



REGISTERED HEAD OFFICE: Plot 497 Abogo Largema Street, Off Constitution Av. Central Business District  
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2011 Annual Report And Accounts



BREAKING NEW GROUNDS IN SUPERIOR VALUE DELIVERY



**2011**  
Annual Report  
& Accounts

## Values that make us TRUSTWORTHY



The value that makes us TRUSTWORTHY  
The principle that guides us  
The vision that inspires us  
The action that makes us TRUSTWORTHY  
The vision that makes us TRUSTWORTHY

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REGISTERED IN ENGLAND: No. 01401000. Registered Office: 10th Floor, 100 Broad Street, Birmingham B1 2HT. Tel: 0121 606 1000. Fax: 0121 606 1001. [www.unitycapital.com](http://www.unitycapital.com)

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## Mission & Vision



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## Our Principle Value & Commitment

### INTEGRITY

We will act with openness, fairness, integrity and diligence. We will always adhere to the applicable laws, regulations and standards of doing business.

### PERFORMANCE

We will promote a positive and challenging high performance culture. We will do this by encouraging personal accountability and personal development and measuring, rewarding and recognising success.

### RESPONSIBILITY

We will act responsibly as individuals and as a company. This applies to the management of our business, our approach to corporate risk and our interaction with key external stakeholders.



## Our Values

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## Our Commitments



### Customers

A satisfied and loyal customer base is core to our business.

We are committed to:

- Delivering consistent and reliable levels of customer service
- Acting with integrity, due care and diligence
- Communicating openly, honestly and with sensitivity and understanding
- Listening to our customers
- Handling complaints fairly and promptly
- Respecting our customers' rights to privacy and confidentiality
- Protecting our customers and our business from fraud

### Business Partners

We demand high standards from the companies we work with and believe that they should expect the same from us.

We are committed to:

- Carrying out our business with fairness and integrity
- Being reliable and quick to respond
- Awarding contracts and selecting business partners solely on the basis of fair and objective business criteria and having regard to high ethical standards
- Respecting all obligations and confidentiality
- Protecting our customers and our business from fraud

### Employees

Motivated and skilled employees are critical to our success.

We are committed to:

- Fostering a positive and challenging high performance culture
- Rewarding superior performance
- Encouraging personal development
- Encouraging a culture of frank and honest communication
- Encouraging teamwork and strong leadership
- Providing a safe and secure working environment
- Encouraging diversity and equal opportunities
- Ensuring that grievances and unethical behaviour can be raised without fear of discrimination

In return we expect our employees to:

- Act with integrity
- Take responsibility and accountability for their own actions
- Show support and commitment for change
- Focus their energy in getting the best from themselves and others
- Have the confidence and courage to act with conviction
- Show understanding for and meet external and internal customer needs
- Show a relentless desire for success
- Create positive and effective working relationships



## Our Commitments Cont'd

### Regulators

We have an open, cooperative and transparent relationship with our regulators

We are committed to:

- Dealing with our regulators in an open, cooperative and transparent manner
- Managing our business with appropriate standards of risk management and controls
- Preventing and reporting any instances of significant financial crime
- Preventing breaches of relevant regulatory requirements
- Complying with all set standards

### Community & Environment

We believe in continuous improvement of our environmental performance and in taking action around emerging environmental issues. Wherever we operate we will seek positive engagement with local communities.

We are committed to:

- As a business we have a responsibility to manage our impacts on the environment through appropriate use of resources such as energy, paper and water and the investment of our assets.
- We also have a responsibility to take proactive action on environmental issues that are likely to affect our business and the community at large.
- In each of these areas we will look to make continuous improvement and actively monitor our performance.

### Shareholders

We are committed to fulfilling the aspirations of our shareholders through a commitment to business performance, and high standards of transparency, communication and corporate governance.

We are committed to:

- A culture of business performance, focused on delivering returns to shareholders
- Comprehensive and transparent disclosure
- Aiding shareholder understanding through the disclosure of relevant financial and non-financial information
- Listening to the views of our shareholders
- Managing our business with appropriate standards of risk and control
- Ensuring due care in the selection of our third party advisers, including our auditors
- Preventing and reporting any market abuse
- Acting with due sense of responsibility on confidence entrusted to us

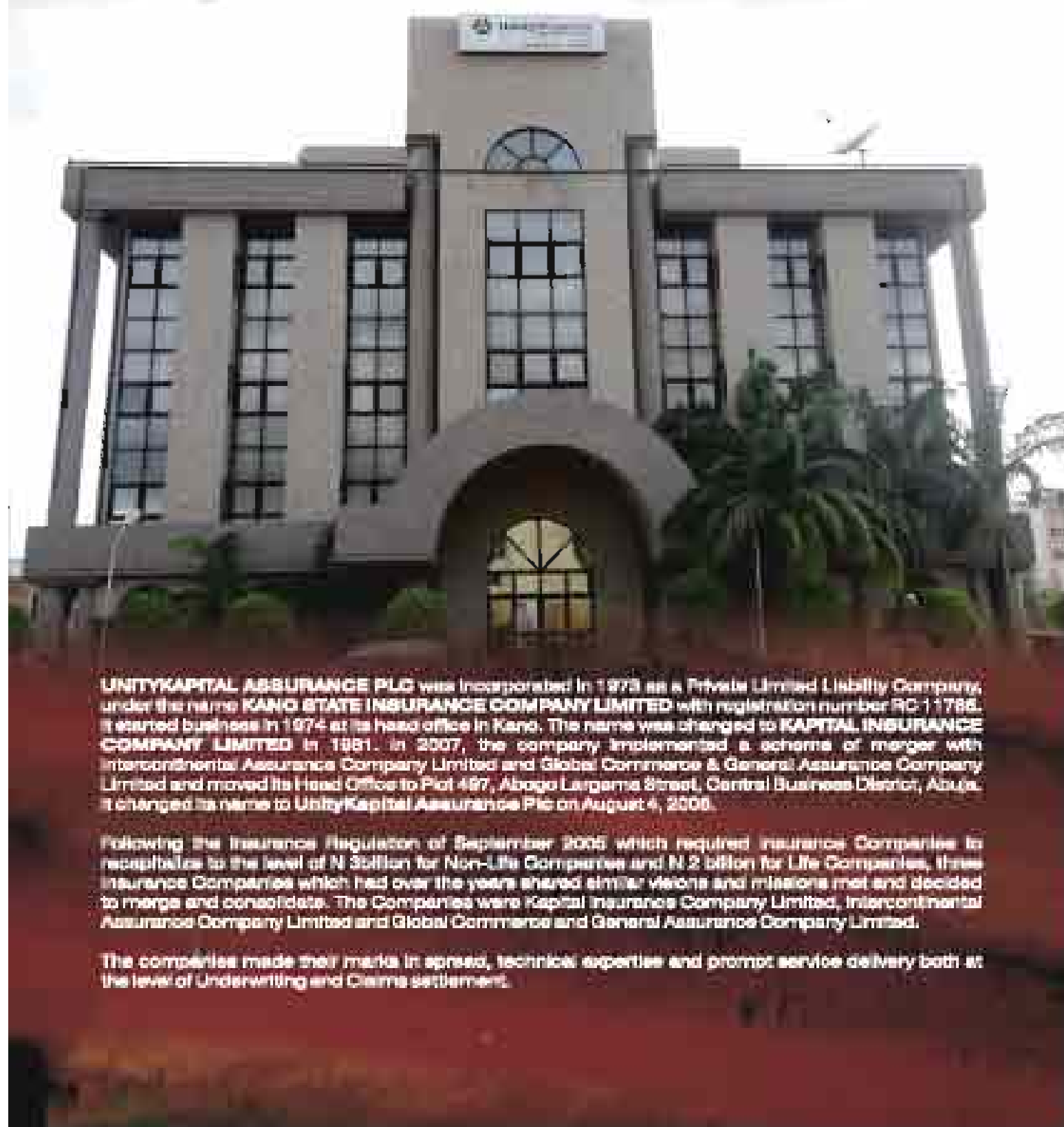
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## Result at a Glance

	2011 N'000	2010 N'000	% Change
Gross Premium written	1,871,699	941,068	99
Underwriting Profits	1,235,129	613,319	101
Investment and other incomes	430,630	538,530	(20)
Provision for bad & doubtful balances	(68,159)	(190,484)	64
Profit before taxation	514,182	6,551	7,749
Profit/(Loss) after taxation	413,914	(190,234)	317.58
Property, Plant and Equipments	1,689,429	1,602,909	5
Share capital	6,500,000	6,500,000	-
Contingency reserve	283,883	201,100	41
Shareholders' fund	8,415,459	8,001,545	5
Total assets	9,443,689	8,878,528	6
Per share data:			
Earnings per share	3.18	(1.46)	318
Net assets per share	65k	62k	5
Dividend per share (proposed)	1k	0	100

# Corporate Information



UNITYKAPITAL ASSURANCE PLC was incorporated in 1973 as a Private Limited Liability Company, under the name KANO STATE INSURANCE COMPANY LIMITED with registration number RC 11785. It started business in 1974 at its head office in Kano. The name was changed to CAPITAL INSURANCE COMPANY LIMITED in 1981. In 2007, the company implemented a scheme of merger with Intercontinental Assurance Company Limited and Global Commerce & General Assurance Company Limited and moved its Head Office to Plot 497, Abogo Largema Street, Central Business District, Abuja. It changed its name to UnityCapital Assurance Plc on August 4, 2008.

Following the Insurance Regulation of September 2005 which required insurance Companies to recapitalize to the level of N 5 billion for Non-Life Companies and N 2 billion for Life Companies, three insurance Companies which had over the years shared similar visions and missions met and decided to merge and consolidate. The Companies were Capital Insurance Company Limited, Intercontinental Assurance Company Limited and Global Commerce and General Assurance Company Limited.

The companies made their mark in spread, technical expertise and prompt service delivery both at the level of Underwriting and Claims settlement.

**Company Registration Number:** RC 11785

**Date of Registration:** 1973

**Registered Office:**  
Plot 497, Abogo Largema Street  
Off Constitution Avenue  
Central Business District  
Abuja.

## The Board:

Mallam Falalu Bello, OFR, FCIB	Chairman
Kins U. Ekebulke	Managing Director/CEO (effective from 17/05/2011)
John Abuh Oyidih	Executive Director
Lawal Mijinyawa	Executive Director (effective from 14/03/2012)
Emmanuel I. U. Ojel	Director
Abdullahi Umar	Director
Farouk Lawal Yola	Director
Ado Y. Wanka	Director (effective from 24/08/2011)
Adeleke D. Bamidele	Director (effective from 09/02/2012)
Razack Adeyemi Adeola	Director (resigned on 09/02/2012)
Adekunle A. Oyinloye	Director (resigned on 24/08/2011)

## Company Secretary/Legal Adviser:

Umar B. Sambo

## Bankers:

Unity Bank Plc, Abuja, Nigeria  
Sterling Bank Plc, Abuja, Nigeria  
First Bank Nigeria Plc, Abuja, Nigeria  
Habibsons Bank, United Kingdom

## Registrars:

Unity Registrars Limited,  
Unity Bank Building,  
94 Agege Motor Road,  
Idi-Oro Bus Stop, Mushin, Lagos.

## Auditors:

Aminu Ibrahim & Co.  
(Chartered Accountants)  
City Plaza, 3rd Floor,  
Plot 596, Ahmadu Bello Way,



## Board of Directors

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**Mallam Falalu Bello**  
Chairman



**Kins Ekebulike**  
Managing Director



**John Abuh Oyidih**  
Executive Director (Finance and Admin)



**Lawal Mijinyawa**  
Executive Director (Operations)  
Effective from 14-09-12

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## Board of Directors



**Dr. Emmanuel LM Ojel**  
Director



**Ferouk Yola Lawal**  
Director



**Abdullahi Umar**  
Director



**Ado Y. Wanka**  
(Group Managing Director, Unity Bank)  
Director (Effective from 24-08-2011)



**Adenlele D. Bemidele**  
Director (Effective from 02-02-12)



**Rosack Adeyemi Adesola**  
Director (Resigned on 09-02-2012)



**Adesunkanmi Oyinloye**  
Director (Resigned on 24-06-2011)

## Executives and Senior Management

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**Kwe U. Ekechukwu**  
MD/CEO



**John Abasi Oyedele**  
ED (Finance & Administration)



**Isaac Mfeyemwa**  
ED (Operations)



**Steve Nwankwo**  
Managing Director (Finance)



**Michael Okeke**  
Managing Director (Operations)



**Jonathan Okeke**  
Managing Director (Finance)



**Abasi E. Okeke**  
Managing Director (Finance)



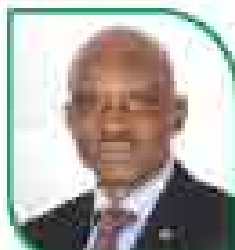
**Chibwara Chibwara**  
Managing Director (Finance)



**David Okeke**  
Managing Director (Finance)



**Abasi Ekechukwu**  
Managing Director (Finance)



**Paul Okeke**  
Managing Director (Finance)



**Abasi Ekechukwu**  
Managing Director (Finance)



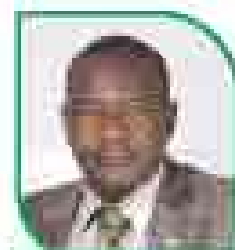
**Abasi Ekechukwu**  
Managing Director (Finance)



**Jonathan Okeke**  
Managing Director (Finance)



**Jonathan Okeke**  
Managing Director (Finance)



**Jonathan Okeke**  
Managing Director (Finance)



**Jonathan Okeke**  
Managing Director (Finance)



**Jonathan Okeke**  
Managing Director (Finance)



**Jonathan Okeke**  
Managing Director (Finance)



**Jonathan Okeke**  
Managing Director (Finance)



**Jonathan Okeke**  
Managing Director (Finance)



**Jonathan Okeke**  
Managing Director (Finance)



**Jonathan Okeke**  
Managing Director (Finance)

Values that make us **TRUSTWORTHY**



Human Capital



Integrity

Productivity

Customers and wider employees are critical to our success. We encourage diversity and equal opportunity for all.

**UnityCapital**  
ASSURANCE PLC  
...and more...

REGISTERED HEAD OFFICE: Plot 457 Akoka Lagos Road, Off Oshodi Expressway, Lagos State  
PO Box 13283, Wuse II Abuja, FCT 90011. Tel: 08-481 8806, Fax: 08-481 8801. [www.unitycapital.com](http://www.unitycapital.com)



## Notice of The Annual General Meeting

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NOTICE IS HEREBY GIVEN that the 36th Annual General Meeting of members of UnityCapital Assurance Plc will be held at Transcorp Hilton Hotel, Abuja on Tuesday 14th August, 2012 at 11.00 a.m. to transact the following businesses:

### ORDINARY BUSINESS

1. To receive the audited financial statements for the year ended December 31, 2011 together with the reports of the Directors, Auditors and Audit Committee thereon.
2. To declare a dividend
3. To re-elect/elect Directors.
4. To approve the remuneration of the Directors.
5. To reappoint Auditors.
6. To authorize the Directors to fix the remuneration of the Auditors.
7. To elect members of the Audit Committee.

### SPECIAL BUSINESS

To consider and if thought fit, pass the following as Ordinary Resolution:

That following the recommendation of the Directors pursuant to Article 144 of the company's Articles of Association, the sum of N433,333,333.33 be and is hereby capitalized from the share premium of the Company into 866,666,667 ordinary shares of 50 kobo each and appropriated to members whose names appear in the Register of Members at the close of business on 31st July, 2012 in proportion of one(1) new share for every fifteen(15) shares registered in such member's name on that date, the shares so distributed being treated for all purposes as capital and not as income and shall rank par-passu with the existing issued ordinary shares of the Company, and the Directors shall give effect to this resolution on receipt of the necessary permission from the authorities.

### Proxy

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy to attend and vote in his stead. A Proxy need not also be a member. A proxy form is at the end of the financial statements. All instruments of proxy should be duly stamped at the Stamp Duties office and deposited at the office of Unity Registrar, No 94 Agege Motor Road, Idi-Oro Bus Stop, Mushin, Lagos not later than 48 hours prior to the time of the meeting.

### Audit Committee

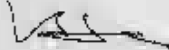
In accordance with Section 359(5) of the Companies and Allied Matters Act Cap C20 Laws of the Federation of Nigeria 2004, any shareholder may nominate another shareholder for appointment to the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the date of the Annual General Meeting.

### Closure of Register of Members

The Register of Members will be closed from 31st July, 2012 to 1st August, 2012 (both days inclusive), for the purpose of the dividend and Issuing the Bonus while dividend will be paid on Thursday 16th August, 2012.

Dated this 13th day of July, 2012.

By the order of the Board.

  
**UMAR B. SAMBO**  
Company Secretary

Values that make us **TRUSTWORTHY**



Service Excellence



Excellence is non-negotiable. It is the only option. We guarantee high standard of service and respect our obligations. We are committed to high standard of transparency, accountability and corporate governance.

 **UnityCapital**  
Assurance Plc  
INCORPORATED IN NIGERIA

REGISTERED HEAD OFFICE: Plot 487 Alago Layana Street, Off Constitution Ave. Central Business District,  
F.O. Box 16226, Wuse II Abuja, FCT 900211. Tel: 09-481 8980, Fax: 09-481 8901, www.unitycapital.com

## Chairman

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## Chairman's Statement

Dear distinguished Shareholders, Directors, Invited Guests, Regulators from the various Regulatory bodies, our friends from the Press, Ladies and Gentlemen. I, on behalf of the Board, happily welcome you all to the 36th Annual General Meeting of our Company, UnityKapital Assurance Plc, holding this 14th day of August, 2012 in this beautiful city of Abuja.

### Operational Environment In 2011.

#### The Global economy.

The global economy continued in 2011 to witness uneven growth, and in some cases, difficulties. Many countries of Western Europe, especially countries of the Euro zone, continue to have problems of an unstable economy, and difficult balance of payment positions. Some analysts are even beginning to doubt the survival or continued viability of the Euro as a currency of exchange and Eurozone as an Economic Community. Some countries in this Economic Community were actually at the risk of default in their financial obligations to their trading partners and the rest of the world at large. Portugal, Greece, and Italy, had financial difficulties, with the government of these countries changing in the process. In the UK, the conservative government lost power, for reasons not unconnected with the state of the economy. The scenario across the Atlantic in the United States is not much better, with the American economy on a constant edge of recession with job additions and employment figures at their lowest ebb in years. The result is that the all-important American economy was characterized by a sluggish and uncertain growth. The net result of the above is that the global economy did not witness a boom as earlier hoped for by many analysts.

#### The National economy.

The National economy grew by about 7.36% in 2011 marginally down from the growth rate of 7.98% achieved in 2010. This growth was however not adequately reflected in the well-being of the people as poverty has continued to grow in the land despite the recorded growth in the economy. These peculiar challenges of the Nigerian economy meant that the number of people in the population that would buy insurance policies did not grow.

In addition to these peculiar home grown economic challenges, the system continued to face debilitating weak infrastructure, particularly in the power and transport sectors. Added to these was the escalation of attacks in parts of the country, especially in the Northern parts, forcing some businesses to close down, and others to scale down their operations. This renewed security challenge dimmed hopes of a quick return to buoyant growth for the economy, which had been predicted by many international rating agencies who had hinged their optimism on the relatively successful national elections of 2011.

#### Insurance Sector

The Insurance sector witnessed a relatively calm year talking from the perspective of the regulatory environment. The regulators opted for a risk based supervision regime, shifting attention to supportive supervision of the industry. A number of regulations were rolled out, mandating Insurance companies to do business based on internationally accepted standards. Regulations were released meant to make it difficult if not impossible for the Insurance industry to be used for money laundering purposes. Important positions were reiterated to be established and maintained. Companies were required to create and maintain positions to ensure strict compliance with regulations, as well as to ensure strict analysis and management of enterprise risks. Trainings were also organized by the regulatory body-NAICOM- for relevant staff of Insurance companies as well as the chief executives of Insurance companies on the mandated migration to IFRS platform for accounting. In all, the last year was one of collaborative development for the industry spearheaded by NAICOM.

#### Board Changes.

As reported last year, it was during the past year that our pioneer Managing Director retired (on 28th February, 2011) on completion of his four-year term contract of service.

**Mallam Falalu Bello** OFR, FCIB



## Chairman's Statement Cont'd

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Mr Kins U. Ekebulike, formerly the Executive Director (Operations), was appointed Managing Director and Chief Executive Officer with effect from 17th May, 2011. Since then, other Board changes have occurred with the resignation from the Board of Mr. Adekunle Oyinloye and Mr. Razaq Adeyemi Adeola. Alhaji Ado Wanka from Unity Bank Plc replaced Mr Kunle Oyinloye whilst Mr Barnidele Adeleke replaced Mr Razack A. Adeola. We warmly welcome the new directors to the Board and expressed our gratitude to the directors who left us. We wish them more success in their present and future endeavours.

Towards the end of the year the Company engaged the services of Mr. Lawal Mijinyawa as Executive Director (Operations) to replace the Managing Director who was the last occupant of that position. Mr. Mijinyawa came on board with a glittering pedigree in insurance marketing and we believe his stay in the company will add the expected value to our operations.

### Business Performance

Despite the challenges of year 2011, your company improved considerably in performance as compared to the previous year. The company had a gross premium income for 2011 of **N1.872 billion**, up from the **N.941 billion** of the previous year 2010; an increase of almost 100%. Profit before tax was **N541 million**, which completely eclipsed the paltry profit before tax of **N6.5million** of the previous year. Gross claims paid was **N166.5 million**. Our Shareholders' Funds grew to **N8.415 billion** from **N8.001 billion** while total assets also increased to **N9.443 billion** from **N8.878 billion** in 2010.

### Proposed Dividend

In view of the improved performance of the company, the Board is proposing a very modest dividend of 1kobo per share to all shareholders. This amount though very little, is but important because it signals the entry of our company into the league of profit-making and dividend-paying companies. From now on, based on assurances of the Management, the company's performance will Insha Allah improve, and subsequent dividends payments will be higher. To complement the small dividend payout, your Board has proposed a Bonus issue of one (1) new share for every fifteen (15) currently held which brought the total return to a modest 4.33 kobo per 50 kobo share (ie 8.67%)

### Staff Matters

In a bid to renew our operations, the company continues to source for and employ first class professionals. As is the company culture, your company remains an equal opportunity employer that does not discriminate in any way in recruitment of competent staff. We continue also to send our staff out for training in their areas of activity. Many staff are also sponsored for courses, conferences and workshops abroad and locally.

### Ethical Practices

Our company remains at the forefront of maintaining ethical standards in the industry. Even though our effort in spearheading ethical standards for the whole industry did not really catch on, we continue to hold tight to our ethical standards which remains a part of our founding principles, and from which we will not deviate, regardless of other people's attitudes to this. We believe ethical professionalism is the only path of growth for our company, our industry and the country as a whole.

### Future Prospects

Future prospects are bright. We intend to move to other areas of insurance, and plans have been concluded for this. On products innovation, our Overseas Travel Insurance product is already in the market and is being reinvigorated with negotiations at an advanced stage for expansion of the territorial limits of the policy. We have also made plans for the introduction of Micro-insurance and Takaful products. We are only waiting for the release of appropriate guidelines by NAICOM before we roll out these products. We call on you, our esteemed shareholders, to please patronize these new products as soon as they are in the market. Our strategy on branch expansion is still in focus.

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## Chairman's Statement Cont'd

On business expansion, we have recently created the Special Risks/Business Development (South) to take care of the ever increasing Lagos and Southern Insurance market generally. In addition, we have also created a business development (North) and planned to open more branches nationwide as the need arises.

On Investments, your company has made equity investment in a Health Maintenance Organization (HMO) - Health Care Security Limited and a Pension Fund Administrator - FUG Pensions Limited. While the initial investment in these two companies were 84% and 55% of their issued share capital respectively, our percentage holding may increase to about 93% and 70% respectively consequent upon the increase in minimum capital requirements for the two sectors in which these companies play. We have continued to invest in an insurance company with life licence with a view to actively play in the life insurance segment of the industry. Our investment in this regard presently stands at about 27% of the issued share capital of the company in question. All these investments are geared towards making your company a player in all aspect of insurance and related businesses in Nigerian for enhanced profitability. In addition, these investments fit in with our investment diversification strategy.

Finally on Investments, mention need be made on efforts being made to resolve the hiccup surrounding our investment in Transcorp Hilton Hotel. I am pleased to inform you in this regard that our 30% (of the 51% equity sold by the Federal Government) is no longer in dispute but the quantum of money to pay to take up our said holding is what remain to be agreed. The viability of this investment is not in doubt and the ultimate resolution of the issues will enhance your company's overall profitability and sustainability.

### Conclusion

I wish to express my profound thanks to the Board members, Management and staff for their hard work during the year. I thank you our numerous shareholders for your investment and continued support. I also thank our customers for their patronage which has enabled us to operate profitably. On behalf of my colleagues on the Board, as well as Management and staff, we reiterate our commitment to continue to grow your company and take it to an enviable position.

Thank you all, and may the Almighty God bless us all.

Dr. Falelu Ballo Ofori, FCIB  
CHAIRMAN OF THE BOARD



Values that make us **TRUSTWORTHY**



**Integrity**



We will act with openness, fairness, integrity and diligence. We will always adhere to the applicable laws, regulations, and standards of doing business.



REGISTERED HEAD OFFICE: Plot 497 Abacha Lergere Street, Off Constitution Ave. Central Business District  
PO Box 10283, Wuse II Area, FCT 90011. Tel: 01-481 9806, Fax: 01-481 9801. [www.unitycapital.com](http://www.unitycapital.com)



**Kins Ekebulike**  
Managing Director/Chief Executive Officer

## Statement of Directors' Responsibilities

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### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

In accordance with the provisions of sections 334 and 335 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004. Directors are responsible for the preparation of financial statements which give a true and fair view of the state of affairs of the company and of its financial performance for the period. These responsibilities include ensuring that:

- appropriate internal controls are established both to safeguard the assets of the company and to prevent and detect fraud and other irregularities;
- the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which ensure that the financial statements comply with the requirements of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, Nigerian Accounting Standards and relevant Circulars issued by the National Insurance Commission
- the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments 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 unless it is presumed that the company will not continue in business.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with Statements of Accounting Standards, the requirements of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004 and relevant Circulars issued by the National Insurance Commission.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of the financial performance for the year.

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of financial control.

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of financial control.

Nothing has come to the attention of the Directors to indicate that the company will not remain a going concern for at least twelve months from the date of this statement.

Signed on behalf of the Directors on 26 May 2012 by:

**Falalu Bello**  
Chairman

**Kins U. Ekebulike**  
Managing Director/CEO

**John Abuh Oyidih**  
Executive Director/CFO

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## Directors' Report

The Directors have the pleasure in presenting their report on the affairs of **UnityKapital Assurance Plc** together with the audited financial statements and auditors' report for the year ended 31 December, 2011.

### 1. Legal form

The company was incorporated in Nigeria under the Companies and Allied Matters Act, Cap C20, Laws of the Federation, (LFN) 2004 as private limited liability company in 1973. It started business in 1974 as Kano State Insurance Company Limited. The name was changed to Kapital Insurance Company Limited in 1981. In 2005 it merged with Global Commerce and General Assurance Company Limited and Inter-Continental Assurance Company Limited. In 2008, the name of the company was changed to UnityKapital Assurance Plc. The Company became quoted on the Nigerian Stock Exchange (NSE) on 17th December, 2009. UnityKapital Assurance Plc, as at the reporting date, does not have any subsidiary but have about 24% stake in the equity of a composite insurance company.

### 2. Principal activities and business review

The principal activity of the company is to transact general (Non-life) Insurance business. The company ceased transacting life business in 2007. The net balance on the life funds which is awaiting transfer to a life company remained at the 2010 level of N131.46 million and is included in liabilities in these financial statements. The process of transfer would be concluded in the 2012 financial year.

### 3. Operating results

Gross premium earned doubled from the 2010 level of N868 million to N1.733 billion in 2011. Profit before tax was N514 million in 2011 as against N6.55 million in 2010. Highlights of the operating results for the year under review are as follows:

	2011 N'000	2010 N'000	change N'000	%
Gross premium	1,733,212	868,741	864,471	100
Net premium earned	1,554,020	745,018	809,002	109
Net Claims incurred	(103,054)	(48,942)	(54,112)	(111)
Underwriting profit	1,235,129	613,319	621,810	101
Management expenses	(1,083,418)	(922,439)	(160,979)	(17)
Provision for bad and doubtful debts	(68,159)	(190,484)	122,325	64
Profit before taxation	514,182	6,551	507,631	7,749
Taxation (company income & deferred)	(100,268)	(196,785)	96,517	49
Profit after taxation	413,914	(190,234)	604,148	318

The Improved performance was caused by increased premium income, a very prudent underwriting and the effective management of operating expenses.

### 4. Statement of Directors' responsibilities on the financial statements

Sections 334 and 335 of the Companies and Allied Matters Act CAP C20 LFN 2004, require the directors to prepare financial statements for each financial year that give a true and fair view of the state of the financial affairs of the Company at the end of each financial year and of its profit or loss and cash flows. The directors are to also ensure that the statements comply with the provisions of the Insurance Act 2003 and Companies and Allied Matters Act, CAP C20 LFN 2004. These responsibilities include ensuring that the Company:

- Keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with requirements of the Companies and Allied Matters Act and the Insurance Act of 2003



## Directors' Report

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- b. Establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- c. Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments

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

- Nigerian Accounting Standards
- Relevant guidelines issued by NAICOM
- The requirements of Insurance Act 2003
- The requirements of the Companies and Allied Matters Act

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

Nothing has come to the attention of the directors to indicate that the company will not remain a going concern for at least the next twelve months from the date of this statement.

### 5. Directors and their interest

The following Directors served during the year ended 31 December, 2011:

1. Mallam Falalu Bello	Chairman
2. Mohammed Karl	MD/CEO (retired 28th Feb. 2011)
3. Kins U. Ekebulke	MD/CEO (appointed 17th May 2011)
4. John Abuh Oyidih	Executive Director
5. Lawal Mijinyawa	Executive Director (appointed 14th March, 2012)
6. Dr. Emmanuel I. U. Ojel	Non-Executive Director
7. Farouk Lawal Yola	Non-Executive Director
8. Abdullahi Umar	Non-Executive Director
9. Adekunle Abdulrasak Oyinloye	Non-Executive Director (resigned on 24th August, 2011)
10. Ado Y. Wanka	Non-Executive Director (appointed 24th August, 2011)
11. Razack Adeyemi Adeola	Non-Executive Director (resigned on 9th February 2012)
12. Bamidele D. Adeleke	Non-Executive Director (appointed 9th February, 2012)

The direct and indirect interests of the Directors in the issued share capital of the company as recorded in the Register of Directors' shareholding and/or as notified by the Directors for the purpose of section 275 and 276 of the Companies and Allied Matters Act and the listing requirements of the Nigerian Stock Exchange as at 31 December, 2011 are as follows:

S/N	Names	Direct Dec '11	Indirect Dec '11	Direct Dec '10	Indirect Dec '10
1	Mallam Falalu Bello	111,873,512	-	109,947,388	6,434,121,258
2	Alhaji Mohammed Karl	219,801,879	-	219,801,879	-
3	Kins U. Ekebulke	11,963,471	-	2,963,471	-
4	John Abuh Oyidih	2,963,471	-	2,963,471	-
5	Dr Emmanuel I. U. Ojel	1,207,151,267	-	1,207,151,267	-
6	Adekunle A. Oyinloye	8,368,421	-	8,368,421	-
7	Farouk Lawal Yola	7,368,421	-	7,368,421	-
8	Adeyemi R. Adeola	10,526,315	-	10,526,315	-
9	Abdullahi Umar	10,877,193	-	10,877,193	-
10	Ado Y. Wanka	42,105,263	6,539,384,415	42,105,263	-
11	Bamidele D Adeleke	457,894	-	457,894	-

### 6. Changes on the Board

Since our last meeting, Messrs. Adekunle A. Oyinloye and Razack Adeyemi Adeola resigned from the board on 24th August, 2011 and 9th February, 2012 respectively. Their resignation were to allow them effectively face their core mandates as Managing Director and Chief Executive Officers of Infrastructural Bank Plc and Sterling Bank Plc respectively. In their places Messrs. Ado Yakubu Wanka and Adeleke D. Bamidele were appointed respectively. In addition, Mallam Lawal Mijinyawa was appointed on 14th March, 2012 as Executive Director (Operations) to take the place vacated by the erstwhile Executive Director (Operations), Mr Kins U. Ekebulke, who was appointed Managing Director and Chief Executive Officer on 17th May, 2011.

### 7. Directors interest in Contracts

None of the Directors has notified the Company for the purpose of Section 277 of the Companies and Allied Matters Act, CAP C20 LFN 2004 of any declarable interest in contracts in which the Company was involved during the year ended 31 December 2011.

### 8. Acquisition of own shares

The company did not acquire any of the Company's shares during the year ended 31 December 2011.

### 9. Property, Plant and Equipment

Information relating to changes in Property, Plant and Equipment is given in note 12 on page 51. The Directors are of the opinion that the market value of the company's assets is not lower than the value shown in the financial statements.

### 10. Donations and charitable gifts

The Company did not make any donations to political organizations during the year, neither did it make any charity gift.

### 11. Human Resources

#### I. Employment of Disabled Persons

The company does not discriminate in considering applications from suitably qualified persons. Equal opportunities for development are given to all employees regardless of disability. Where an employee becomes disabled, every effort is made to ensure his/her continued employment.

#### II. Employees' Health, safety and Welfare

The members of staff enjoy free and comprehensive medical services, which are extended to members of their families through the payment of reasonable medical allowances.

Every effort is made to provide a safe and healthy working environment for staff.

#### III. Employees involvement and training

The company attaches great premium to training of its staff. Staff are sponsored to attend local and overseas courses of the highest quality. For the period under review all staff attended trainings of various types.



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### 12. Share Capital Information

#### a. Share Range Analysis

Range	Holders	Units	%	₦
1 to 1,000,000	315	52,525,260	0.40	26,262,630
1,000,001 to 10,000,000	192	513,556,900	3.95	256,778,450
10,000,001 to 30,000,000	58	926,625,394	7.13	463,312,697
30,000,001 to 50,000,000	11	426,699,333	3.28	213,349,667
50,000,001 to 100,000,000	17	1,274,731,588	9.81	637,365,794
100,000,001 to 500,000,000	12	1,557,052,159	11.98	778,526,079
500,000,001 to 1,000,000,000	1	502,273,684	3.86	251,136,842
1,000,000,001 to 99,999,999,999	2	7,746,535,682	59.59	3,873,267,841
	<b>595</b>	<b>13,000,000,000</b>	<b>100.00</b>	<b>6,500,000,000</b>

#### b. Substantial Interests in Shares

Shareholders who held more than 5% of the issued share capital of the Company as at 31 December 2011 were as follows:

	2011		2010	
	Share units	%	Share units	%
Unity Bank Plc	6,539,384,415	50.30	6,434,121,258	49.49
Dr. Emmanuel I. U. Ojei	1,207,151,267	9.29	1,207,151,267	9.29

#### c. Shareholding pattern as at 31 December, 2011

Categories	No. of shareholders	No. of holdings	%
Individuals	553	4,288,739,997	32.99
Corporate	55	8,711,260,003	67.01
Federal Government	0	0	0
State Government	0	0	0
Local government	0	0	0
Foreign	0	0	0
<b>Total</b>	<b>608</b>	<b>13,000,000,000</b>	<b>100</b>

#### d. Share Capital History

Year	Authorized (Units)		Issued & Fully paid (Units)		Consideration
	Increase	Cummulative	Increase	Cummulative	
1974	200,000	200,000	200,000	200,000	Cash
1977	100,000	300,000	100,000	300,000	Cash
1978	37,500	337,500	37,500	337,500	Cash
1980	162,500	500,000		337,500	
1981		500,000	151,394	488,894	Cash
1983		500,000	11,106	500,000	Cash
1990	4,500,000	5,000,000	900,000	1,400,000	Cash & Bonus
1991	10,000,000	15,000,000	2,100,000	3,500,000	Cash & Bonus
1992		15,000,000	1,800,000	5,300,000	Cash
1993		15,000,000	4,700,000	10,000,000	Cash
1996	85,000,000	100,000,000	10,000,000	20,000,000	Cash & Bonus
1997		100,000,000	20,000,000	40,000,000	Cash & Bonus
1998		100,000,000	35,685,000	75,685,000	Cash & Bonus
1999		100,000,000	14,315,000	90,000,000	Cash
2003	400,000,000	500,000,000	30,000,000	120,000,000	Cash & Bonus
2001		500,000,000	230,000,000	350,000,000	Cash & Bonus

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2005		500,000,000	44,000,000	394,000,000	Cash & Bonus
2006	3,000,000,000	3,500,000,000		394,000,000	
2007		3,500,000,000	2,000,000,000	2,394,000,000	Cash
2008	3,500,000,000	7,000,000,000	3,606,000,000	6,000,000,000	Cash
2008	7,000,000,000	14,000,000,000	6,000,000,000	12,000,000,000	Split to 50k par
2008		14,000,000,000	350,000,000	12,350,000,000	Cash
2009		14,000,000,000	650,000,000	13,000,000,000	Bonus
2010		14,000,000,000		13,000,000,000	

### 13. Audit Committee

In accordance with section 359(3) of the Company and Allied Matters Act, CAP C20 LFN 2004, the audit committee members of the Company reelected at the last Annual General Meeting were as follows:

Mohammed A. Sheriff	Shareholders' representative
Oseleme O. Ezekiel (Mrs.)	Shareholders' representative
Kunle Ogurnmefun	Shareholders' representative
Ado Y. Wanka	Director
Emmanuel I. U. Ojei	Director
Farouk Lawal yola	Director

The functions of the audit committee are as stated in section 359(6) of the Companies and Allied Matters Act, CAP C20 LFN 2004.

### 14. Post balance sheet events

There were no significant post balance sheet events which have not been provided for in these financial statements.

### 15. Auditors

The auditors, Messrs. Aminu Ibrahim & Co. (Chartered Accountants), have indicated their willingness to continue in office in accordance with Section 357(2) of the Companies and Allied Matters Act, CAP C20, LFN 2004.

A resolution will be proposed at the Annual General Meeting to authorize the Directors to fix their remuneration.

BY THE ORDER OF THE BOARD.

  
UMAR B. SAMBO  
Company Secretary

13th July, 2012  
Abuja, Nigeria

# Corporate Governance Report





## Introduction

At UnityKapital Assurance Plc, the principles of good corporate governance practices remain our driving force. It provides the guiding principle in sustaining our shareholders' value, behaving ethically as well as rendering excellent services to our clients. The Board of Directors has continued to ensure proper implementation of corporate governance principles in the operations of the company.

As an entity quoted on the Nigerian Stock Exchange (NSE), we take adherence to corporate governance principles very serious. We also ensure compliance with the code of corporate governance issued by the Securities and Exchange Commission (SEC) at all times.

## Governance Structure

### The Board

The board, which is composed of eight (8) members, has the overall responsibility for the governance of the Company. The board of directors is accountable to the shareholders and is also responsible for managing relationships with all stakeholders, including the regulators.

The board has two committees namely Finance, Investment and Risk Management Committee and Establishment Committee. In addition to these two Committees, the Company has the statutory audit committee made up of representatives from the board and the shareholders as a body. It is important to mention that in line with best practices, the office, and for that matter, the roles of the Chairman and Chief Executive are distinctively separated. While the Chairman is responsible for the leadership of the Board, the Chief Executive Officer is the overall performance of the Company. The Board delegates the responsibility for the day-to-day management of the Company to the Managing Director and Chief Executive Officer who, in turn, is supported by the Executive Directors. There are also various management committees that meet regularly.

### Responsibilities

The Board reviews and approves the company's performance by way of quarterly, half yearly and full year financial statements. It determines and monitors the strategic objectives and policies of the Company while also ensuring the maintenance of appropriate system of internal controls to engender regulatory compliance and safeguard the interest of all shareholders.

The Board meets quarterly and additional and/emergency meetings are held as required. The board met six (6) times during the 2011 financial year.

### Appointments and retirements

Following the retirement of the pioneer Managing Director, Mallam Mohammed Karl, after the completion of his service contract on 28th February, 2011 and the appointment of the erstwhile Executive Director (Operations), Mr. Kins U. Ekebuike as Managing Director on 17th May, 2011 reported in last year's annual report, Mallam Lawal Mijinyawa was appointed as Executive Director (Operations) on 14th March, 2012. Lawal Mijinyawa's appointment was after a rigorous interview exercise conducted by the Board Establishment Committee.

In addition, Messrs. Adekunle Oyinloye and Razack Adeola resigned their membership of the board and were replaced by Messrs. Ado Y. Wanka and Bamidele D. Adeleke.

### Shareholders

The General Meeting of the shareholders of the Company is the highest decision making body. Notices of the meeting are sent and/or published very well in advance. These meetings are attended by representatives of the regulatory authorities. The meetings are conducted fairly and transparently. In addition, the shareholders and the general public are made aware of the company's quarterly, half-yearly and annual performances via publication in the dailies in compliance with the Nigerian Stock Exchange (NSE) post-listing requirements.

## Shareholders' Rights

The board places serious importance on effective communication with its shareholders. While ensuring the protection of their interest at all times notices of meetings are communicated promptly.

## Board Committees

The Board carries out its responsibilities directly in Board meetings and through its Committees which consist of:

### Finance, Investment and Risk Management Committee

This Committee which comprises of the Managing Director/Chief Executive Officer, the Executive Director (Finance and Administration) and three other non-Executive Directors is tasked with the responsibility of reviewing and recommending the company's annual budget to the board, recommending strategic investment initiatives, reviewing and recommending the annual audited accounts to the board and reviewing and assessing the overall adequacy and integrity of the risk management framework of the company. The Committee also considers, review and recommend approval limits to the board while monitoring compliance with approved limits at all times. The members of this Committee are:

S/No	Names	Status	Position
1	Ado Yakubu Wanka	Non-Executive Director	Chairman
2	Dr. Emmanuel I. U. Ojel	Non-Executive Director	Member
3	Alhaji Abdullahi Umar	Non-Executive Director	Member
4	Kins U. Ekebuike	Managing Director & Chief Executive	Member
5	John Abuh Oyidih	Executive Director (Finance & Admin)	Member

### Establishment Committee

This Committee is made up of five (5) members. These are the Managing Director, an Executive Director and three (3) non-Executive Directors. The responsibility of this Committee includes the consideration and recommendation for board approval the compensation policy of the company. The Committee is also saddled with the task of strategic peoples issue oversight generally, including employee retention and other employees' related matters. The members of this Committee are:

S/No	Names	Status	Position
1	Alhaji Farouk Lawal Yola	Non-Executive Director	Chairman
2	Alhaji Abdullahi Umar	Non-Executive Director	Member
3	Bamidele D. Adeleke	Non-Executive Director	Member
4	Kins U. Ekebuike	Managing Director & Chief Executive	Member
5	Lawal Mijinyawa	Executive Director (Operations)	Member

### The Statutory Audit Committee

This Committee was set up in compliance with the provisions of the companies and Allied Matters Act, CAP20, LFN 2004. The Committee consists of six members three of which are non-Executive Directors while the other three are other shareholders. The Committee's primary responsibility is monitoring statutory and regulatory compliance. They Committee also review the annual audited accounts, along with the Management Letter, before submission to the Board. This they do in conjunction with Management and the external auditors. The members of this Committee are:

S/No	Names	Status	Position
1	Mohammed A. Sheriff	Shareholders' representative	Chairman
2	Adekunle Ogunmefun	Shareholders' representative	Member
3	Mrs. O. O. Ezekiel	Shareholders' representative	Member
4	Ado Y. Wanka	Non-Executive Director	Member



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5	Alhaji Farouk L. Yola	Non-Executive Director	Member
6	Dr. Emmanuel I. U. Ojei	Non-Executive Director	Member

### Attendance at Board and Committee meetings

The table below shows the frequency of meetings of the Board of Directors, Board Committees and the Statutory Audit Committee as well as members' attendance during the financial year ended 31st December, 2010.

Directors/members	Board	Finance, Investment & Risk Committee	Establishment Committee	Statutory Audit Committee
Frequency	6	1	1	5
Mallam Falalu Bello	6			
Kins U. Ekebuike	6	1	0	
John Abuh Oyidih	6	1		
Dr Emmanuel I. U. Ojei	1	0	0	1
Alhaji Farouk Lawal Yola	5			4
Alhaji Abdullahi Umar	5	1	1	
Adekunle A. Oyinloye	6	1		3
Razack A. Adeola	0		0	
Mohammed A. Sheriff				5
Kunle Ogunmefun				4
Mrs. O. O. Ezekiel				5

### Insider Trading

Directors, insiders and other related persons with non-public, confidential and price sensitive information are prohibited from dealing in the equities of the Company where this will amount to insider trading. This prohibition will last until the information in question is released to the general public.

### Regulatory Compliance


The Company has always complied with all regulatory provisions including filing of statutory returns with Nigerian Stock Exchange, Securities and Exchange Commission, Corporate Affairs Commission, National Insurance Commission, etc. However, for unavoidable reason, the Company filed its 2011 annual accounts with the Nigerian Stock Exchange out of time and paid a fine of N900,000.00.

### Management Committees


For a smooth and effective running of the Company, the following Management Committees exist. These Committees give support to the Managing Director in running the company and also make recommendations to the Board and the relevant Board Committees:

Management Investment Committee  
General Executive Committee  
Management Project Committee  
Information Technology Steering Committee and  
Claims Committee


## Values that make us **TRUSTWORTHY**



## Proactivity



We will provide a positive and challenging high performance culture. We will do this by encouraging personal accountability and personal development and providing training and recognising success.



**Unity Capital**  
NIGERIA  
INCORPORATED IN NIGERIA  
REGD. NO. RC1234567890  
REGD. NO. RC1234567890

REGISTERED HEAD OFFICE: Plot 497 Alagbe Lagos Street, Off Corridor to Federal Palace Hotel  
RD Box 1234, Wuse II Abuja, FCT 90011. TEL: 09-461 8800, Fax: 09-461 8801, [info@unitycapital.com](mailto:info@unitycapital.com)

## Report of The Audit Committee

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## Independent Auditors' Report

### REPORT OF THE AUDIT COMMITTEE TO THE MEMBERS OF UNITYKAPITAL ASSURANCE PLC

In accordance with the provisions of Section 359(6) of the Companies and Allied Matters Act, the members of the Audit Committee of UnityKapital Assurance Plc hereby report as follows:

- We have exercised our statutory functions under Section 359(6) of the Companies and Allied Matters Act and acknowledge the co-operation of management and staff in the conduct of these responsibilities.
- We are of the opinion that the accounting and reporting policies of the company are in accordance with legal requirements and agreed ethical practices and that the scope and planning of the external audit for the year ended 31 December 2011 were satisfactory and reinforce the company's internal control systems.
- We reviewed the management letter of the independent auditors and are satisfied with management's response thereto.
- We have deliberated with the Independent auditors, who have confirmed that necessary co-operation was received from management in the course of their statutory audit.

**Mohammed A. Sheriff**  
Chairman, Audit Committee

30 May 2012

#### Members of the Committee

1. Osarierne O. Ezekiel (Mrs)
2. Kunle Ogunmefun
3. Ado Y. Wanka - Director
4. Emmanuel I. U. Ojel - Director
5. Farouk Lawal Yola - Director



**Aminu Ibrahim & Co**

Chartered Accountants

City Plaza  
Plot 600 Alameda Bello Way  
P. O. Box 871,  
Sector 8  
Abuja, Nigeria  
www.aminuibrahim.com

### REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF UNITYKAPITAL ASSURANCE PLC

We have audited the accompanying financial statements of UnityKapital Assurance Plc which comprise the balance sheet as at 31 December 2011, the underwriting revenue account, the profit and loss account and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

#### Respective responsibilities of Directors and Auditors

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with Statement of Accounting Standards applicable in Nigeria and in the manner required by the Companies and Allied Matters Act, the Insurance Act 2003 and relevant National Insurance Commission circulars. This responsibility includes: designing, implementing and maintaining internal control 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.

Our responsibility as independent auditors is to express an opinion on these financial statements based on our audit.

#### Basis of opinion

We conducted our audit in accordance with generally accepted auditing standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the company has kept proper accounting records and the financial statements are in agreement with the records in all material respect and give in the prescribed manner, information required by the Companies and Allied Matters Act, the Insurance Act 2003 and all relevant circulars issued by the National Insurance Commission. The financial statements give a true and fair view of the financial position of the company as at 31 December 2011 and of the financial performance and its cash flow for the year then ended in accordance with the relevant Statements of Accounting Standards issued by the Financial Reporting Council of Nigeria.

Abuja, Nigeria  
28 May 2012

Chartered Accountants



**Statement of Significant Accounting Policies**

The following is a summary of the significant accounting policies adopted by the company in the preparation of its financial statements. These accounting policies have been consistently applied for all periods presented.

**1. Basis of accounting**

These financial statements are prepared in accordance with, and comply with, Nigeria Statements of Accounting standards (SAS), Companies and Allied Matters Act, Insurance Act 2003 and its Interpretations issued by the National Insurance Commission in its Insurance Industry Guidelines on a yearly basis.

The financial statements are presented in Nigerian Naira. The financial statements have been prepared on the annual basis of accounting and under the historical cost convention as modified by the valuation of long term investments at valuation amount.

The estimates and underlying assumptions are reviewed on an ongoing basis to take account of new and available information. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

**2. Use of estimates in the preparation of financial statements**

The preparation of financial statements in conformity with SAS and the Insurance Act requires management to make significant estimate and assumption that affect the reported amounts of assets and liabilities as at the date of financial statements and the reported amount of income and expense during the reporting period.

A significant degree of judgement has been used in the determination of the adequacy of the provision for outstanding claims and claims incurred but not reported at the balance sheet date.

These estimates are determined on the basis of historical information. Actuarial analysis and other analytical techniques could differ from these estimates.

**3. Classification of insurance contracts**

Contracts that are classified as insurance contracts are those under which the company underwrites significant insurance risk from another party (the broker or insured) by agreeing to compensate the insured or other beneficiary if a fortuitous random event (the insured event) adversely affects the policy holder or other beneficiary.

**4. Cash and cash equivalents**

For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held with banks, and short term liquid investments, all of which are available for use by the company.

**5. Gross premium**

Gross premium is recognized at the point of attachment of risk to a policy before deducting cost of reinsurance cover. Gross premium on short-term insurance contracts comprises premiums on contracts entered into during the period, irrespective of whether they relate in whole or in part to a later accounting period.

**6. Net premium**

Net premium represents gross premium less reinsurance. It is recognized as income from the date of attachment of risk. The outward reinsurance premiums relating to earned premiums are recognized as outflow in accordance with the reinsurance services received.

**7. Earned Premium**

Premium income for the period includes adjustments to premiums written in prior accounting periods. An estimate is made at the balance sheet date to recognize retrospective adjustments to premium and commission not relating to the period.

Premiums are assumed to be earned evenly over the period of risk except where there is a marked variation in the pattern of risk within the risk period when premium revenue is accounted for in accordance with the pattern of risk exposure.

Premium relating to the expired risk period is taken as earned and recognized as revenue for the period while premium relating to the unexpired risk period is treated as provision for unexpired risks.

**8. Commission earned**

Commissions are recognized on ceding business to the reinsurers, and are credited to the income statement.

**9. Claims expenses**

Claims incurred in respect of short-term insurance contracts consist of claims and claims handling expenses paid during the financial period as well as movements in provision for outstanding claims and IBNR, which is computed at the rate of 10% of outstanding gross claims reported during the period of account as at balance sheet date. All claims paid and incurred are charged against revenue as expense when incurred. Reinsurance recoveries are recognized when the company records the liability for the claims and are netted off gross claims expense.

**10. Underwriting expenses**

Underwriting expenses are made up of acquisition and maintenance expenses comprising the following: commission and policy expenses, proportion of staff cost and insurance supervision levy.

Underwriting expenses for insurance contracts are recognized as expenses when incurred, with the exception of acquisition costs which are recognized on a time apportionment basis in respect of risk.

**11. Management expenses**

Management expenses are expenses other than claims and underwriting expenses. They are accounted for on an accrual basis.

**12. Technical reserves****i. Reserve for unexpired risks**

The portion of gross premium income on short-term non-life insurance contracts, which is estimated to be earned in the following or subsequent periods, is accounted for as unexpired risks reserve. This is computed separately for each contract and individual policy as at the balance sheet date using principally the time apportionment basis for direct and facultative businesses in accordance with the provisions of Section 20 of the Insurance Act 2003.

**ii. Outstanding claims**

Outstanding claims comprise provision for all the company's estimated ultimate costs of settling all claims and related claim handling expenses incurred but unpaid at the balance sheet date. Outstanding claims that have occurred at the balance sheet date and have been notified to the company by the broker and insured are carried at their face value. Adequate provisions are also made for claims incurred but not reported (IBNR) at 10% of outstanding claims amount as at the balance sheet date.



## Accounting Policies

### III Contingency reserves

The company maintains contingency reserves in accordance with the provisions of Insurance Act 2003 to cover fluctuations in securities and variations in statistical estimates at the rate equal to the higher of 3% of total premium or 20% of the total profit after taxation until the reserve reaches the greater of minimum paid up capital or 50% of net premium.

### 13 Property and equipment

Property and equipment are stated at historical cost or revalued amount less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. In the case of revalued assets, depreciation is calculated by reference to the enhanced value of the assets concerned. All other repairs and maintenance costs are charged to the profit and loss account during the financial period in which they are incurred.

Freehold land and capital work-in-progress are not depreciated. Depreciation is calculated on assets and equipment on the straight line basis to write down the cost of each asset to its residual value over its estimated useful life. No depreciation is charged on fixed assets until they are brought into use.

The principal annual rates used for this purpose, which are consistent with those for the previous years, are as follows:

Buildings	1% or over the lease period
Motor Vehicles	20%
Office Furniture & Equipment	12.5%
Computer equipment	12.5%

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposal of assets are determined by comparing proceeds with their carrying amounts.

### 14 Deferred acquisition expenses

Acquisition costs comprise insurance commissions, brokerage and other related expenses arising from the generation and conclusion of insurance contracts. The proportion of acquisition costs that correspond to the unearned premiums are deferred as asset and transferred into the following period subject to the contract term of the risk period.

### 15 Investments

Investments comprise equity investments, term deposits and fixed and floating rate debt instruments. At the initial recognition of an investment, management determines its classification in accordance with the Statement of Accounting Standard (SAS 13) on accounting for investments which is dependent on the purpose for which the investment was acquired, and re-evaluates that classification at every reporting date. Investments are classified as follows:

#### Short-term investments

An investment is classified into this category at inception if acquired principally on temporary basis for a period not more than one year. Such investments can be converted into cash when current financing needs make it desirable, or if it forms part of a portfolio of financial assets in which there is evidence of short-term profit making. Short-term investments are valued at lower of cost or net realizable value.

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## Accounting Policies

### II Long-term investments

Long-term investments relate to funds employed in investments over a long-period of time to earn income. These are investments other than short-term investments.

### III Quoted investments

Quoted investments are stated at market value at the balance sheet date, as provided by Section 24(13)(b) of the Insurance Act 2003. The excess of the market value over the cost at the balance sheet date is taken to a 'Quoted Investment Revaluation Reserve' account, while unrealized diminution due to a decrease in the carrying value is recognized in the revaluation reserve account to the extent that a previous gain is offset, otherwise, it is recognized in the profit and loss account.

### IV Unquoted investments

These are stated at cost. Where in the opinion of the Directors the value of any unquoted investment falls below its cost, an appropriate provision for the diminution in value thereof is charged against the profit and loss account of the relevant period. Investments in unquoted companies are classified as long-term investments and are carried at cost.

### 16 Investment income

Investment income comprises interest income earned on short-term deposits, rental income and income earned on trading of securities. Investment income is accounted for on an accrual basis.

### 17 Dividend income

Dividend is recognized as earned when the quoted price of the related security is adjusted to reflect the value of the dividend or when declared in case of unquoted investment and is stated net of withholding tax. Scrip dividend (bonus share) is not recognized in the profit and loss account.

### 18 Debtors

Debtors are stated at cost after writing off bad debts and deducting provision made for other specific debts considered doubtful of recovery. An allowance for specific debt is established when there is objective evidence that the company will not be able to collect all the amounts due according to the original terms of the receivables.

General allowance for outstanding premium on expired portion of the risk is made as follows:

Period outstanding	% allowance required
Up to 3 months	Nil
3 - 6 months	50%
Above 6 months	100%

Bad debts are written off to the profit and loss account when the extent of the loss has been determined.

### 19 Foreign currency transactions

Foreign currency transactions are converted into the local 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 period exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit and loss account.

### 20 Taxation

Income tax expenses/credits are recognized in the profit and loss account. Current income tax is the expected tax payable on the taxable income for the period using the statutory tax rate at the balance sheet date.

## Accounting Policies

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### 22 Retirement benefit obligations

#### Pension costs

The company operates a defined contributory retirement benefit scheme as stipulated in the Pension Reforms Act 2004. Under the defined contribution scheme, the company pays fixed contributions to Pension Fund Administrators; employees also pay a fixed percentage to the same entity. Once the contributions have been paid, the company retains no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to finance benefits accruing under the retirement benefit plan.

#### Gratuities

The company also maintains a funded gratuity scheme for the majority of its employees based on the employee's years of service. The company annual contribution of 5% of their pensionable emoluments is charged to the profit and loss account.

### 23 Dividends

Dividends distribution to the company's shareholders is recognized as a liability in the financial statements in the period in which the dividend is approved by the company's shareholders. Dividends that are proposed but not yet declared are disclosed in the notes to the financial statements.

### 24 Provisions

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

### 25 Business combination

The old Kapital Insurance Company Limited acquired the entire business of, and merged with Inter-Continental Assurance Company Limited and Global Commerce & General Insurance limited, under an acquisition agreement effective 14 March 2007.

### 26 Goodwill

Goodwill arising on business combination, which represents excess of acquisition cost over the net assets of the acquired entities, is measured at cost less accumulated impairment losses. The recoverable amount of goodwill is estimated at each reporting date.

An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds the recoverable amount. The recoverable amount of an asset or a cash generating unit is the greater of its value in use and its fair value less costs to sell. An impairment loss recognized in prior periods in respect of goodwill is not reversed.

### 27 Other debtors and prepayments

Receivables, commercial loans and other sundry debtors are stated at cost. Prepayments are stated at cost less accumulated amortization.

Allowances and write offs are recognized when a receivable is deemed not collectable based on the original terms of the contracts. Subsequent recoveries are credited to the income statement.

### 28 Earnings per share

The company presents basic earnings per share for its ordinary shares. Basic earnings per share are calculated by dividing the profit attributable to ordinary shareholders of the company by the number of shares outstanding during the period.

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## Accounting Policies

### 29 Intangible assets

Software acquired by the company is stated at cost less accumulated amortisation and accumulated impairment losses.

Expenditure on internally developed software is recognised as an asset when the company is able to demonstrate its intention and ability to complete the development and the use the software in a manner that will generate future economic benefits, and can reliably measure the costs to complete the development. The capitalised costs of internally developed software include all costs directly attributable to developing the software, and are amortized over its useful life. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is recognised 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 estimated useful life of software is 3 to 5 years.

Amortisation method, useful lives, and residual values are reviewed at each financial year-end and adjusted if appropriate.





## Balance Sheet

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### UNITYKAPITAL ASSURANCE PLC BALANCE SHEET AS AT 31 DECEMBER 2011

	Note	2011 N'000	2010 N'000
<b>Assets:</b>			
Cash and bank balances	5	140,730	146,360
Short-term investments	8	4,599,694	5,809,331
Underwriting debtors	6	672,831	122,233
Other debtors and prepayments	7	404,081	322,055
Long-term investments	9	1,537,239	396,307
Stock of stationeries		39,311	17,798
Statutory deposits	10	355,000	355,000
Deferred commission		40,832	26,080
Property, plant and equipment	12	1,669,429	1,602,909
Intangible assets	13	58,548	72,479
Goodwill	11	7,996	7,996
		<u>9,443,699</u>	<u>8,878,528</u>
<b>Liabilities</b>			
<i>Due within one year:</i>			
Creditors and accruals	14	99,190	41,391
Life insurance fund (in abeyance)	28	131,480	131,480
Taxation	15	51,017	44,240
Deferred taxation	16	299,875	299,875
Insurance funds	17	409,550	333,530
		<u>990,892</u>	<u>850,296</u>
<i>Due after more than one year:</i>			
Staff gratuity fund	18	37,338	26,887
<b>Total Liabilities</b>		<u>1,028,230</u>	<u>876,983</u>
<b>Net Assets</b>		<u>8,415,459</u>	<u>8,001,545</u>
<b>Financed by:</b>			
Share capital	19	6,500,000	6,500,000
Share premium	20	1,096,933	1,096,933
Revaluation reserve	21	402,501	402,501
Contingency reserve	23	283,883	201,100
Retained earnings	24	132,142	(188,989)
<b>Shareholders' funds</b>		<u>8,415,459</u>	<u>8,001,545</u>

The financial statements were approved by the Board of Directors  
on 28 May 2012 and signed on its behalf by:



Executive Director/CFO



Managing Director/CEO



Chairman

The statement of significant accounting policies and the accompanying notes to the account form an integral part of these financial statements

# Accounts





## Profit and Loss Accounts

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 N'000	2010 N'000
Gross premium earned		1,733,212	868,741
Outward premium less prepaid Insurance		(179,192)	(123,723)
Net premium earned		1,554,020	745,018
Commission Received		16,590	8,084
<b>Total Operating Income</b>		<b>1,570,610</b>	<b>753,102</b>
Net claims incurred		(103,054)	(48,942)
Commission paid		(232,427)	(90,841)
<b>Underwriting profit</b>		<b>1,235,129</b>	<b>613,319</b>
Investment income	1	419,872	529,586
Sundry income	2	10,758	8,944
<b>Net Operating Income</b>		<b>1,665,759</b>	<b>1,151,849</b>
Management expenses	3	(1,083,418)	(922,439)
Allowance for bad and doubtful balances	4.1	(68,159)	(190,484)
Allowance for liability due on defunct life fund		-	(32,375)
<b>Profit before tax</b>		<b>514,182</b>	<b>5,551</b>
Current taxation	15	(95,126)	(75,208)
Deferred taxation	16	-	(120,512)
Information technology levy	14	(5,142)	(65)
<b>Profit/(Loss) after tax</b>		<b>413,914</b>	<b>(190,234)</b>
Reserve for contingency	23	(82,783)	(28,062)
Transfer to retained earnings	24	331,131	(216,296)
<b>Earnings per share (In kobo) -basic</b>		<b>3.18</b>	<b>(1.46)</b>

The statement of significant accounting policies and the accompanying notes to the account form an integral part of these financial statements

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## Revenue Account

### UNDERWRITING REVENUE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 N'000	2010 N'000
<b>INCOME</b>		
Direct premium	204,370	920,086
Inward premium	336	20,970
Gross premium written	204,706	941,056
(Increase)/Decrease in provision for		
unexpired risks	(55,610)	(72,327)
Gross premium earned	149,096	868,741
Outward premium	(638)	(159,711)
Prepaid reinsurance	27	36,088
Net Premium earned	148,485	745,018
Commission Received	31	8,084
<b>TOTAL OPERATING INCOME</b>	<b>148,491</b>	<b>753,102</b>
<b>Claims Expenses</b>		
Gross claims paid	70,572	167,913
Increase/(Decrease) in provision for		
outstanding claims	(5,347)	(80,782)
Gross claims incurred	65,225	87,121
Reinsurance claims recoveries	(28)	(36,179)
Net claims incurred	65,197	49,942
<b>Underwriting Expenses</b>		
Acquisition cost	12,490	28,454
Maintenance cost	23,178	61,387
	35,668	90,841
<b>TOTAL DIRECT EXPENSES</b>	<b>100,865</b>	<b>138,783</b>
<b>UNDERWRITING RESULTS:</b>		
2011	<b>47,626</b>	<b>1,235,129</b>
2010	<b>93,922</b>	<b>613,319</b>

The statement of significant accounting policies and the accompanying notes to the account form an integral part of these financial statements

## Statement of CashFlows

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 N'000	2010 N'000
<b>Cash Flow From Operating Activities.</b>			
Premium received from policy holders		1,871,899	941,068
Reinsurance receipts in respect of claims		538	38,179
Other operating cash receipts		24,617	17,028
Cash paid to and on behalf of employees		(582,702)	(455,437)
Reinsurance premium paid		(214,622)	(159,711)
Claims paid		(166,058)	(167,913)
Other operating cash payments		(1,241,750)	(672,967)
Company Income tax paid	15	(88,349)	(136,139)
<b>Net Cash Flow From Operating Activities</b>	25	<b>(396,627)</b>	<b>(152,830)</b>
<b>Cash Flow From Investing Activities</b>			
Purchase of property, equipment & intangible assets	12 & 13	(160,719)	(110,422)
Purchase of Investments	9	(1,003,740)	(106,716)
Proceeds from sale of property & equipment		10,163	24
Investment Income	1	419,872	529,586
<b>Net Cash Flow From Investing Activities</b>		<b>(734,424)</b>	<b>312,472</b>
<b>Cash Flow From Financing Activities</b>			
Increase / Decrease in bank overdraft		-	14,984
<b>Net Cash Flow From Financing Activities</b>		<b>-</b>	<b>14,984</b>
<b>Net Increase in Cash And Cash Equivalents</b>		<b>(1,131,051)</b>	<b>346,606</b>
<b>Cash &amp; Cash Equivalents At 1 January:</b>		<b>5,671,781</b>	<b>5,325,175</b>
<b>Cash &amp; Cash Equivalents At 31 December</b>		<b>4,540,730</b>	<b>5,671,781</b>
<b>Cash and Cash Equivalents is represented by:</b>			
Bank and cash balances	5	140,730	146,360
Bank deposits	8b	4,400,000	5,525,421
		<b>4,540,730</b>	<b>5,671,781</b>

*The statement of significant accounting policies and the accompanying notes to the account form an integral part of these financial statements*

## Notes to the Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

#### 1 INVESTMENT INCOME

	2011 N'000	2010 N'000
Dividend received	7,203	69,572
Interest received from:		
Term deposits	385,809	452,829
Statutory deposits	26,860	7,185
	<b>419,872</b>	<b>529,586</b>

#### 2 SUNDRY INCOME

	2011 N'000	2010 N'000
Profit on Disposal of Assets	2,731	-
Other Income	8,027	8,944
	<b>10,758</b>	<b>8,944</b>

#### 3 MANAGEMENT EXPENSES

	2011 N'000	2010 N'000
Staff Cost	582,702	455,437
Depreciation and amortisation	82,700	96,126
Loss on disposal of fixed assets	-	2,115
Exchange loss	7,189	8,166
Audit fees	7,500	5,000
Marketing & advertisement	25,550	48,498
General expenses	377,777	307,097
	<b>1,083,418</b>	<b>922,439</b>

## Notes to the Financial Statements

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 N'000	2010 N'000
<b>4 ALLOWANCE FOR DOUBTFUL ACCOUNTS</b>		
<b>4.1 Per profit and loss account</b>		
<i>i Underwriting debtors and other debtors</i>		
Underwriting debtors	122,193	8,216
Staff loans	-	1,388
Other debtors & prepaid expenses written back	(981)	(30,022)
	<u>121,211</u>	<u>(20,418)</u>
<i>ii Allowance for bank balance no longer required</i>	-	(6,424)
<i>iii Quoted and unquoted investments</i>		
Allowance (written back)/charged for the year	(53,053)	217,326
	<u>(53,053)</u>	<u>217,326</u>
<b>Total Allowance charged for the period</b>	<b>68,159</b>	<b>190,484</b>
<b>4.2 Underwriting debtors</b>		
At 1 January	557,368	590,518
Debts written-off	(193,007)	(41,366)
Allowance charged for the year (Note 4.1i)	122,193	8,216
At 31 December	<u>486,554</u>	<u>557,368</u>
<b>4.3 Other debtors and prepayments</b>		
At 1 January	27,640	56,274
Allowance (written back) in the year (Note 4.1i)	(981)	(28,634)
At 31 December	<u>26,658</u>	<u>27,640</u>
<b>4.4 Short term investments - placements</b>		
At 1 January	1,283	1,283
At 31 December	<u>1,283</u>	<u>1,283</u>
<b>4.5 Quoted and unquoted investments</b>		
At 1 January	340,782	133,517
4.1iii)	(53,053)	(10,061)
Allowance charged for the year (Note 4.1iii)	-	217,326
At 31 December	<u>287,729</u>	<u>340,782</u>
<b>4.5 i Breakdown of balance in Note 4.5 is as follows:</b>		
Quoted short-term investment	104,173	20,034
Unquoted long-term investment	6,324	6,324
Quoted long-term investment	<u>177,232</u>	<u>314,424</u>
	<u>287,729</u>	<u>340,782</u>

## Notes to the Financial Statements

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 N'000	2010 N'000
<b>5 CASH &amp; BANK BALANCES</b>		
Current accounts	139,750	71,322
Domiciliary accounts	-	74,048
Cash balances	980	992
	<u>140,730</u>	<u>146,360</u>
<b>6 UNDERWRITING DEBTORS</b>		
Underwriting Debtors	1,059,385	679,601
Allowance for doubtful debt (Note 4.2)	(486,554)	(557,368)
	<u>572,831</u>	<u>122,233</u>
<b>7 OTHER DEBTORS &amp; PREPAYMENTS</b>		
Staff debtors	55,732	64,535
Prepaid reinsurance	35,430	35,988
Claims / Commission receivable	19,337	18,953
Deposits for investments	118,004	121,972
Prepayments and interest receivable	202,236	108,247
	<u>430,739</u>	<u>349,695</u>
Allowance for doubtful accounts (Note 4.3)	(28,858)	(27,640)
	<u>404,091</u>	<u>322,055</u>
<b>8 SHORT-TERM INVESTMENTS</b>		
<b>1a Quoted short-term investment</b>		
Cost:		
At January 1	303,944	169,433
Movement in the year	(77)	144,511
At 31 December	<u>303,867</u>	<u>303,944</u>
Market Value Reserve :		
At 1 January	(20,034)	10,061
Movement in the year	(84,139)	(30,095)
At 31 December (Note 4.5i)	<u>(104,173)</u>	<u>(20,034)</u>
Investment value on cost at 31 December	<u>199,694</u>	<u>283,910</u>
<b>1b Placements</b>		
Short term deposit	4,401,283	4,826,704
Commercial papers	-	900,000
	<u>4,401,283</u>	<u>5,526,704</u>
Less provision for doubtful deposits (Note 4.4)	(1,283)	(1,283)
	<u>4,400,000</u>	<u>5,525,421</u>
<b>Total short term investments</b>	<b>4,599,694</b>	<b>5,809,331</b>
<b>8.2 In compliance with Section 19(3) of Insurance Act 2003, the short-term investment is financed as follows:</b>		
Financed by insurance fund	409,550	333,530
Financed by other funds	4,190,144	5,475,801
<b>Total short term investments</b>	<b>4,599,694</b>	<b>5,809,331</b>



## Notes to the Financial Statements

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 N'000	2010 N'000
<b>9 LONG-TERM INVESTMENTS</b>		
<b>a Unquoted</b>		
Nig. Oil & Energy Ins. Pool	6,825	6,825
Central Security Clearing system	525	525
Nigeria Liability Pool	437	437
Indemnity Finance Limited	6,324	6,324
NIA Fac Reins. Clearing House	25	25
Jatz International Bank Plc	1,000	1,000
Integrated services Limited	161	161
Unity Kapital Life Limited	35,111	35,111
FUG Pensions Limited	660,000	-
Health Care Service Limited	166,300	-
West African Insurance Companies Association	722	-
	<u>877,430</u>	<u>50,408</u>
Diminution in the value of investment (Note 4.5i)	(8,324)	(6,324)
	<u>871,106</u>	<u>44,084</u>
<b>b Quoted long-term investment</b>		
Goldlink Insurance Plc:		
Cost at January 1	666,647	561,066
Addition during the year	176,718	105,581
Cost at December 31	<u>843,365</u>	<u>666,647</u>
Diminution in market value at January 1	(314,424)	(127,193)
Appreciation / (diminution) in market value during the year	137,192	(167,231)
Diminution in market value at December 31 (Note 4.5i)	<u>(177,232)</u>	<u>(314,424)</u>
Market value of quoted investment at December 31	<u>666,133</u>	<u>352,223</u>
<b>Total Long-Term Unquoted and Quoted Investments</b>	<u><b>1,537,239</b></u>	<u><b>396,307</b></u>
<b>10 STATUTORY DEPOSITS</b>	<u><b>355,000</b></u>	<u><b>355,000</b></u>
This represents the amount deposited with Central Bank of Nigeria as required by Insurance Laws		
<b>11 GOODWILL</b>		
At the beginning and end of the year	<u><b>7,996</b></u>	<u><b>7,996</b></u>

This represents the excess of the purchase consideration over the fair value of the aggregate net assets of the legacy companies acquired i.e. Intercontinental Assurance Company Limited and Global Commerce & General Insurance Limited in March 2007. Goodwill arising on the business combination has been subjected to tests for impairment in accordance with the provision of the Statement of Accounting Standards (SAS) 26 as at 31 December 2011 by the Directors and found not to be impaired.

## Notes to the Financial Statements

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

#### 12 PROPERTY, PLANT AND EQUIPMENT

	Land & Buildings N'000	Office & Computer Equipment N'000	Motor Vehicles N'000	Office Furniture & Fittings N'000	Capital Work In Progress N'000	Total N'000
<b>Cost/Valuation</b>						
At 1 January	1,457,848	98,412	232,823	137,821	-	1,926,904
Reclassification	-	12,651	-	(12,651)	-	-
Additions	-	12,778	17,855	(4,953)	128,823	154,503
Disposals	-	(17,354)	(35,353)	(20,660)	-	(73,387)
At 31 December	<u>1,457,848</u>	<u>106,487</u>	<u>215,325</u>	<u>99,537</u>	<u>128,823</u>	<u>2,008,020</u>
<b>Depreciation</b>						
At 1 January	68,584	45,860	141,815	67,736	-	323,995
Charges for the year	15,056	535	34,863	10,097	-	60,551
Reclassification	-	2,194	-	(2,194)	-	-
Eliminated on disposals	-	(17,354)	(27,911)	(20,660)	-	(65,955)
At 31 December	<u>83,640</u>	<u>31,235</u>	<u>148,767</u>	<u>54,949</u>	<u>-</u>	<u>318,591</u>
<b>Net Book Value</b>						
At 31 December, 2011	<u>1,374,208</u>	<u>75,252</u>	<u>66,558</u>	<u>44,588</u>	<u>128,823</u>	<u>1,689,429</u>
At 31 December, 2010						
As restated (Note 34i)	<u>1,369,264</u>	<u>52,552</u>	<u>91,008</u>	<u>70,065</u>	<u>-</u>	<u>1,602,909</u>

i Certain buildings were revalued in 2008 by Messrs Jide Taiwo & Co (estate surveyors & valuer) and Ferguson Ukarachio & Co on open market basis and included in the accounts for the year then ended 31 December 2008. The surplus that arose from the valuation have been treated in revaluation reserve as at that date. Subsequent additions are stated at cost.

ii Capital Work-in-Progress is in respect of remodification of a owned property in Lagos

#### 13 INTANGIBLE ASSETS

The company adopted Statement of Accounting Standards 31: On Intangible Assets, which became operative for financial statements covering periods beginning on or after 1 January 2011. As a result, the carrying amount of the cost of its acquired software, which does not form part of a related hardware and previously classified as Office and Computer Equipment, was reclassified to intangible assets. The movement on intangible asset account during the year was as follows:

	2011 N'000
<b>Computer Software</b>	
<b>Cost:</b>	
At 1 January 2011 (Note 34i)	96,842
Additions during the year	6,216
At 31 December 2011	<u>105,058</u>
<b>Accumulated Amortisation:</b>	
At 1 January 2011 (Note 34i)	26,363
Additions during the year	22,149
At 31 December 2011	<u>48,512</u>
<b>Net book Value:</b>	
At 31 December 2011	<u>56,546</u>
At 31 December 2010	<u>72,479</u>

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 N'000	2010 N'000
<b>14 CREDITORS &amp; ACCRUALS</b>		
Reinsurance & co-insurance premium	25,040	4,978
Information technology levy	5,142	65
Sundry creditors	61,508	31,348
Accruals	7,500	5,000
	<u>98,190</u>	<u>41,391</u>
<b>15 TAXATION</b>		
Company income tax	43,994	41,656
Education tax	6,861	2,584
Under/(over) provision in prior years	44,271	31,968
<i>Per Profit and Loss Account</i>	<u>95,126</u>	<u>76,208</u>
Balance at the beginning of the year	44,240	104,171
Payments during the year	(88,349)	(138,139)
<i>Per Balance Sheet</i>	<u>51,017</u>	<u>44,240</u>
<b>16 DEFERRED TAX</b>		
At 1 January	299,675	179,163
Charge for the year	-	120,512
At 31 December	<u>299,675</u>	<u>299,675</u>
<b>17 INSURANCE FUNDS</b>		
<i>[a] Provision For Outstanding Claims</i>		
Motor Insurance	671	1,065
Fire Insurance	72	5,419
General accident Insurance	16,688	29,515
Oil and gas	26,966	70,864
	<u>44,397</u>	<u>106,863</u>
<i>[b] Reserve For Unexpired Risks :</i>		
Motor Insurance	113,257	161,980
Fire insurance	73,715	18,105
General accident Insurance	72,897	30,276
Marine Insurance	56,893	9,110
Bond	3,994	78
Engineering	37,636	4,614
Aviation	411	-
Oil and gas	6,350	2,504
	<u>365,153</u>	<u>226,667</u>
	<u>409,550</u>	<u>333,530</u>

[c] The investment in respect of this insurance funds is as stated in Note 8.2

## Notes to the Financial Statements

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 N'000	2010 N'000
<b>18 STAFF GRATUITY</b>		
At 1 January	26,887	15,374
Charge for the year (Note 18.(i))	10,651	11,313
At 31 December	<u>37,538</u>	<u>26,687</u>
(i) The company operate a funded staff gratuity scheme in which 6% of staff monthly basic salary, housing and transport allowances are paid into an independent fund outside the company.		
<b>19 SHARE CAPITAL</b>		
<i>Authorised</i>		
14 billion Ordinary Shares of 50 Kobo each.	<u>7,000,000</u>	<u>7,000,000</u>
<i>Issued and Fully Paid</i>		
At 1 January	6,500,000	6,175,000
Bonus shares issued from share premium during the year	-	325,000
At 31 December	<u>6,500,000</u>	<u>6,500,000</u>
<b>20 SHARE PREMIUM</b>		
At 1 January	1,096,933	1,421,933
Transfer to share capital	-	(325,000)
At 31 December	<u>1,096,933</u>	<u>1,096,933</u>
<b>21 ASSETS REVALUATION RESERVE</b>		
At 1, January	402,501	402,501
At 31 December	<u>402,501</u>	<u>402,501</u>
<b>22 QUOTED INVESTMENT REVALUATION RESERVE</b>		
At 1 January	-	-
Decrease in market value of short term investments (Note 8a)	(84,139)	(30,085)
Appreciation / (Decrease) in market value of long term investments (Note 9b)	137,192	(187,231)
Transferred to allowance for quoted investments [Note 4(1)]	(53,053)	217,326
At 31 December	<u>-</u>	<u>-</u>
<b>23 STATUTORY CONTINGENCY RESERVE</b>		
At 1 January	201,100	175,038
Charge for the year	82,783	26,082
At 31 December	<u>283,883</u>	<u>201,100</u>

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010 N'000
<b>24 RETAINED EARNINGS</b>		
At 1 January	(198,989)	17,307
Transferred from profit and loss account	331,131	(216,296)
At 31 December	<u>132,142</u>	<u>(198,989)</u>

24 (i) The Directors propose that a cash dividend of one kobo per ordinary share will be paid out of retained earnings and a scrip dividend of 1 bonus share for every 15 ordinary shares will be given out of share premium account to shareholders in respect of the current year. (2010: nil). The dividends are subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements in compliance with Statement of Accounting Standard no 23. Both cash and scrip dividends are payable to all shareholders on the Register of Members as at closure date while the cash dividend is subject to a withholding tax at the appropriate rate. The total estimated cash dividend to be paid is N130million (2010:nil) and the total estimated bonus share to be given is 866.7 million ordinary shares of 50 kobo each amounting to N433.3 million (2010:nil).

### 25 RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2011	2010 N'000
Profit/(loss) after taxation	413,814	(190,234)
<i>Adjustments to reconcile profit/(loss) to net cashflow from operating activities:</i>		
Depreciation and amortisation	82,700	96,126
(Profit)/loss on disposal of property and equipment	(2,731)	2,115
Allowance for doubtful accounts	68,159	190,484
Exchange loss	7,189	8,166
Investment income	(419,872)	(529,586)
Change in underwriting & other debtors and prepayments	(560,746)	509,217
Change in deferred commission	(14,772)	20,853
Change in stocks	(21,513)	(5,604)
Tax paid	(88,349)	(136,139)
Increase in staff retirement benefit	10,851	11,313
(Decrease)/Increase in creditors and accruals	52,722	(120,876)
(Decrease)/Increase in insurance funds	76,020	(8,485)
<b>Cash flow from operating activities</b>	<u>(396,828)</u>	<u>(162,830)</u>

### 25II NON-CASH INVESTING AND FINANCING ACTIVITIES

Buildings	-	31,500
Short-term quoted investments	-	143,376
Creditors	-	(34,126)
	<u>-</u>	<u>140,750</u>

### 26 LIFE INSURANCE FUND (IN ABEYANCE)

At 31 December	<u>131,460</u>	<u>131,460</u>
----------------	----------------	----------------

Life fund arose from the pre-2007 life business of the old Kapital Insurance Company Limited kept in abeyance pending transfer to a life assurance company. The balance is as determined by actuarial valuation of the life insurance fund which was done by Alexander Forbes Consulting Actuaries Nigeria Limited as at 31 December 2008.

## Notes to the Financial Statements

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 N'000	2010 N'000
<b>27 DIRECTORS REMUNERATION</b>		
The remuneration paid to the Directors of the company were:		
Fees	9,118	7,680
Allowances	31,268	28,484
	<u>40,386</u>	<u>36,164</u>
Chairman's Emolument	<u>4,660</u>	<u>4,440</u>
Emolument of the highest paid Director	<u>13,812</u>	<u>15,962</u>

### 28 EMPLOYEES

#### I. Employees remunerated at higher rates:

The number of employees excluding directors in receipt of annual emoluments excluding pension contributions within the following ranges were:

	N	Number	Number
Below	1,000,000	42	31
1,000,001 -	3,000,000	128	123
3,000,001 -	5,000,000	14	12
5,000,001 -	8,000,000	7	9
8,000,001 -	10,000,000	1	3
Above	10,000,000	1	-
		193	178

#### II. The related staff costs were:

	N'000	N'000
Staff costs	419,564	444,124
Staff pension and gratuities	10,651	11,313
Superannuation paid to directors	152,487	-
	<u>582,702</u>	<u>455,437</u>

### 29 RELATED PARTY TRANSACTIONS

The Company underwrote, in the ordinary course of business, insurance policies in favour of its major shareholder, Unity Bank Plc. Premium written during the year amounted to N513.832 million (2010 : N125.117 million).

### 30 CONTINGENT LIABILITIES - CLAIMS AND LITIGATIONS

There were claims and litigations against the company as at 31 December 2011 amounting to N1,030,200,000 (2010: N49,619,052). These claims include a N1 billion suit instituted against the owner of a property that the company acquired and to which the company is a joined party. However the Directors are of the opinion that none of the cases is likely to have a material adverse effect on the company.



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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

#### 31(I) AGE ANALYSIS OF OUTSTANDING UNDERWRITING DEBTORS

Outstanding underwriting debt per claimant		Total outstanding debt			
		0 - 90 days	91 - 180 days	Over 180 days	Total
		N'000	N'000	N'000	N'000
Below 500,000		8,612	3,731	16,087	28,630
500,001 - 1,500,000		20,979	5,818	31,606	58,403
1,500,001 - 5,000,000		58,231	7,317	54,690	118,238
5,000,001 - 10,000,000		27,038	7,414	72,783	107,215
10,000,001 - 25,000,000		60,880	3,149	60,871	124,900
Above 25,000,000		343,396	81,562	196,041	620,999
<b>Grand total</b>		<b>518,336</b>	<b>105,991</b>	<b>432,058</b>	<b>1,059,385</b>
Provision rate		0%	50%	100%	
Provision amount		-	54,496	432,058	486,554

31(II) The amount of outstanding premium received after year end till 30 April 2012 is N71.79 million

#### 32 AGE ANALYSIS OF OUTSTANDING CLAIMS

Outstanding claims per claimant		Total outstanding claims			
		0 - 90 days	91 - 180 days	180 - 270 days	over 365 days
		N'000	N'000	N'000	N'000
Below 250,000		165			99
250,001 - 500,000					1,884
500,001 - 1,500,000		788			6,771
1,500,001 - 2,500,000					4,365
2,500,001 - 5,000,000				3,344	4,820
Above 5,000,000					18,145
<b>Total</b>		<b>953</b>	<b>-</b>	<b>3,344</b>	<b>38,064</b>
10 % IBNR Provision		95	-	334	3,608
<b>Grand Total</b>		<b>1,048</b>	<b>-</b>	<b>3,678</b>	<b>44,398</b>

#### 33 CONTRAVENTIONS AND PENALTIES PAID

Penalty for unauthorised publication of Managing Director's appointment - N230,202

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## Notes to the Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

#### 34 COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year as disclosed below:

#### 34 i Reclassification of Property, Plant and Equipment prior year comparative

This is the first set of financial statements after the Implementation of the Statement of Accounting Standards number 31: On Intangible Assets, which became effective for annual periods beginning on or after 1 January 2011. The Implementation of the accounting policy resulted to a reclassification of computer software from Property, Plant & Equipment (Note 12). The impact of this is shown below:

	2011 N'000
<b>Cost:</b>	
Opening balance as previously stated	2,025,746
Reclassification to intangible assets	(98,842)
Opening balance as re-stated	<u>1,926,904</u>
<b>Accumulated Depreciation:</b>	
Opening balance as previously stated	350,358
Reclassification to intangible assets	(28,363)
Opening balance as re-stated	<u>323,995</u>
<b>Net Book Value:</b>	
Opening balance as previously stated	<u>1,675,388</u>
Opening balance as re-stated	<u>1,602,909</u>

#### 35 APPROVAL BY THE BOARD

The financial statements were approved by the Board of Directors of the company on 28 May 2012

## Value Added Statements

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### STATEMENT OF VALUE ADDED YEAR ENDED 31 DECEMBER 2011

	2011 N'000	%	2010 N'000	%
Premium income	1,733,212		868,741	
Other income	430,630		538,530	
	<u>2,163,842</u>		<u>1,407,271</u>	
Less cost of service	<u>(989,400)</u>		<u>(849,222)</u>	
<b>Value added</b>	<b><u>1,174,442</u></b>	<b><u>100</u></b>	<b><u>558,049</u></b>	<b><u>100</u></b>
<b>DISTRIBUTED AS FOLLOWS:</b>				
<b>EMPLOYEES</b>				
Salaries and wages	582,702	50	455,437	82
<b>ASSET REPLACEMENT</b>				
Depreciation	82,700	7	96,126	17
<b>GOVERNMENT</b>				
Current taxation	95,126	8	76,208	14
<b>RETAINED FOR BUSINESS EXPANSION</b>				
Contingency reserve	82,783	7	28,082	5
Deferred taxation	-	-	120,512	22
Retained (loss)/profit for the year	<u>331,131</u>	<u>28</u>	<u>(216,296)</u>	<u>(40)</u>
	<b><u>1,174,442</u></b>	<b><u>100</u></b>	<b><u>558,049</u></b>	<b><u>100</u></b>

Value added is the additional wealth the company has been able to create by its own and its employees' efforts. This statement shows the allocation of that wealth between employees, finance providers, government and that retained for the future creation of more wealth or for amortisation.

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### FIVE-YEAR FINANCIAL SUMMARY

#### YEAR ENDED:

#### Assets Employed

	2011 N'000	2010 N'000	2009 N'000	2008 N'000	2007 N'000
Current assets	7,889,718	7,195,144	7,355,021	7,298,317	3,393,436
Goodwill	7,996	7,996	7,996	7,996	7,996
Property, equipment and intangible assets	<u>1,745,975</u>	<u>1,675,388</u>	<u>1,631,731</u>	<u>1,588,780</u>	<u>497,498</u>
	<u>9,443,689</u>	<u>8,878,528</u>	<u>8,994,749</u>	<u>8,895,093</u>	<u>3,898,930</u>

#### Less creditors

#### Net assets

#### Financed By:

Share capital	6,500,000	6,500,000	6,175,000	6,175,000	3,311,170
Bonus shares reserve	-	-	-	-	195,063
Share premium	1,096,933	1,096,933	1,421,933	1,421,933	-
Revaluation surplus account	402,501	402,501	402,501	402,501	99,427
Investment reserve	-	-	-	76,353	-
Contingency reserve	283,883	201,100	175,038	134,665	96,007
Profit and loss account	<u>132,142</u>	<u>(198,989)</u>	<u>17,307</u>	<u>(54,380)</u>	<u>(152,840)</u>
	<u>8,415,458</u>	<u>8,001,545</u>	<u>8,191,779</u>	<u>8,156,072</u>	<u>3,548,827</u>


#### OPERATIONS

Gross premium earned	<u>1,733,212</u>	<u>868,741</u>	<u>1,345,800</u>	<u>639,246</u>	<u>622,542</u>
Underwriting profit	1,235,129	613,319	892,668	261,576	512,067
Investment and other income	430,630	538,530	949,451	672,411	94,887
Provisions	(68,159)	(190,484)	(433,722)	(117,502)	(125,121)
Exceptional items	-	(32,375)	(84,718)	(84,718)	(126,871)
Less management expenses	<u>(1,083,418)</u>	<u>(922,439)</u>	<u>(988,050)</u>	<u>(538,482)</u>	<u>(442,627)</u>
<b>Profit/(Loss) before taxation</b>	<b>514,182</b>	<b>6,551</b>	<b>334,629</b>	<b>193,285</b>	<b>(87,865)</b>
Current taxation and Infotech levy	(100,268)	(76,273)	(118,826)	798	(19,224)
Deferred taxation	-	(120,512)	(103,742)	(56,966)	-
Transfer to contingency reserve	<u>(82,783)</u>	<u>(26,062)</u>	<u>(40,374)</u>	<u>(38,657)</u>	<u>(18,876)</u>
<b>Profit/(loss) for the period</b>	<b>331,131</b>	<b>(216,296)</b>	<b>71,687</b>	<b>98,481</b>	<b>(125,765)</b>
<b>(Loss)/Profit brought forward</b>	<b><u>(198,989)</u></b>	<b><u>17,307</u></b>	<b><u>(54,380)</u></b>	<b><u>(152,841)</u></b>	<b><u>(27,076)</u></b>
<b>Retained profit / (loss)</b>	<b><u>132,142</u></b>	<b><u>(198,989)</u></b>	<b><u>17,307</u></b>	<b><u>(54,380)</u></b>	<b><u>(152,841)</u></b>
<b>(LOSS)/EARNINGS PER SHARE (kobo)</b>	<b>3.18</b>	<b>(1.48)</b>	<b>0.91</b>	<b>1.23</b>	<b>0.06</b>




# Branch Network


Values that make us **TRUSTWORTHY**



**Responsibility**



We will act responsibly as individuals and as a company. This applies to the management of our business, our approach to corporate risk and our interaction with all stakeholders.



**UnityCapital**  
insurance plc  
No. 1198  
a limited liability company

REGISTERED HEAD OFFICE: Plot 497 Akoka Layana Street, Off Cambridge in Lagos State  
P.O. Box 13253, Wuse II, Abuja, FCT 900211. Tel: 09-661 9900, Fax: 09-661 9901, www.unitycapital.com



ADDRESS OF OUR BRANCHES/ZONAL OFFICES NATIONWIDE  
AND THE BRANCH/ZONAL HEADS

## HEAD OFFICE ADDRESS:

Plot 497, Abogo Largema Street, Off Constitution Avenue,  
Central Business District, P.M.B  
13233 Wuse, Abuja, FCT-Nigeria 900211.

Website: [www.unitycapital.com](http://www.unitycapital.com) email: [info@unitycapital.com](mailto:info@unitycapital.com)

Customer Satisfaction Number (24 Hours): 0802-326-4627

## BRANCH/ZONAL OFFICE ADDRESSES:

## HEAD OFFICE ZONE

1. Abuja Zonal Office  
3rd Floor, Left Wing, UnityCapital Assurance Plc, Plot  
497 AbogoLargemaStr, Off Constitution Av, CBD  
Abuja-FCT  
Ambali Olugbenga (Zonal Head)  
08181851725

2. LAFIA BRANCH OFFICE  
White House, Opp. PHCN Office, Makurdi Rd, Lafia.  
Hauwa K. Hassan (Branch Head)  
08033491972

3. MINNA BRANCH OFFICE  
2, Airport Rd, Minna.  
Kusogi Abdulmumini Adamu (Branch Head)  
08060248555

4. LOKOJA BRANCH OFFICE  
Gains Plaza, No. 2, Marine Road by General Post  
Office Junction, Lokoja, Kogi state.  
Akor Adamu Sabah (Branch Head)  
08033300905

5. JOS BRANCH OFFICE  
55, Murtala Mohammed Way, Jos.  
Ali Ado Julius (Branch Head)  
08038066723

6. KADUNA BRANCH OFFICE  
Unity Bank Regional Office Building, Intercity Bank Rd,  
Mogadishu Layout, Off Ahmadu Bello Way, Kaduna.  
Ibrahim Bashir Mormon (Branch Head)  
08056202444

## PORT-HARCOURT ZONE

7. PORT-HARCOURT ZONAL OFFICE  
Unity Bank Plc Premises  
196A, Aba Road, Opp. Presidential Hotel, PH.  
Modupe Ogbenna (Zonal Head)  
07060606258/08033790285

## 9. WARRI BRANCH OFFICE

No. 69, Sapele/Efurun Rd., Effurun, Warri  
Napoleon Atunafe (Branch Head)  
08023122061

10. CALABAR BRANCH OFFICE  
Ephraim Keys Int'l Plaza, No. 45, Murtala Mohammed  
Highway, Calabar.  
Idareat Rufus Davies (Branch Head)  
08065176296/08098580434

11. OVERRI BRANCH OFFICE  
2nd Floor Unique Mall, Plot 562, Ikenegbu Layout,  
Owerri  
Michael Emeka Opata (Branch Head)  
08033320438/07023163875

12. ONITSHA BRANCH OFFICE  
No. 41 New Market Road, NOC Link Plaza, Onitsha.  
Alfred Mbonu (Branch Head)  
08055931272

13. ENUGU BRANCH OFFICE  
148, Zik Avenue, Uwanl, Enugu  
Ugwanyi Sunday Godwin (Branch Head)  
08033242652

14. ABA BRANCH OFFICE  
1st Floor, Unity Bank Office, No.7, Factory Road, Aba,  
Opp. Mr. Biggs. Abia State.  
Emmanuel Ekekwe. (Branch Head)  
08054657988/08088408485

## LAGOS ZONE

15. Head Office Annex (Lagos)  
Plot 173 Gbagada/Oshodi Expressway,  
Opposite UPS Express Office,  
Gbagada, Lagos.  
Orji Leonard C.  
Head (Special Risk/Business Development, South)  
07066118300

## 16. LAGOS ZONAL OFFICE

Plot 173 Gbagada/Oshodi Expressway,  
Opposite UPS Express Office,  
Gbagada, Lagos.  
Ojo Samuel (Zonal Head)  
08023065653/08035209811

## 17. VICTORIA ISLAND BRANCH OFFICE

Plot 1698 C&D, OyinJolayemi Street, Victoria Island,  
and Lagos.  
Francisca Nonyelum Okafor (Mrs) (Branch Head)  
08033800554

## 18. LAGOS ISLAND BRANCH OFFICE

1st Floor, Kingsway Building, 51/52, Marina Lagos.  
Adeboye Aderogba (Branch Head)  
08029067882

## 19. GBAGADA BRANCH OFFICE

Plot 173 Gbagada/Oshodi Expressway,  
Opposite UPS Express Office,  
Gbagada, Lagos.  
Ngozi Ajuze (Miss) (Branch Head)  
08063806388/08021119886

## 20. APAPA BRANCH OFFICE

2nd Floor, Unity Bank Office, Eleganza Plaza, No3,  
Wharf Road, Apapa.  
Christie Okwudilahu (Mrs.) (Branch Head)  
08033825511

## IBADAN ZONE

21. IBADAN ZONAL OFFICE  
Iba Oluyole Mall, 16, ObafemiAwolowo Rd, J Allen,  
Dugbe, Okebola, Ibadan  
Idowu Olade Egbeokowo (Zonal Head)  
08023065653/08035209811

## 22. IBADAN BRANCH OFFICE

Iba Oluyole Mall, 16, ObafemiAwolowo Rd, J Allen,  
Dugbe, Okebola, Ibadan  
Ganiyu Isahawu Adedaji (Branch Head)  
08088218541

## 23. BENIN BRANCH OFFICE

No 82, 1st East Circular Rd, Benin City, Edo State.  
Ekomwa Anthony Denny (Branch Head)  
07039377720

## 24. AKURE BRANCH OFFICE

Bank of Industry building, 2nd Floor, oval wing, Opp.  
1st Bank Plc, Aagbeka, Akure.  
Morakinyo Olugbenga (Branch Head)  
08068863045

## BAUCHI ZONE

25. BAUCHI ZONAL OFFICE  
Gidan Mai, Off Adamu Jumba Road, By Local  
Government Pension Board Bauchi.  
Abdu, Ibrahim Shehu (Zonal Head)  
08053200132

## 26. BAUCHI BRANCH OFFICE

Gidan Mai, Off Adamu Jumba Road, By Local  
Government Pension Board, Bauchi.  
Amina Lame Ahmed (Branch Head)  
08038445053

## 27. MAIDUGURI BRANCH OFFICE

Unity Bank Plc Premises, Lake Chad Rd Branch,  
Maiduguri, Borno State.  
Bala Ibrahim Sale (Branch Head)  
08067574113

## 28. GOMBE BRANCH OFFICE

Gombe State Inv. Building, Behind Govt. House, Off  
Pantami Rd  
Aunwal Abubakar (Branch Head)  
08034516768

## 29. YOLA BRANCH OFFICE

No. 4 Gimba Road, Opposite Diworld Pharmacy,  
Jimeta, Yola.  
Ahmed Buba (Branch Head)  
08037867737

## KANO ZONE

30. HEAD OFFICE ANNEX (KANO)  
UnityCapital House, 116, Hadejia Road  
Kano.  
Dogo Michael Danjuma  
AGM (Business Development/Special Risk, North)

## 31. KANO ZONAL OFFICE

UnityCapital House, 116, Hadejia Road  
Kano.  
Mahmoud Abdullahi (Zonal Head)  
08036675488

## 32. KANO BRANCH OFFICE

UnityCapital House, No116, Hadejia Rd, Kano.  
Sabo Salmanu (Branch Head)  
08035675488

## 33. DUTSE BRANCH OFFICE

Suite F2, No. 7 G8 Rd, Dutse  
Usman UsmanTukur (Branch Head)  
08037605871

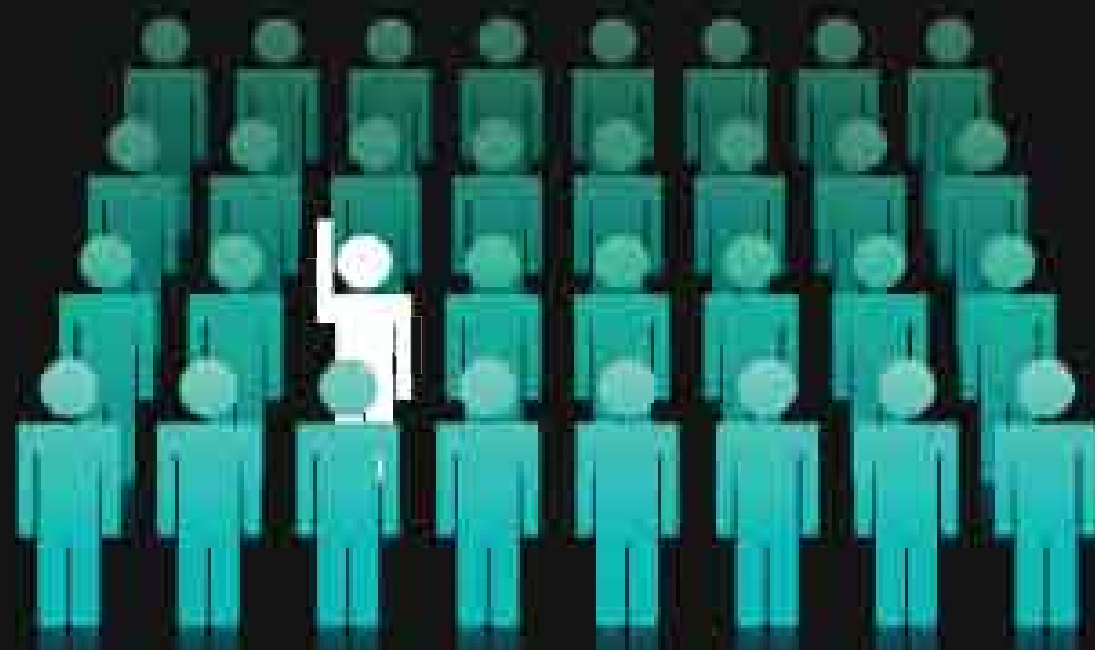
## 34. KATSINA BRANCH OFFICE

Katsina State Investment & Property Dev. Co Ltd  
Building, No61 IBB Way, Katsina.  
Usman Aliyu (Branch Head)  
08038869133

## 35. SOKOTO BRANCH OFFICE

11, Maiduguri Rd. Sokoto State.  
Salleu Mohammed Ali (Branch Head)  
08169373098

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REGISTERED HEAD OFFICE: Plot 487, Alimosho, Lagos State, Off Oshodi Expressway, Central Business District  
PO Box 18238, Wuse II, Abuja, FCT 900111. Tel: 01-461 8888, Fax: 01-461 8888, www.unitykapital.com

Being member /members of Unity Kapital Assurance Plc.  
hereby appoint.....  
or failing him Mallam Falalu Bello, OFR,FCIB or failing  
him Kins Ekebulike as my /our proxy to act and vote for  
me/us on my /our behalf at the 36th Annual General  
Meeting of the company to be held on 14th August  
2012 at 11am and at any adjournment thereof.  
As witness my/our hand this.....Day of  
.....2012

Signed.....

NOTES:

1. A member to attend and vote at the General Meeting is entitled to appoint a proxy in his stead. A proxy need not be a member of the company.
2. All proxies should be deposited at the office of Unity Registrars, 94 Agege Motor Road, Idi-Oro Bus Stop, Mushin, Lagos, not less than 48 hours before the time for holding the meeting.
3. In the case of joint shareholders, any one of such may complete the form but the name of all joint shareholders must be stated.
4. It is required by law under the Stamp Duties Act, Cap 411-Laws of the Federation of Nigeria 1990, that any of proxy to be used for the purpose of voting by any instrument person entitled to vote at any meeting of shareholders must bear Stamp Duty at the appropriate rate, not adhesive postage stamps.
5. If the shareholder is a corporation, this form must be under its common seal or under the hand of some officers or attorney duly authorized in that behalf.
6. This proxy will be used only in the event of poll being directed or demanded.

	ORDINARY BUSINESS	FOR	AGAINST
I/We desire this proxy to be used in favour of/for against the resolution as indicated alongside (strike out whichever is desired)	1. To receive and adopt the audited account for the year ended 31st December, 2011 together with the reports of the directors and Auditors thereon.		
	2. To elect/re-elect Directors		
	3. To appoint Auditors		
	4. To authorize Directors to fix the remuneration of the Auditors		
	5. To approve remuneration of Directors		
	6. To elect members of the Audit Committee		
Please indicate with "X" in the appropriate box how you wish your vote to be cast on the resolution set out above. Unless otherwise instructed, the proxy votes/for abstain from voting at his/ his discretion.			

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

ADMISSION CARD

36<sup>TH</sup> UNITYKAPITAL ASSURANCE PLC  
ANNUAL GENERAL MEETING

PLEASE ADMIT ONLY THE SHARE HOLDERS NAMED ON THIS CARD OR HIS DULY APPOINTED  
PROXY TO THE THIRTY SIXTH ANNUAL GENERAL MEETING BEING HELD  
AT TRANSCORP HILTON HOTEL, ABUJA ON TUESDAY 14TH AUGUST 2012

NAME OF SHAREHOLDERS/PROXY.....SIGNATURE.....

ADDRESS.....

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



TO:  
The Registrars,  
Unity Registrars Limited,  
Unity Bank Building,  
94 Agege Motor Road,  
Idi-Oro Bus Stop, Mushin, Lagos,  
Nigeria

**Important!** The form should be completed in CAPITAL LETTERS using a black or dark blue ballpoint/fountain pen. Characters and numbers should be similar in style to the following:  
A B C D E F G H I J K L M N O P Q R S T U V W X Y Z 1 2 3 4 5

Please fill in the form and return to the address above.

Surname.....

First Name.....

Other Names.....

Address.....

.....

.....

Mobile Phone.....

Email.....

Shareholder's Signature

(1).....

Second signature for joint/company account

(2).....

Company's Authorised Signatures/Seal.....

**Bank Account Details**

Bank Name.....

Bank Branch Address.....

.....

Bank Account Number.....

Branch Sort Code (very Important).....

Bank's Authorised Signatures & Stamp.....

**TO:**  
The Registrars,  
Unity Registrars Limited,  
Unity Bank Building,  
94 Agege Motor Road,  
Idi-Oro Bus Stop, Mushin, Lagos,  
Nigeria

Please credit my account at Central Securities Clearing Systems Limited  
(CSCS) with all subsequent allotments and bonuses due to me from  
holdings in UnityKapital Assurance Plc Account No.....

**Personal Data**

Surname.....

Other Names.....

Address.....

.....

.....

Mobile Phone.....

Email.....

**Shareholder's Signature**

(1).....

(2).....

Corporate Seal/Stamp (for Corporate Shareholders).....

**CSCS Details**

Stockbroker .....

Clearing House Number..... C.....

.....

**Authorised Signature & Stamp of Stockbroker**

**Please attach a copy of your CSCS statement to this form as evidence  
that CSCS account has been opened for you.**





Notes

2 0 1 1  
Annual Report  
and Accounts