,335**	**2,202,724**	**5,505,059**
GAP	**1,966,096**	**2,032,185**	**3,998,281**

In Thousands of Nigerian Naira

Company - 31 December 2015	Insurance funds	Shareholders' funds	Total
Assets			
Cash and Cash equivalents	3,169,212	-	3,169,212
Financial assets	91,934	35,758	127,692
Trade receivables	-	4,078	4,078
Reinsurance receivables	938,439	-	938,439
Deferred acquisition costs	-	142,249	142,249
Other receivables and prepayments	-	307,005	307,005
Investment in subsidiaries	-	929,976	929,976
Investment properties		301,400	301,400
Intangible assets	-	909,447	909,447
Property, plant and Equipment	-	2,898,218	2,898,218
Statutory deposit	-	300,000	300,000
Total Assets	4,199,585	5,828,131	10,027,716
Liabilities			
Insurance contract liabilities	2,143,016	-	2,143,016
Trade payables	-	43,013	43,013
Provision and other payables	-	577,916	577,916
Borrowings	-	1,955,095	1,955,095
Income tax liabilities	-	87,132	87,132
Deferred tax liabilities	-	48,994	48,994
Total Liabilities	2,143,016	2,712,150	4,855,166
GAP	2,056,569	3,115,981	5,172,550

Company - 31 December 2014	Insurance funds	Shareholders' funds	Total
Assets			
Cash and Cash equivalents	3,357,358	-	3,357,358
Financial assets	162,091	38,757	200,848
Trade receivables	-	57,406	57,406
Reinsurance receivables	1,133,154	-	1,133,154
Deferred acquisition costs	-	183,371	183,371
Other receivables and prepayments	-	402,627	402,627
Investment in subsidiaries	-	1,120,842	1,120,842
Intangible assets	-	968,116	968,116
Property, plant and Equipment	-	435,357	435,357
Statutory deposit	-	300,000	300,000
Total Assets	**4,652,603**	**3,506,476**	**8,159,080**
Liabilities			
Insurance contract liabilities	2,945,797	-	2,945,797
Trade payables	-	27,668	27,668
Provision and other payables	-	186,200	186,200
Borrowings	-	1,452,233	1,452,233
Income tax liabilities	-	71,331	71,331
Deferred tax liabilities	-	48,994	48,994
Total Liabilities	**2,945,797**	**1,786,425**	**4,732,222**
GAP	**1,706,806**	**1,720,051**	**3,426,857**

Group	**2015 N'000**	**%**	**2014 N'000**	**%**
Net premium written	3,513,393		3,784,359	
Investment income	576,916		286,605	
Other income	321,536		893,233	
Claims incurred, net commissions and other operational expenses	(4,030,051)		(3,808,483)	
Value Added	381,794	100	1,155,714	100
Applied as follows:				
To pay employees				
Salaries, wages and fringe benefits	682,361	179	655,804	57
To pay government				
Income tax	123,064	32	123,915	11
To provide for maintenance and expansion of assets				
Depreciation and amortisation	186,466	49	189,153	16
Contingency reserve	121,471	32	125,247	11
Deferred tax	(29,903)	(8)	3,508	0
(Deplete)/augment reserve	(701,665)	(184)	58,087	5
Value Added	381,794	100	1,155,714	100

Company	**2015 N'000**	**%**	**2014 N'000**	**%**
Net premium written	1,966,412		2,619,630	
Investment income	411,604		158,647	
Other income	92,163		731,985	
Claims incurred, net commissions and other operational expenses	(2,697,620)		(2,808,279)	
Value added	(227,441)	100	701,983	100
Applied as follows:				
To pay employees				
Salaries, wages and fringe benefits	343,379	(151)	398,866	56.8
To pay government				
Income tax	50,359	(22)	73,393	10.5
To provide for maintenance and expansion of assets				
Depreciation and amortisation	124,751	(55)	142,067	20.2
Contingency reserve	74,281	(33)	102,454	14.6
(Deplete)/augment reserve	(820,211)	361	-14,797	(2.1)
Value added	(227,441)	100	701,983	100.0

In Thousands of Nigerian Naira

Statement of Financial Position

	31 Dec 2015	31 Dec 2014	31 Dec 2013	31 Dec 2012	31 Dec 2011
Assets					
Cash and cash equivalents	3,596,868	3,741,023	1,818,259	1,906,356	1,336,293
Financial assets	657,025	618,406	560,430	475,921	910,914
Trade receivables	489,931	350,826	864,968	1,061,015	601,478
Reinsurance receivables	1,236,171	1,360,748	1,008,096	902,791	548,694
Deferred acquisition cost	247,150	259,582	311,608	192,044	164,302
Prepayments and other receivables	497,210	534,009	604,266	447,880	416,172
Inventory	-	-	-	-	31
Investment properties	397,477	397,477	803,678	375,500	375,300
Goodwill and intangible assets	972,035	978,644	1,032,546	1,054,575	1,106,769
Property, plant and equipment	3,427,817	939,954	2,362,843	2,223,725	1,891,780
Statutory deposit	324,302	322,671	323,203	319,305	319,229
Total assets	**11,845,987**	**9,503,340**	**9,689,897**	**8,959,111**	**7,670,962**
Liabilities					
Insurance Contract Liabilities	2,706,871	3,302,335	2,754,236	2,205,355	1,545,408
Trade payables	148,998	127,040	256,738	184,806	196,618
Other payables	865,556	394,212	294,748	331,730	146,684
Deposit for shares	800	500	82,582	-	-
Borrowings	1,945,815	1,454,615	2,231,452	1,779,053	1,799,787
Retirement Benefit Obligations	-	-	-	22,548	25,100
Income tax liabilities	153,657	175,459	173,358	146,983	112,294
Deferred tax	22,359	50,898	44,657	32,298	32,789
Total liabilities	**5,844,056**	**5,505,059**	**5,837,771**	**4,702,773**	**3,858,680**
Net Assets	**6,001,930**	**3,998,281**	**3,852,126**	**4,256,338**	**3,812,282**
Equity					
Paid up share capital	7,000,000	4,423,649	4,423,649	4,423,649	4,423,649
Share premium	1,023,465	1,105,193	1,105,193	1,105,193	1,105,193
Contingency reserves	837,291	715,820	623,028	508,687	411,476
Revaluation reserves	168,890	168,890	1,560,477	1,398,403	1,073,403
Available for sale reserve	(21,467)	(18,468)	6,587	-	-
Retained earnings	(3,398,053)	(2,668,281)	(4,087,900)	(3,379,779)	(3,357,866)
Foreign currency translation reserve	(43,974)	(16,432)	19,531	-	-
	5,566,152	3,710,371	3,650,565	4,056,153	3,655,855
Non controlling interest	435,779	287,910	201,561	200,185	156,427
Total equity	6,001,931	3,998,281	3,852,126	4,256,338	3,812,282

In Thousands of Nigerian Naira

Statement of Profit or Loss and Other Comprehensive Income

	31 Dec 2015	31 Dec 2014	31 Dec 2013	31 Dec 2012	31 Dec 2011
Gross premium written	4,470,627	4,845,997	4,616,050	3,923,738	3,072,995
Net underwriting income	3,660,476	3,933,996	3,378,908	3,282,086	2,556,598
Total underwriting expenses	1,859,204	2,421,082	1,752,059	1,675,870	1,390,833
Total underwriting profit	1,801,272	1,512,914	1,626,849	1,606,216	1,165,765
Total investment and other income	918,996	1,024,251	820,238	663,600	416,222
Total income	2,720,268	2,537,165	2,447,087	2,269,816	1,581,987
Expenses	3,207,301	2,226,408	2,812,027	2,023,961	2,131,539
(Loss)/profit before tax	(487,033)	310,757	(364,940)	245,855	(549,552)
Tax	93,161	127,423	72,892	96,225	(81,355)
(Loss)/profit after tax	(580,194	183,334	(437,832)	149,630	-630,907
Gain on available for sale financial assets	(2,999)	134	6,587	-	-
Exchange difference on translation of foreign operations	(22,143)	(73,802)	6,663	(57,290)	(6,083)
Revaluation gain on property and equipment	-	-	162,074	325,000	745,781
Total comprehensive income for the year	(605,336)	109,666	(262,508)	417,340	108,791
Attributable to:					
Parent	(653,731)	99,737	(332,159)	407,315	101,387
Non-controlling interests	48,395	9,929	69,650	10,025	7,404
(Loss)/earnings per share (Basic)	(4.5)	1.8	(5.7)	1.7k	(7k)
(Loss)/earnings per share (Diluted)	(6.7)	1.8	(5.7)	1.7k	(7k)

In Thousands of Nigerian Naira

Statement of Financial Position

	31 Dec 2015	31 Dec 2014	31 Dec 2013	31 Dec 2012	31 Dec 2011
Assets					
Cash and cash equivalents	3,169,212	3,357,358	1,461,238	1,516,110	1,094,712
Financial assets	127,692	200,848	224,046	171,088	679,770
Trade receivables	4,078	57,406	403,409	482,813	201,721
Reinsurance receivables	938,439	1,133,154	773,196	703,741	480,711
Deferred acquisition cost	142,249	183,371	221,311	160,727	130,152
Prepayments and other receivables	307,005	402,627	481,726	441,765	301,455
Investment in subsidiaries	929,976	1,120,842	1,122,066	846,715	846,715
Investment properties	301,400	-	-	-	-
Goodwill and intangible assets	909,447	968,116	1,022,117	1,047,061	1,097,661
Property, plant and equipment	2,898,218	435,357	2,253,275	2,131,539	1,796,092
Statutory deposit	300,000	300,000	300,000	300,000	300,000
Total assets	10,027,716	8,159,079	8,262,384	7,801,559	6,928,988
Liabilities					
Insurance Contract Liabilities	2,143,016	2,945,797	2,332,272	1,813,182	1,270,563
Trade payables	43,013	27,669	112,079	10,690	95,869
Other payables	577,916	186,199	119,525	100,310	76,828
Borrowings	1,955,095	1,452,233	2,241,255	1,804,194	1,790,799
Retirement Benefit Obligations	-	-	-	22,397	24,286
Income tax liabilities	87,132	71,331	69,195	75,737	82,493
Deferred tax	48,994	48,994	48,994	30,986	28,974
Total liabilities	4,855,166	4,732,223	4,923,320	3,857,496	3,369,812
Net Assets	5,172,550	3,426,856	3,339,064	3,944,063	3,559,176
Equity					
Paid up share capital	7,000,000	4,423,649	4,423,649	4,423,649	4,423,649
Share premium	1,023,465	1,105,193	1,105,193	1,105,193	1,105,193
Contingency reserves	731,725	657,444	554,990	457,285	378,899
Revaluation reserves	168,890	168,890	1,560,477	1,398,403	1,073,403
Available for sale reserve	(21,467)	(18,468)	6,587		
Retained earnings	(3,730,063)	(2,909,852)	(4,311,832)	(3,440,467)	(3,421,968)
Shareholders funds	5,172,550	3,426,856	3,339,064	3,944,063	3,559,176

In Thousands of Nigerian Naira

Statement of Profit or Loss and Other Comprehensive Income

	31 Dec 2015	31 Dec 2014	31 Dec 2013	31 Dec 2012	31 Dec 2011
Gross premium written	2,476,047	3,415,146	3,256,827	2,612,848	2,232,105
Net underwriting income	2,048,069	2,713,825	2,138,309	2,173,531	1,769,892
Total underwriting expenses	986,935	1,786,098	1,203,164	1,211,936	1,006,962
Total underwriting profit	1,061,134	927,727	935,145	961,595	762,930
Total investment and other income	503,767	736,811	370,981	544,422	276,548
Total income	1,564,901	1,664,538	1,306,126	1,506,017	1,039,478
Expenses	2,260,472	1,503,488	2,058,259	1,408,462	1,693,738
(Loss)/profit before tax	(695,571)	161,050	(752,133)	97,555	(654,260)
Tax	(50,359)	(73,393)	(21,527)	37,668	(61,889)
(Loss)/profit after tax	(745,930)	87,657	(773,660)	59,887	(716,149)
Gain on available for sale financial assets	(2,999)	134	6,587	-	-
Revaluation gain on property and equipment	-	-	162,074	325,000	745,781
Total comprehensive income for the year	(748,929)	87,791	(604,999)	384,887	29,632
Basic (Loss)/earnings per share	(5.3)	1.0	(8.7)	0.7k	(8k)
Diluted (Loss)/earnings per share	(8.0)	1.0	(8.7)	0.7k	(8k)

Equity Assurance Plc

			Ordinary Shares Issued and (N)	Fully Paid up	
Year	Authorized (N)				Consideration
	Increase	Cumulative	Increase	Cumulative	
1999	100,000,000	100,000,000	20,000,000	20,000,000	CASH
2000	-	100,000,000	12,869,376	32,869,376	CASH
2001	-	100,000,000	10,000,000	42,869,376	CASH
2002	-	100,000,000	57,130,624	100,000,000	CASH
2003	125,000,000	225,000,000	-	100,000,000	-
2004	125,000,000	350,000,000	124,118,085	224,118,085	CASH
2005	150,000,000	500,000,000	-	224,118,085	-
2006	500,000,000	1,000,000,000	16,008,435	240,126,520	BONUS
2006	-	1,000,000,000	1,672,257,462	1,912,383,982	MERGER
2006	-	1,000,000,000	1,587,616,018	3,500,000,000	PRIVATE PLACEMENT / RIGHT ISSUE
2007	3,000.000,000	4,000,000,000	353,941,300	3,853,941,300	SUPPLEMENTARY
2008	3,000.000,000	7,000,000,000	-	3,853,941,300	-
2009	-	7,000.000,000	569,707,910	4,423,649,210	PUBLIC OFFER
2010	-	7,000,000,000	-	4,423,649,210	-
2011	-	7,000,000.000	-	4,423,649,210	-
2012	-	7,000,000.000	-	4,423,649,210	-
2013	-	7,000,000.000	-	4,423,649,210	-
2014	-	7,000,000.000	-	4,423,649,210	-
2015	-	7,000,000.000	2,576,350,790	7,000,000,000	PRIVATE PLACEMENT

TO:

The Registrar,
Apel Capital & Trust Limited
18, Nnobi Street,
Masha, Surulere,Lagos.
Tel: 01-7360107, 07046126698
Email: info@apel.com.ng

I/we hereby request that from now on, all dividends due or which may be due to me/us from my/ our holding in Equity Assurance Plc, be paid directly to my/our Bank Account named below:

(Surname) (Middle Name) (First Name)

Shareholder's Full Address: ______________________

Signature/Right Thumbprint of Shareholder: ______________________

Mobile No(s) ______________________

Name of Bank ______________________

Bank Branch ______________________

Bank Branch Address ______________________

Bank Account Number ______________________

Joint Holders

Signatures

(1) ______________________

(2) ______________________

If Corporate Shareholder:

Authorized Signature(s).

(1) ______________________

(2) ______________________

Company Seal:

NB: Company Seal required for Corporate Shareholder

BANK AUTHORISED SIGNATORIES AND BANK STAMP

CHANGE OF ADDRESS FORM

I/ We hereby request that my address be changed as follows:

(OLD ADDRESS) ______________________

____

(NEW ADDRESS) ______________________

Please indicate post Office Box or Private Mail Bag No., if available.

Account No: ______________________

Name of Stock/ Shareholder: ______________________

Signature of Stock/ Shareholder: ____________Date:____________

Dear Sir/Madam,

To enable you receive your Annual Reports promptly, your company wishes to introduce electronic delivery of Annual Reports and Financial Statements, proxy forms and other statutory documents to shareholders.

With this service, instead of receiving the hard copy of our Annual Report and other corporate documents in future, you can elect to receive soft copy of the Annual Report, Proxy form, e.t.c, through the electronic link to be forwarded to your e-mail address or opt to receive the soft copy (Compact Disc) of the Annual Report by post.

Please complete the form below to capture your preference, and return same to our Registrar's address stated below:

The Managing Director

Apel Capital & Trust Limited
18, Nnobi Street,
Masha, Surulere,
Lagos.

John Nkemakonam Akujieze
Company Secretary

I,..

of..hereby agree to the electronic delivery of Annual Report, proxy form, prospectus, newsletter and statutory documents of Equity Assurance Plc to me through:

PLEASE TICK ONE OPTION ONLY

☐ ELECTRONIC COPY VIA COMPACT DISC (CD) SENT TO MY POSTAL ADDRESS

☐ I WILL DOWNLOAD FROM THE WEB ADDRESS FORWARDED TO MY E-MAIL ADDRESS STATED BELOW

MY E-MAIL ADDRESS:

DESCRIPTION OF SERVICE

By enrolling in electronic delivery service, you have agreed to receive future announcement/shareholder communication

Materials stated above by e-mail/ Compact Disc (CD)/ Internet Address (URL). These materials can be made available to you electronically either semi-annually or annually. Annual Report, Proxy form, Prospectus and Newsletters are examples of shareholder communications that can be available to you electronically. The subscription enrolment will be effective for all your holdings in Equity Assurance Plc, on an on-going basis unless you change or cancel your enrolment.

This initiative is in line with our determination to help protect and sustain our planets environment and the consolidated SEC Rule 128(6) of September 2011 which states that "A Registrar of a public company may dispatch Annual Reports and Notices of General Meetings by electronic means"

Name of shareholder

*In case of corporate shareholder, use company seal

Signature and Date

Telephone--------------------------------------

PROXY FORM

29th ANNUAL GENERAL MEETING of Equity Assurance Plc to be held at Best Western The Island Hotel, Bar Beach, Plot 1228, Ahmadu Bello Way, Victoria Island, Lagos State on the 29rd day of July 2016 at 11:00 am prompt.

I/We…………………………………..being a member/members of Equity Assurance Plc (the Company) hereby appoint

…**………………………………………………………………….
(Block Capital Please)

Or failing him, the Chairman of the Meeting as my/our proxy to act and vote for me/us and on my/our behalf at the Annual General Meeting of the Company which will be held on Friday, 29rd July 2016 at 11.00 a.m. at Best Western The Island Hotel, Bar Beach, Plot 1228, Ahmadu Bello Way, Victoria Island, Lagos State or at any adjournment thereof.

Dated this……………..day of……………………2016

Shareholder's Signature………………………………

NOTE:

1. A member (shareholder) who is unable to attend the Annual General Meeting is allowed by law to vote by proxy and the above Proxy form has been prepared to enable the member to exercise his right to vote in case he/she cannot personally attend the meeting.

	NO. OF SHARES HELD	VOTE	
	Ordinary Share	**For**	**Against**
i.	"To receive and consider for adoption the Audited Consolidated Financial Statements for the year ended 31st December, 2015 together with the reports of the Directors, External Auditors and the Audit Committee thereon"		
(ii)	"To approve the appointment of the following as Directors of the Company: 1. Mr. Almamy Timite 2. Mr Karim-Franck Dione 3. Mr Mohamed Bah 4. Mr. Philippe Ayivor		
(iii)	"To re-elect the following Directors: 1. Mr. Ibikunle Balogun 2. Mr. Olanrewaju Ogunbanjo		
(iv)	"To authorize Directors to fix the remuneration of the External Auditors"		
(v)	"To elect members of the Audit committee"		
	SPECIAL BUSINESS		
(vi)	"To approve the remuneration of Directors of the Company"		

2. Following the normal practice, the Chairman of the meeting has been entered on the form to ensure that someone will be at the meeting to act as your proxy, but if you wish, you may insert in the blank space (marked**) the name of any person, whether a member of the Company or not, who will attend the meeting and vote on your behalf.

3. Please sign and post the proxy form so as to reach the registered office of Company's Registrars, APEL CAPITAL & TRUST LIMITED, 18, Nnobi Street, Surulere, Lagos not later than 48 hours before the time appointed for the meeting and ensure that the proxy form is dated, signed and stamped by the Commissioner for Stamp Duties.

4. If executed by a corporate body, the Common Seal should be appended to the proxy form under the hand of the officers or Attorney duly authorized in that behalf.

Before posting the above card, tear off this part and retain it.

ADMISSION CARD

EQUITY ASSURANCE PLC Annual General Meeting

PLEASE ADMIT ONLY THE SHAREHOLDER NAMED ON THIS CARD OR HIS DULY APPOINTED PROXY TO THE 29TH ANNUAL GENERAL MEETING BEING HELD AT BEST WESTERN THE ISLAND HOTEL, BAR BEACH, PLOT 1228, AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS STATE ON FRIDAY,29TH JULY 2016.

NAME OF SHAREHOLDER/PROXY……………………………………………………………………………………………………

SIGNATURE…….

ADDRESS………

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

HEAD OFFICE:

Equity place
Plot 1196, Bishop Oluwole Street,
Off Akin Adesola Street,
Victoria Island, Lagos.
Tel: 01-2802012, 2770988, 2770990
email: info@equityassuranceplc.com
website: www.equityassuranceplc.com

Abuja Office:
66, Ladoke Akintola Street,
2nd Floor, LG Bulding
Garki Abuja
Tel: 08079992611.

Ibadan Office:
No 69, Dikat Bus Stop
Ring Road, Ibadan.
Oyo State.
Tel: 08079992612

Ilorin Office:
2nd Floor, C-Kenzon shopping Complex
Opposite A Division Police Station
Off Garrage Road, Ilorin
Tel: 031-222401, 08079992603

Port Harcourt Office:
19, Circular Road
Presidential Estate
P.O. Box 2709 & 2463
Port Harcourt.
Tel: 08079992613

Akure Office:
3rd Floor Oyemekun Commercial Complex
Behind Ministry of Works Oyemekun
Road, Akure
Tel: 034-243883, 08079992610

Kaduna Office:
NIDB House,18,
Waff Road,
P. O. Box 3134,
Kaduna.
Tel: 08079992609

Uyo Office:
110, Nkemba Street,
Off Abak Road, Uyo
Tel: 08079992604

Onitsha Office:
41, New Market Road,
Onitsha.
Tel: 08079992608

Warri Office:
Block 3,
Edewor Shopping Complex,
Effurun,
Warri.
Tel: 08079992614

Kano Office:
7,Bompai Road,
Kano.
Tel: 08079992606

Ijebu-Ode Office:
Chris Ogunbanjo Way,
P.M.B. 2029,
Ijebu-Ode.
Tel: 08079992605

Abeokuta Office:
46, Tinubu Street,
Ibara, Ita-Eko,
Abeokuta.
Tel: 08079992602

Equity Assurance Limited, Ghana
48, Senchi Street, off Aviation Road,
Airport Residential Area,
Accra, Ghana.
Tel: +233-302770548.
Fax: +233-302769592

Equity Resort Hotel Ltd.
Chris Ogunbanjo way,
Erunwon, Ijebu-Ode,
Ogun State.
Tel: 01-7307811, 01-7307818

Managed Healthcare Services Ltd.
16, Obokun Street,
Ilupeju, Lagos
Nigeria
Tel: 01-7450251

EA Capital Management Ltd.
Plot 1196 Bishop Oluwole Street,
Victoria Island, Lagos
Nigeria
Tel: 01-6281549

Equity Resort Hotel, Ijebu-Ode







EQUITY assurance plc
...sustaining growth

artco: 0803 3034 313