

**NIGER INSURANCE PLC**

**REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER, 2004**

**WITH MANAGEMENT SCHEDULES**

# **NIGER INSURANCE PLC**

## **REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2004**

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## NIGER INSURANCE PLC

### RESULTS AT A GLANCE

	<b>The Group</b>	<b>The Company</b>	
	<b>2004</b>	<b>2004</b>	<b>2003</b>
	× '000	× '000	× '000
Gross premiums	2,104,629	2,104,629	1,875,685
Premium earned (net of reinsurance)	1,816,447	1,816,447	1,670,634
Net investment and other income	481,441	477,943	252,580
Profit before taxation	288,830	285,332	192,160
Profit after taxation	254,933	252,390	171,203
Dividend	200,000	200,000	120,000
Transfer to contingency reserve	37,471	37,471	34,445
Retained profit for the year	17,462	14,919	24,797
Share capital	500,000	500,000	400,000
Shareholders' fund	1,877,980	1,859,605	1,240,517
Total assets	8,280,906	8,248,983	7,182,325
	=====	=====	=====
<b>Per share data:</b>			
Earnings per 50k share	25.49k	25.24k	17.12k
Dividend per 50k share	20.00k	20.00k	12.00k
Net assets per share	× 1.88	× 1.86	× 1.24
Dividend cover (Times)	1.27	1.26	1.43
Price earnings ratio	-	16.05	24.01
Stock exchange quotation at 31 December	-	405k	411k

\* Previous year's per share data have been adjusted for purposes of comparability

**NIGER INSURANCE PLC****CORPORATE INFORMATION**

<b>The Board:</b>	C. C. Ehirim	- <i>Chairman</i>
	B. Zakariya'u	- <i>Managing Director/Chief Executive</i>
	J. C. Uranta	- <i>Executive Director (Technical)</i>
	D. K. Adedeji	- <i>Executive Director (Finance and Admin)</i>
	O. Osunde	- <i>Director</i>
	I. O. Sulaimon	- <i>Director</i>
	F. N. Udechukwu	- <i>Director</i>
	A. Abubakar	- <i>Director</i>

**Secretary:** Taiwo A. Otuneye, Esq.- *LL.M. (Hons), B.L.*

**Registered office:** 48/50, Odunlami Street,  
Lagos.

**Registered numbers:** RC. 6484  
RIC - 007 (R1 - 012)

**Bankers:** Union Bank of Nigeria Plc  
First Bank of Nigeria Plc  
United Bank for Africa Plc  
Intercontinental Bank Plc  
Prudent Bank Plc

**Registrars:** NIC Securities and Trust Limited  
47 Marina, Lagos

**Auditors:** Oyelami Soetan Adeleke & Co.,  
(Chartered Accountants),  
Kresta Laurel Complex (4th Floor),  
376, Ikorodu Road, Maryland,  
Lagos.

**NIGER INSURANCE PLC**  
**REPORT OF THE DIRECTORS**

1. **Accounts**

The directors are pleased to submit their report together with the group audited financial statements for the year ended 31 December, 2004.

<b>2. Result for the year</b>	<b>× '000</b>
Group profit after taxation	254,933
<i>Less:</i> Appropriation -	
Proposed dividend	<u>(200,000)</u>
<b>Unappropriated profit</b>	54,933
Contingency reserve	<u>37,471</u>
<b>Retained profit for the year transferred to general reserve</b>	<u>17,462</u> =====

3. **Principal activities**

The principal activities of the company are the underwriting of life and general insurance business.

4. **The Directors**

The current composition of the Board of Directors is as set out on page 2 of these financial statements.

5. **Directors' interests**

The interests of the directors in the issued share capital of the company are as follows:-

<b>held as at</b>	<b>Number of shares</b>	
	<b>31/12/2004</b>	<b>31/12/2003</b>
C. C. Ehirim	5,168,060	4,134,448
B. Zakariya'u	30,022,171	16,217,737
J. C. Uranta	9,818,827	2,283,633
D. K. Adedeji	4,868,930	1,790,573
O. Osunde	2,807,346	17,999,021
I. O. Sulaimon	47,185,203	38,003,126
F. N. Udechukwu - Indirect	81,656,945	65,325,556
A. Abubakar - Indirect	49,982,146	39,885,714

## 6. Shareholdings

### (a) Summary of the shareholding position:

Shareholders	As at 31/12/04		As at 31/12/03	
	Number of shares held	%	Number of shares held	%
Management Alliance Company Limited	262,578,118	26	211,105,660	26
Other Nigerian Individuals and Associations	<u>737,421,882</u>	<u>74</u>	<u>588,894,340</u>	<u>74</u>
	1,000,000,000	100	800,000,000	100
	=====	===	=====	===

### (b) Substantial interest in shares:

No individual shareholder other than Management Alliance Company Limited held more than 10% of the issued share capital of the company as at 31 December, 2004.

### (c) Analysis of shareholding:

Holding between				Total holders	Units	%
Nigerian Shareholders	1	and	1,000	458	250,185	0.03
	1,001	and	5,000	2,055	5,576,357	0.56
	5,001	and	10,000	855	6,516,363	0.65
	10,001	and	50,000	1,350	31,522,722	3.15
	50,001	and	100,000	278	20,030,100	2.00
	100,001	and	500,000	233	44,357,480	4.44
	500,001	and	1,000,000	29	20,548,143	2.05
	Above		1,000,000	<u>48</u>	<u>871,198,650</u>	<u>87.12</u>
				5,306	1,000,000,000	100
				=====	=====	=====

## 7. Dividend

The directors recommend the payment of a dividend of ₦200,000,000 which is equivalent to 20k per share of 50k held by members whose names appear in the register of members as at the close of business on 17 June, 2005. The dividend is subject to the deduction of appropriate withholding tax at the time of payment.

## 8. Fixed assets

Movements in fixed assets during the year are shown in Notes 8 and 9 to the financial statements. In the opinion of the directors, the market value of the company's properties is not less than the value shown in the financial statements.

## 9. Donations

The analysis of donations made during the year is as follows:

### (a) *To charitable organisations:*

	×	×
Nigeria Red cross and Crescent Society		150,000
2004 Remembrance emblem fund - Nigerian Army		50,000
National Council of Women Societies		<u>15,000</u>
		215,000

### (b) *Other donations:*

Chartered Insurance Institute of Nigeria	430,000	
Nigeria Insurance Association	155,000	
Institute of Directors	100,000	
Police-Community Relation Committee	65,000	
Actuarial Science and Insurance Students Ass.	<u>20,000</u>	
		<u>770,000</u>
		985,000
		=====

## 10. Personnel

### (a) *Employment of disabled persons:*

The company continues its general policy of extending employment opportunities to disabled persons as and when there are openings for such employees. One such employee is at present engaged by the company.

### (b) *Health, safety and welfare:*

In addition to medical retainership in private clinics and hospitals, all essential safety regulations are being observed to guarantee maximum protection of personnel and also protect the company's assets.

### (c) *Employees' involvement and training:*

Employees are kept fully informed of the company's performance and the company continues with its open door policy whereby views of employees are sought and given due consideration on matters which particularly affect them.

The company attaches importance to the training of its staff through regular in-house, on-the-job training sessions and outside courses which have broadened employees' opportunities for career development within the company.

## 11. Audit Committee

In accordance with Section 359(3) of the Companies and Allied Matters Act 1990, the Audit Committee members of the company elected at the last Annual General Meeting were as follows:-

D. K. Adedeji	-	(Director)
O. Osunde	-	(Director)
S. E. Bediare	-	(Shareholders' representative)
M. O. Sodipe	-	(Shareholders' representative)

The functions of the audit committee are as stated in Section 359(6) of the Companies and Allied Matters Act, 1990.

## 12. Auditors

Messrs Oyelami Soetan Adeleke & Company (Chartered Accountants) have indicated their willingness to continue as auditors in accordance with Section 357(2) of the Companies and Allied Matters Act 1990. A resolution will be proposed to authorise the directors to fix their remuneration.

**By Order of the Board**

**Taiwo A. Otuneye, Esq.,  
Secretary**

**Lagos, Nigeria  
12 May, 2005**

**AUDITORS' REPORT  
TO THE MEMBERS OF  
NIGER INSURANCE PLC**

We have audited the financial statements set out on pages 11 to 27 which have been prepared under the accounting policies set out on page 9 and 10.

**Respective responsibilities of directors and auditors**

As stated in Note 26 to the financial statements, the directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion on the financial statements, based on our audit and to report our opinion to you.

**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 amount and disclosures in the financial statements. It also includes an assessment of the significant 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 the information in the financial statements.

**Opinion**

In our opinion and to the best of our information and the explanations given to us, the company has kept proper books at the head office and at each of its branches and proper returns adequate for our audit have been received from branches not visited by us. The assets have been properly valued and adequate provision has been made for losses and diminution in the value of such assets. Adequate reserves have also been maintained in respect of the company's life and non-life businesses.

In our opinion, these financial statements which agree with the books, give in the prescribed manner the information required by the Companies and Allied Matters Act 1990, the Insurance Act 2003, and all relevant Statements of Accounting Standards and give a true and fair view of the state of affairs of the group as at 31 December, 2004 and of its profit and cash flow for the year then ended.

**Oyelami Soetan Adeleke & Co.  
CHARTERED ACCOUNTANTS**

**Lagos, Nigeria  
12 May, 2005**

**NIGER INSURANCE PLC****REPORT OF THE AUDIT COMMITTEE**

In compliance with Section 359(6) of the Companies and Allied Matters Act 1990, we have:

- (a) reviewed the scope and planning of the audit requirements;
- (b) reviewed the External Auditors' Report to Management on the audit of the financial statements for the year ended 31 December, 2004 as well as the management responses thereto; and
- (c) ascertained that the accounting and reporting policies of the company for the year ended 31 December, 2004 are in accordance with legal and agreed ethical practices.

In our opinion, the scope and planning of the audit for the year ended 31 December, 2004 were adequate and we are satisfied with the management responses to the auditors' findings.

Dated this ...May, 2005.

**S. E. Bediare**  
**Chairman, Audit Committee**

**Members of the Committee:**

S. E. Bediare - Chairman  
D. K. Adedeji  
M. O. Sodipe  
O. Osunde

## NIGER INSURANCE PLC

### ACCOUNTING POLICIES

The following are the main accounting policies adopted by the company in the preparation of its financial statements:

**1. Basis of accounting**

The company prepares its financial statements under the historical cost convention as modified by the revaluation of certain buildings.

**2. Accounting for revenue**

*Premium*

Net premium represents the total amount invoiced to policy holders less reinsurances and is recognised as income from the date of attachment of risk.

*Management expenses*

Except for certain expenses which are directly related to each class of business, other management expenses are apportioned between the classes of insurance in the proportion of their retained premium.

*Underwriting results*

The annual accounting basis is used in determining the underwriting results which are stated after recognising claims, commissions, expenses and relevant reserves.

**3. Fixed assets**

Fixed assets are stated at cost or valuation less accumulated depreciation.

**4. Depreciation of fixed assets**

Depreciation is provided on a straight line basis at annual rates estimated to write off the cost or valuation over their estimated useful lives as follows:

Leasehold buildings	In equal instalments over the period of the lease
Freehold buildings	1% of cost/valuation
Furniture, fittings and equipment	12½% on cost
Motor vehicles	20% on cost
Computer hardware	33a% on cost

5. **Investments**

Investments are stated at cost. Provisions are made for diminution in value of investments when they are below cost with the exception of value of government securities as it is usual for the company to hold them till maturity. Where a sale is made in any financial year, the gain or loss is taken to the profit and loss account.

6. **Debtors**

Debtors are stated at their face value. Debts considered bad and irrecoverable are written off.

7. **Exchange rates**

Transactions in foreign currencies are translated to the Naira at the rate of exchange ruling at the dates of the transactions. Balances in foreign currencies are converted to Naira at the rates of exchange ruling at the balance sheet date and the difference is taken to the profit and loss account.

8. **Deferred taxation**

Provision for deferred taxation is made by the liability method and calculated at the current rate of taxation on the differences between the net book values of fixed assets qualifying for capital allowances and their corresponding tax written down values.

9. **Staff pension scheme**

The company operates a contributory pension scheme for its employees. The scheme is funded by contributions from the employees and the company and is administered by a board of trustees.

**NIGER INSURANCE PLC**

**GROUP BALANCE SHEET AS AT 31 DECEMBER, 2004**

<b>Assets</b>	<b>Note</b>	<b>The Group</b>	<b>The Company</b>	
		<b>2004</b>	<b>2004</b>	<b>2003</b>
		<b>× '000</b>	<b>× '000</b>	<b>× '000</b>
Cash and bank balances		<b>151,643</b>	<b>148,337</b>	185,947
Quoted investments	1	<b>1,227,205</b>	<b>1,225,984</b>	952,644
Unquoted investments	2	<b>3,629,748</b>	<b>3,705,266</b>	3,024,944
Government securities	3	<b>822,523</b>	<b>822,023</b>	852,000
Debtors	4	<b>897,813</b>	<b>854,456</b>	782,875
Loans to policy holders	5	<b>95,356</b>	<b>95,356</b>	78,190
Deferred acquisition expenses	6	<b>50,735</b>	<b>50,735</b>	10,227
Statutory deposit	7	<b>35,000</b>	<b>35,000</b>	13,500
Fixed assets	9	<b><u>1,370,883</u></b>	<b><u>1,311,826</u></b>	<u>1,281,998</u>
		<b>8,280,906</b>	<b>8,248,983</b>	7,182,325
		=====	=====	=====
<b>Liabilities</b>				
Creditors and accruals	10	<b>703,912</b>	<b>690,364</b>	820,496
Deposit administration	11	<b>4,512,560</b>	<b>4,512,560</b>	4,086,050
Insurance fund	12	<b><u>1,186,454</u></b>	<b><u>1,186,454</u></b>	<u>1,035,262</u>
		<b>6,402,926</b>	<b>6,389,378</b>	5,941,808
		-----	-----	-----
<b>Capital and reserves</b>				
Share capital	13	<b>500,000</b>	<b>500,000</b>	400,000
Share premium	14	<b>308,201</b>	<b>308,201</b>	100,607
Reserve for bonus issue	15	<b>250,000</b>	<b>250,000</b>	-
Capital reserve	16	<b>468,682</b>	<b>465,629</b>	465,629
Contingency reserve	17	<b>190,012</b>	<b>190,012</b>	143,437
General reserve	18	<b><u>161,085</u></b>	<b><u>145,763</u></b>	<u>130,844</u>
<b>Shareholders' fund</b>		<b>1,877,980</b>	<b>1,859,605</b>	1,240,517
		-----	-----	-----
		<b>8,280,906</b>	<b>8,248,983</b>	7,182,325
		=====	=====	=====

**C. C. Ehirim** .....  
(Chairman)

**Bala Zakariya'u** .....  
(Managing Director/CEO)

The accounting policies on pages 9 and 10 and the notes on pages 17 to 25 form part of these financial statements.

## NIGER INSURANCE PLC

### COMPANY COMPOSITE BALANCE SHEET AS AT 31 DECEMBER, 2004

		Life × '000	Non-life × '000	Company × '000	2003 × '000
Cash and bank balances		45,550	102,787	<b>148,337</b>	185,947
Quoted investments	1	741,267	484,717	<b>1,225,984</b>	952,644
Unquoted investments	2	3,485,058	220,208	<b>3,705,266</b>	3,024,944
Government securities	3	622,843	199,180	<b>822,023</b>	852,000
Debtors	4	205,111	649,345	<b>854,456</b>	782,875
Loans to policy holders	5	95,356	-	<b>95,356</b>	78,190
Deferred acquisition expenses	6	-	50,735	<b>50,735</b>	10,227
Statutory deposit	7	15,750	19,250	<b>35,000</b>	13,500
Fixed assets	9	<u>1,139,082</u>	<u>172,744</u>	<b><u>1,311,826</u></b>	<u>1,281,998</u>
		<u>6,350,017</u>	<u>1,898,966</u>	<b><u>8,248,983</u></b>	<u>7,182,325</u>
<b>Liabilities</b>					
Creditors and accruals	10	197,409	492,955	<b>690,364</b>	820,496
Deposit administration	11	4,512,560	-	<b>4,512,560</b>	4,086,050
Insurance fund	12	<u>806,914</u>	<u>379,540</u>	<b><u>1,186,454</u></b>	<u>1,035,262</u>
		5,516,883	872,495	<b>6,389,378</b>	5,941,808
<b>Capital and reserves</b>					
Share capital	13	225,000	275,000	<b>500,000</b>	400,000
Share premium	14	255,617	52,584	<b>308,201</b>	100,607
Reserve for bonus issue	15	-	250,000	<b>250,000</b>	-
Capital reserve	16	307,748	157,881	<b>465,629</b>	465,629
Contingency reserve	17	44,769	145,243	<b>190,012</b>	143,437
General reserve	18	-	<u>145,763</u>	<b><u>145,763</u></b>	<u>130,844</u>
		833,134	1,026,471	<b>1,859,605</b>	1,240,517
		<u>6,350,017</u>	<u>1,898,966</u>	<b><u>8,248,983</u></b>	<u>7,182,325</u>

The accounting policies on pages 9 and 10 and the notes on pages 17 to 25 form part of these financial statements.

## NIGER INSURANCE PLC

**GROUP PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER, 2004**

	Notes	The Group 2004 × '000	The Company 2004 × '000	2003 × '000
Premium earned (net of reinsurances)		917,974	917,974	866,776
		-----	-----	-----
<i>Less:</i>				
Claims paid		193,801	193,801	146,051
Acquisition cost		96,064	96,064	106,720
Maintenance		68,286	68,286	58,473
Outstanding claims		33,477	33,477	51,556
Increase in reserve for unexpired risks		32,432	32,432	75,799
Provision for bad & doubtful debts		9,838	9,838	19,751
Expenses		321,721	321,721	281,771
		-----	-----	-----
		755,619	755,619	740,121
		=====	=====	=====
<b>Underwriting profit</b>		<b>162,355</b>	<b>162,355</b>	126,655
		-----	-----	-----
<b>Investment incomes</b>				
Income from fixed investments		120,454	117,462	60,801
Interest receivable and similar income		5,515	5,515	3,105
Fees and rental income less expenses		506	-	-
Write back/(Provision) for investment losses		-	-	1,599
		-----	-----	-----
		126,475	122,977	65,505
		=====	=====	=====
<b>Profit on ordinary activities before taxation</b>	19	<b>288,830</b>	<b>285,332</b>	192,160
Taxation	20	<u>(33,897)</u>	<u>(32,942)</u>	<u>(20,957)</u>
<b>Profit on ordinary activities after tax</b>		<b>254,933</b>	<b>252,390</b>	171,203
<i>Deduct:</i> Appropriation -				
Proposed dividend	22	<u>(200,000)</u>	<u>(200,000)</u>	<u>(120,000)</u>
		54,933	52,390	51,203
Contingency reserve	17	<u>(37,471)</u>	<u>(37,471)</u>	<u>(26,406)</u>
<b>Retained profit for the year transferred to general reserve</b>	18	<b>17,462</b>	<b>14,919</b>	24,797
		=====	=====	=====

The accounting policies on pages 9 and 10 and the notes on pages 17 to 25 form part of these financial statements.

## NIGER INSURANCE PLC

### LIFE REVENUE AND PROFIT AND LOSS ACCOUNT

		<b>2004</b>		<b>2003</b>
	× '000	× '000	× '000	× '000
Total Premiums received		<b>910,387</b>		817,205
Reinsurance outward		<u>(11,914)</u>		<u>(13,347)</u>
		<b>898,473</b>		803,858
<b>Underwriting expenses</b>				
Acquisition	218,392		250,739	
Maintenance	45,464		27,056	
Claims paid and admitted	44,651		54,546	
Surrenders	4,085		1,605	
Interest on deposit administration scheme	296,186		218,801	
Management expenses	441,223		312,031	
Depreciation	<u>77,147</u>		<u>82,815</u>	
		<u>(1,127,148)</u>		<u>(947,593)</u>
<b>Underwriting loss</b>		<b>(228,675)</b>		<b>(143,735)</b>
<b>Investment and other income</b>				
Investment income	332,950		183,614	
<i>Less:</i> Investment losses	<u>(1,202)</u>		<u>(11,740)</u>	
	331,748		171,874	
Other incomes	<u>23,218</u>		<u>15,201</u>	
		<u>354,966</u>		<u>187,075</u>
		126,291		43,340
Deferred tax		<u>(48,427)</u>		<u>(24,859)</u>
		77,864		18,481
Contingency reserve (1% of gross premium)		<u>(9,104)</u>		<u>(8,039)</u>
		<b>68,760</b>		10,442
Accumulated fund brought forward	688,154		677,712	
Actuarial adjustment to life fund	<u>50,000</u>		-	
		<u>738,154</u>		<u>677,712</u>
<b>Life fund as at 31 December</b>		<b>806,914</b>		688,154
		=====		=====



**NIGER INSURANCE PLC**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER, 2004**

	<b>The Company</b>	
	<b>2004</b>	<b>2003</b>
	<b>× '000</b>	<b>× '000</b>
<b>Cash flow from operating activities:</b>		
Profit before taxation	285,332	192,160
<b>Adjustments for non-cash items, etc:</b>		
Depreciation of fixed assets - Non-life	4,312	10,616
Profit on disposal of investments	(78,772)	-
Reduction in additional provision for doubtful investment in non-life	-	(1,599)
Depreciation of fixed assets - life	77,147	82,815
Profit on sale of fixed assets - life	(358)	(1,094)
Additional provision for doubtful investment - life	1,202	11,740
Provision for deferred taxation - life	48,427	24,859
Increase in contingency reserve - life	9,104	8,039
Reserve for unexpired risks	<u>151,192</u>	<u>86,242</u>
<b>Cash flow from operations before working capital changes</b>	<b>497,586</b>	<b>413,778</b>
<b>Working capital changes:</b>		
Debtors	(71,581)	(221,792)
Deferred acquisition expenses	(40,508)	(10,227)
Loans to policy holders	(17,166)	(10,487)
Creditors	(267,308)	417,055
Liabilities on deposit administration	426,510	1,280,426
Increase in statutory deposit	<u>(21,500)</u>	<u>-</u>
<b>Cash flow from operation before taxation</b>	<b>506,033</b>	<b>1,868,753</b>
Tax paid	<u>(24,193)</u>	<u>(17,233)</u>
<b>Net cash flow from operations</b>	<b>481,840</b>	<b>1,851,520</b>
<b>Cash flow from investment activities:</b>		
Government securities	29,977	(596,112)
Quoted investments	(274,542)	(193,532)
Unquoted investments	(680,322)	(672,719)
Fixed assets acquired	(111,459)	(234,050)
Proceeds from sale of assets	530	1,094
Net proceeds from disposal of investments	78,772	-
<b>Cash flow from financing activities:</b>		
Increase in share capital	100,000	-
Increase in share premium	457,594	-
Dividend paid	<u>(120,000)</u>	<u>(105,000)</u>
<b>Net increase in cash and cash equivalents</b>	<b>(37,610)</b>	<b>51,201</b>
Cash and cash equivalents at 1 January	<u>185,947</u>	<u>134,746</u>
<b>Cash and cash equivalents at 31 December</b>	<b>148,337</b>	<b>185,947</b>
	=====	=====
<b>Represented by:</b>		
Cash and bank balances	148,337	185,947
	=====	=====

**NIGER INSURANCE PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER, 2004**

	<b>The Group</b>	<b>The Company</b>	
	<b>2004</b>	<b>2004</b>	<b>2003</b>
	<b>× '000</b>	<b>× '000</b>	<b>× '000</b>
<b>1. Quoted investments</b>			
Quoted at cost (Market value ×2,405,265,288)	1,228,407	1,227,186	952,644
<i>Less:</i> Provision for investment losses	<u>(1,202)</u>	<u>(1,202)</u>	<u>-</u>
	<u>1,227,205</u>	<u>1,225,984</u>	<u>952,644</u>
	=====	=====	=====
<b>2. Unquoted investments</b>			
Ordinary shares and debenture stocks	2,059,385	2,026,303	1,336,932
Investment in subsidiaries	1,542,826	1,658,138	1,173,555
Short-term deposits	<u>77,354</u>	<u>70,036</u>	<u>563,668</u>
	<u>3,679,565</u>	<u>3,754,477</u>	<u>3,074,155</u>
<i>Less:</i>			
Provision for diminution in value of investment	<u>49,817</u>	<u>49,211</u>	<u>49,211</u>
	<u>3,629,748</u>	<u>3,705,266</u>	<u>3,024,944</u>
	=====	=====	=====
<b>.1 Investment in subsidiaries</b>			
a) <i>Summary</i>			
NIC Properties Limited	-	91,312	91,312
NIC Securities and Trusts Limited	-	24,000	4,000
River Plaza and Mall Limited	<u>1,542,826</u>	<u>1,542,826</u>	<u>1,078,243</u>
	<u>1,542,826</u>	<u>1,658,138</u>	<u>1,173,555</u>
	=====	=====	=====

b) *Shares held in subsidiaries by Niger Insurance Plc:-*

**NIC Properties Limited (Registered office at 302 Ikorodu Road, Lagos)**

100% holding by Niger Insurance Plc.

**NIC Securities and Trust Limited (formerly NIC Trustees Limited)**

**(Registered office at 47, Marina, Lagos)**

100% holding by Niger Insurance Plc

**River Plaza and Mall Limited (Registered office at 48/50 Odunlami Street, Lagos)**

100% holding by Niger Insurance Plc.

c)The accounts of River Plaza and Mall Limited was not consolidated in these financial statements because the Plaza and Mall which is the only investment of that company, is still an on-going project and is yet to commence any commercial activity.

	<b>The Group</b>	<b>The Company</b>	
	<b>2004</b>	<b>2004</b>	<b>2003</b>
	<b>× '000</b>	<b>× '000</b>	<b>× '000</b>
<b>3. Government securities (at cost)</b>			
(Discounted value- ₦699,145,000)	<b>822,523</b>	<b>822,023</b>	852,000
	=====	=====	=====
No provision has been made for the diminution in the value of government securities as it is the intention of the company to hold these investments until maturity.			
<b>4. Debtors</b>			
<i>Amounts falling due within one year:</i>			
Brokers' and agents' debit balances	<b>453,781</b>	<b>453,781</b>	479,399
<i>Less:</i> Provision for bad debt	<u><b>45,230</b></u>	<u><b>45,230</b></u>	<u>36,154</u>
	<b>408,551</b>	<b>408,551</b>	443,245
	-----	-----	-----
Other debtors and prepayments	<b>493,541</b>	<b>450,184</b>	341,748
<i>Less:</i> Provision for doubtful debts	<u><b>4,279</b></u>	<u><b>4,279</b></u>	<u>2,118</u>
	<b>489,262</b>	<b>445,905</b>	339,630
	-----	-----	-----
	<b>897,813</b>	<b>854,456</b>	782,875
	=====	=====	=====
<b>5. Loans to policy holders</b>			
Non-forfeiture regulations	<b>898</b>	<b>898</b>	891
Policy loan	<b>14,478</b>	<b>14,478</b>	5,605
Mortgage loan	<u><b>79,980</b></u>	<u><b>79,980</b></u>	<u>71,694</u>
	<b>95,356</b>	<b>95,356</b>	78,190
	=====	=====	=====
<b>6. Deferred acquisition expenses</b>			
At 1 January	<b>10,227</b>	<b>10,227</b>	-
Deferred at year-end	<b>50,735</b>	<b>50,735</b>	10,227
Charged to P&L	<u><b>(10,227)</b></u>	<u><b>(10,227)</b></u>	<u>-</u>
	<b>50,735</b>	<b>50,735</b>	10,227
	=====	=====	=====
<b>7. Statutory deposit</b>	<b>35,000</b>	<b>35,000</b>	13,500
	=====	=====	=====

Section 10(3) of the Insurance Act No. 1, 2003 requires an existing Insurance company to retain 10% of the minimum share capital with the Central Bank of Nigeria as statutory deposit. As at 31 December, 2003, this amounted to ₦35,000,000. The balance of ₦21,500,000 was paid to Central Bank in February, 2004.

8. Fixed assets - Group	Land and buildings	Furniture, fittings & equipment	Motor vehicles	Total
<b>Cost/Revaluation</b>	× '000	× '000	× '000	× '000
At 1 January, 2004	1,332,407	242,400	214,628	1,789,435
Additions	33,699	44,650	37,904	116,253
Disposal/adjustment	<u>-</u>	<u>(80)</u>	<u>(5,702)</u>	<u>(5,782)</u>
At 31 December, 2004	1,366,106	286,970	246,830	1,899,906
	-----	-----	-----	-----
<b>Depreciation:</b>				
At 1 January, 2004	99,384	173,284	177,493	450,161
Charge for the year	13,689	46,040	23,293	83,022
On disposal	<u>-</u>	<u>(80)</u>	<u>(4,080)</u>	<u>(4,160)</u>
At 31 December, 2004	113,073	219,244	196,706	529,023
	-----	-----	-----	-----
<b>Net book value:</b>				
At 31 December, 2004	1,253,033	67,726	50,124	1,370,883
	=====	=====	=====	=====
9. Fixed assets - Company	Land and buildings	Furniture, fittings & equipment	Motor vehicles	Total
<b>Cost/Revaluation</b>	× '000	× '000	× '000	× '000
At 1 January, 2004	1,276,782	241,256	210,138	1,728,176
Additions	33,699	42,816	34,944	111,459
Disposal/adjustment	<u>-</u>	<u>(80)</u>	<u>(3,527)</u>	<u>(3,607)</u>
At 31 December, 2004	1,310,481	283,992	241,555	1,836,028
	-----	-----	-----	-----
<b>Depreciation:</b>				
At 1 January, 2004	97,975	172,747	175,456	446,178
Charge for the year	13,105	45,853	22,501	81,459
On disposal	<u>-</u>	<u>(80)</u>	<u>(3,355)</u>	<u>(3,435)</u>
At 31 December, 2004	111,080	218,520	194,602	524,202
	-----	-----	-----	-----
<b>Net book value:</b>				
At 31 December, 2004	1,199,401	65,472	46,953	1,311,826
	=====	=====	=====	=====
At 31 December, 2003	1,178,807	68,509	34,682	1,281,998
	=====	=====	=====	=====

	<b>The Group</b>	<b>The Company</b>	
	<b>2004</b>	<b>2004</b>	<b>2003</b>
	× '000	× '000	× '000
10. <b>Creditors</b>			
Outstanding claims	166,383	166,383	132,905
Brokers' and agents' credit balances	54,840	54,840	8,719
Creditors and accrued expenses	<u>109,062</u>	<u>99,249</u>	<u>446,156</u>
	330,285	320,472	587,780
Taxation (Note 20.2)	36,677	32,942	
24,193			
Deferred taxation (note 20.2)	136,950	136,950	88,523
Proposed dividend	<u>200,000</u>	<u>200,000</u>	<u>120,000</u>
	<u>703,912</u>	<u>690,364</u>	<u>820,496</u>
	=====	=====	=====

Included in creditors and accrued expenses is the sum of ×3,424,060 due to MAC Limited on account of management fee for year 2003.

#### 11. **Deposit administration**

Liabilities on deposit administration	4,512,560	4,512,560	4,086,050
	=====	=====	=====

	<b>The Group</b>	<b>The Company</b>	
	<b>2004</b>	<b>2004</b>	<b>2003</b>
	× '000	× '000	× '000
12. <b>Insurance funds</b>			
Life	806,914	806,914	688,154
Fire	54,736	54,736	35,367
Accident	14,240	14,240	14,084
Motor vehicles	120,919	120,919	136,756
Marine, aviation and transit	41,348	41,348	33,974
Workmen's compensation	2,360	2,360	2,452
Burglary, fidelity and miscellaneous	<u>145,937</u>	<u>145,937</u>	<u>124,475</u>
	<u>1,186,454</u>	<u>1,186,454</u>	<u>1,035,262</u>
	=====	=====	=====

These represent provisions for unearned premiums and unexpired risks computed in accordance with SAS 16 and section 24 of the Insurance Act, 2003.

#### 13. **Share capital**

(a) <i>Authorised -</i>			
1,500,000,000			
Ordinary Shares of 50k each	750,000	750,000	500,000
	=====	=====	=====
(b) <i>Issued and fully paid -</i>			
1,000,000,000 Ordinary Shares of 50k each	500,000	500,000	400,000
	=====	=====	=====

- (c) The paid up share capital was increased to x500,000,000 following a right issue of 200,000,000 shares during the year.

	<b>The Group</b>		<b>The Company</b>
	<b>2004</b>	<b>2004</b>	<b>2003</b>
	<b>x '000</b>	<b>x '000</b>	<b>x '000</b>
<b>14. Share premium</b>			
At 1 January	100,607	100,607	100,607
Addition during the year	<u>507,594</u>	<u>507,594</u>	-
	<b>602,201</b>	<b>602,201</b>	100,607
Transfer to: - Reserve for Bonus Issue	(250,000)	(250,000)	-
- Life fund	<u>(50,000)</u>	<u>(50,000)</u>	-
	<b>308,201</b>	<b>308,201</b>	100,607
	=====	=====	=====

In 2004, a right issue of 200,000,000 ordinary shares was offered to existing shareholders at a premium of x2.80.

<b>15. Reserve for bonus issue</b>	<b>x '000</b>	<b>x '000</b>	<b>x '000</b>
At 1 January	-	-	50,000
Amount applied for scrip issue	-	-	<u>(50,000)</u>
	-	-	-
Transfer from share premium account	<u>250,000</u>	<u>250,000</u>	-
	<b>250,000</b>	<b>250,000</b>	-
	=====	=====	=====
<b>16. Capital reserve</b>			
At 31 December	<b>468,682</b>	<b>465,629</b>	465,629
	=====	=====	=====

Of this amount, x11,895,403 represents the surplus which arose from the revaluation of buildings by Knight, Frank and Rutley in 1988, while the balance arose from the revaluation carried out by Julius Adekola & Co. (Estate Surveyors & Valuers) in 1995.

<b>17. Contingency reserve</b>			
At 1 January	143,437	143,437	108,992
Transfer from profit and loss account	37,471	37,471	26,406
Transfer from life fund account	<u>9,104</u>	<u>9,104</u>	<u>8,039</u>
At 31 December	<b>190,012</b>	<b>190,012</b>	143,437
	=====	=====	=====

The contingency reserve for life department represents 1% of gross premium whilst the Non-Life contingency reserve amounts to the higher of 3% of total premiums and 20% of net profits in accordance with the provisions of Sections 22(1)(b) and 21(1)(2) respectively of the Insurance Act 2003.

<b>18. General reserve</b>	<b>x '000</b>	<b>x '000</b>	<b>x '000</b>
At 1 January	143,623	130,844	106,047
Transfer from profit and loss account	<u>17,462</u>	<u>14,919</u>	<u>24,797</u>
At 31 December	<b>161,085</b>	<b>145,763</b>	130,844
	=====	=====	=====

19. Profit on ordinary activities before taxation	The Group	The Company	
19.1 Profit before tax is stated	2004	2004	2003
<i>After charging -</i>	× '000	× '000	× '000
Depreciation	5,875	4,313	10,616
Directors' remuneration	8,650	8,650	7,860
Auditors' remuneration	3,700	3,000	3,000
Technical management fee	3,424	3,424	-
	=====	=====	=====
<i>and crediting -</i>			
Investment income	120,454	117,462	60,801
Exchange gain/(loss)	-	-	2,275
Profit on sale of fixed assets	715	358	1,094
Profit on shares disposed	78,772	78,772	1,854
	=====	=====	=====

19.2 Chairman's and directors' emoluments, pensions and compensation for loss of office

(a) *Chairman's emoluments:*

Fees	600	600	150
	====	=====	=====

(b) *The highest paid director -*

The emolument of the highest paid director (executive)	2,600	2,600	2,200
	=====	=====	=====

(c) *Other directors received remuneration in the following ranges:*

	The Group	The Company	
	2004	2004	2003
	Number	Number	Number
×40,001 - ×50,000	-	-	-
×50,001 - ×850,000	3	3	3
×850,001- ×2,000,000	2	2	2
	=====	=====	=====

19.3. Staff number and costs

(a) *The average number of persons employed in the year was as follows:-*

	<b>The Group</b>	<b>The Company</b>	
	<b>Number</b>	<b>Number</b>	<b>Number</b>
Senior	237	235	200
Junior staff	<u>254</u>	<u>244</u>	<u>252</u>
	<b>491</b>	<b>479</b>	<b>452</b>
	=====	=====	=====

(b) *The related staff costs for both Life and Non-life accounts amounted to:*

	<b>The Group</b>	<b>The Company</b>	
	<b>× '000</b>	<b>× '000</b>	<b>× '000</b>
Wages and salaries	230,234	217,865	193,935
Pension fund charge	16,398	16,398	18,548
Employer's contribution to NSITF	<u>3,953</u>	<u>3,953</u>	<u>4,048</u>
	<b>250,585</b>	<b>238,216</b>	<b>216,531</b>
	=====	=====	=====

(c) *The number of employees in receipt of emoluments within the following ranges were: -*

<b>×</b>	<b>-</b>	<b>×</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
140,000	-	180,000	-	-	-
181,000	-	220,000	-	-	-
221,000	-	260,000	-	-	179
261,000	-	300,000	4	-	64
301,000	-	400,000	243	242	-
401,000	-	500,000	18	13	123
501,000	-	600,000	172	172	86
600,000 and above			54	52	-
			=====	=====	=====

	<b>The Group</b>	<b>The Company</b>	
	<b>2004</b>	<b>2004</b>	<b>2003</b>
	<b>× '000</b>	<b>× '000</b>	<b>× '000</b>
20. <b>Taxation</b>			
.1 <i>Profit and loss account</i>			
Income tax on profit for the year	28,323	27,368	17,376
Education tax	<u>5,574</u>	<u>5,574</u>	<u>3,581</u>
	<b>33,897</b>	<b>32,942</b>	<b>20,957</b>
	=====	=====	=====
Deferred tax	48,427	48,427	24,859
	=====	=====	=====

	<b>The Group</b>	<b>The Company</b>	
	<b>2004</b>	<b>2004</b>	<b>2003</b>
	<b>× '000</b>	<b>× '000</b>	<b>× '000</b>
<b>2 Balance sheet</b>			
Balance unpaid at 1 January	27,228	24,193	20,469
Provision for the year	33,897	32,942	20,957
Paid during the year	<u>(24,448)</u>	<u>(24,193)</u>	<u>(17,233)</u>
	36,677	32,942	24,193
	=====	=====	=====
Deferred tax	136,950	136,950	88,523
	=====	=====	=====
<b>21. Deferred taxation</b>			
At 1 January	88,523	88,523	63,664
	-----	-----	-----
<b>Charge to profit and loss account</b>			
Relating to prior years	64,984	64,984	64,984
Current year movement	<u>(16,557)</u>	<u>(16,557)</u>	<u>(40,125)</u>
	48,427	48,427	24,859
	-----	-----	-----
At 31 December	136,950	136,950	88,523
	=====	=====	=====

In compliance with the Statement of Accounting Standard No.19 which requires that deferred taxation be provided for, the deferred tax liability as at 31 December, 2001 amounted to ×259,934,000 for life. Of this amount, ×64,984,000 was amortised in 2002 while the balance is being spread over a period of three years in three equal instalments of ×64,984,000.

## 22. Proposed dividend

The proposed dividend of ×200,000,000 that is 20k per share payable to shareholders is subject to withholding tax of 10% payable to Federal and State Governments.

## 23. Contingent liabilities

There were contingent liabilities of ×102,507,467 (2003 = ×26,600,000) arising in the ordinary course of business from pending litigations. In the opinion of the directors, no material loss is expected to arise therefrom.

## 24. Employees' retirement benefits

The company provides a pension scheme for the benefit of its employees. The assets of the pension scheme are held in a separate trust fund. The pension costs are charged to the profit and loss account, while the amount of the payments/charges are determined by the company on actuarial advice so that over the long-term, the funds and provisions will be adequate to meet the liabilities.

**25. Actuarial valuation**

An actuarial valuation of the life fund as at 31 December 2002 was carried out by Messrs. Ajibola Ogunshola & Co (Actuaries, Pension and investment consultants). The report, which is dated 20 October, 2004 indicates a deficiency of ₦35,877,000 in the life fund and which was accordingly funded by the rights issue offered in 2004.

**26. Responsibilities of the directors on the financial statements**

In accordance with the provisions of Sections 334 and 335 of the Companies and Allied Matters Act, 1990, the company's directors are responsible for the preparation of the annual financial statements which give a true and fair view of the state of affairs of the company as at 31 December, 2004 and of its profit or loss for the year ended on that date, and comply with the requirements of the Companies and Allied Matters Act, 1990. These responsibilities include ensuring that:

- (i) adequate internal control procedures are instituted to safeguard assets, prevent and detect fraud and other irregularities;
- (ii) proper accounting records are maintained;
- (iii) applicable accounting standards are followed; and
- (iv) suitable accounting policies are used and consistently applied.

**27. Consolidation of financial statements**

The financial statements of the company and its subsidiaries were consolidated for the first time as at 31 December, 2004.

**28. Approval of financial statements**

These financial statements were approved by the Board of Directors on 12 May, 2005.

## NIGER INSURANCE PLC.

## GROUP STATEMENT OF VALUE ADDED

	2004	
	× '000	%
Premium earned	917,974	
Investment and other incomes	<u>126,475</u>	
	1,044,449	
Claims, commissions, purchases and services	<u>630,160</u>	
<b>Value added</b>	<b>414,289</b>	100.0
	=====	=====
 <b>Applied as follows:-</b>		
<i>In payment of employees -</i>		
Salaries, wages and other benefits	119,584	29
<i>In payment to Government -</i>		
Taxation	33,897	8
<i>In payment to providers of capital -</i>		
Dividend to shareholders	200,000	48
<i>Retained for maintenance of assets -</i>		
Depreciation	5,875	2
<i>Retained for expansion of business -</i>		
Contingency reserve	37,471	9
Retained profit	<u>17,462</u>	<u>4</u>
<b>Value added</b>	<b>414,289</b>	100.0
	=====	=====

The statement represents the distribution of the wealth created through the use of the company's assets, and its employees' efforts.

## NIGER INSURANCE PLC

## COMPANY STATEMENT OF VALUE ADDED

	2004	%	2003	%
	× '000		× '000	
Premium earned	917,974		866,776	
Investment & other income	<u>122,977</u>		<u>65,505</u>	
	1,040,951		932,281	
Claims, commissions, purchases & Svs	<u>639,007</u>		<u>633,919</u>	
Valued added	401,944	100	298,362	100
	=====	=====	=====	=====
<b>Applied as follows: -</b>				
<i>In payment of employees</i>				
Salaries, wages & other benefits	112,300	28	95,586	32
<b>In payment to Government:-</b>				
Taxation	32,942	8	20,957	7
<i>In payment to providers of capital</i>				
Dividend to shareholders	200,000	50	120,000	40
<i>Retained for maintenance of assets</i>				
Depreciation	4,312	1	10,616	4
<i>Retained for expansion of business</i>				
Contingency reserve	37,471	9	26,406	9
Retained profit	<u>14,919</u>	<u>4</u>	<u>24,797</u>	<u>8</u>
Valued added	401,944	100	298,362	100
	=====	=====	=====	=====

## NIGER INSURANCE PLC

## COMPANY FINANCIAL SUMMARY

	2004 × '000	2003 × '000	2002 × '000	2001 × '000	2000 × '000
<b>Source of funds</b>					
Share capital	500,000	400,000	350,000	250,000	200,000
Share premium	308,201	100,607	100,607	150,607	-
Capital reserve	465,629	465,629	465,629	465,629	465,629
Contingency reserve	190,012	143,437	108,992	80,319	61,900
Reserve for bonus shares issue	250,000	-	50,000	100,000	-
General reserve	<u>145,763</u>	<u>130,844</u>	<u>106,047</u>	<u>77,621</u>	<u>42,477</u>
	1,859,605	1,240,517	1,181,275	1,124,176	770,006
	=====	=====	=====	=====	=====
<b>Use of funds</b>					
Fixed assets	1,311,825	1,281,998	1,141,378	1,165,363	1,023,104
Investments	5,753,273	4,829,588	3,377,366	1,544,071	1,126,201
Statutory deposit	35,000	13,500	13,500	13,500	13,500
Other assets	<u>1,148,885</u>	<u>1,057,239</u>	<u>763,532</u>	<u>851,490</u>	<u>664,948</u>
	8,248,983	7,182,325	5,295,776	3,574,424	2,827,753
<b>Deduct:-</b> Current liabilities	<u>653,074</u>	<u>820,496</u>	<u>359,857</u>	<u>488,564</u>	<u>334,280</u>
	7,595,909	6,361,829	4,935,919	3,085,860	2,493,473
- Deposit administration	<u>4,512,560</u>	<u>4,086,050</u>	<u>2,805,624</u>	<u>1,089,446</u>	<u>966,693</u>
	3,083,349	2,275,779	2,130,295	1,996,414	1,526,780
<b>Deduct:</b> Insurance fund reserve	<u>1,223,744</u>	<u>1,035,262</u>	<u>949,020</u>	<u>872,238</u>	<u>756,774</u>
	1,859,605	1,240,517	1,181,275	1,124,176	770,006
	=====	=====	=====	=====	=====
<b>Turnover and profits</b>					
Premium (net)	1,816,447	1,670,634	1,269,034	904,191	642,570
Profit before taxation	285,332	192,160	176,235	139,683	113,214
Profit after taxation	252,390	171,203	155,766	124,210	100,700
Dividend	200,000	120,000	105,000	75,000	72,000
<b>Financial ratios*-</b>					
Earnings per 50k share	25.24k	17.12k	15.58k	12.42k	10.07k
Dividend per share	20k	12.00k	10.50k	7.50k	7.20k
Dividend cover (times)	1.26	1.43	1.48	1.66	1.40
Net assets per share	×1.86	×1.24	×1.18	×1.12	×0.77

\* Financial ratios for previous years have been adjusted for purposes of comparability.

**FOR MANAGEMENT USE ONLY**

## NIGER INSURANCE PLC

## SCHEDULE I

**LIFE MANAGEMENT EXPENSES  
FOR THE YEAR ENDED 31 DECEMBER, 2004**

	<b>2004</b>	<b>2003</b>
	<b>× '000</b>	<b>× '000</b>
Directors' remunerations - fees	<b>631</b>	1,000
- Other emoluments	<b>3,168</b>	2,765
Salaries and wages	<b>119,809</b>	83,395
Entertainment and business promotion	<b>57,685</b>	46,754
Repairs, maintenance and office service charges	<b>42,875</b>	24,482
Travelling	<b>30,865</b>	20,171
Staff training	<b>22,510</b>	16,478
Insurances	<b>20,116</b>	7,101
Staff welfare and medical expenses	<b>17,409</b>	8,744
Vehicles' maintenance	<b>16,492</b>	8,535
Telephone	<b>14,492</b>	9,820
Rents and rates	<b>11,442</b>	3,721
Printing and stationery	<b>9,990</b>	11,711
Pension fund charge	<b>9,018</b>	9,274
Bank charges and commissions	<b>8,426</b>	9,115
Insurance special supervision fund contribution	<b>7,755</b>	7,686
Computer charges	<b>7,157</b>	4,720
Advertising	<b>6,777</b>	7,308
Lighting and water rate	<b>5,230</b>	3,828
Donations and subscriptions	<b>4,976</b>	4,443
AGM expenses	<b>4,520</b>	4,088
Postages and courier services	<b>3,465</b>	2,386
Employer's contribution to NSITF	<b>2,174</b>	1,943
Debt recovery expenses	<b>2,114</b>	490
Office cleaning	<b>2,074</b>	973
Technical management fee	<b>1,883</b>	-
Newspapers	<b>1,760</b>	493
Audit fee	<b>1,500</b>	1,500
Provision for doubtful debt	<b>1,402</b>	2,118
I.T.F. Contributions	<b>1,352</b>	437
Legal expenses	<b>823</b>	371
Stamp duty	<b>745</b>	777
Other professional fees	<b>541</b>	1,687
Stock exchange fee	<b>47</b>	1,027
Actuarial valuation fees	<b>-</b>	2,690
	<b><u>441,223</u></b>	<u>312,031</u>
Depreciation	<b><u>77,147</u></b>	<u>82,815</u>
	<b><u>518,370</u></b>	<u>394,846</u>
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## NIGER INSURANCE PLC

## SCHEDULE II

**NON-LIFE MANAGEMENT EXPENSES  
FOR THE YEAR ENDED 31 DECEMBER, 2004**

	<b>2004</b>	<b>2003</b>
	<b>× '000</b>	<b>× '000</b>
Directors' remuneration - fees	516	1,092
- Other emoluments	2,592	2,995
Salaries and wages	98,056	84,207
Repairs, maintenance and office service charges	32,938	23,080
Travelling	22,641	21,852
Staff training	18,417	15,853
Insurances	16,459	7,693
Staff welfare and medical expenses	14,244	9,737
Telephone	13,860	10,639
Vehicle maintenance	11,857	9,247
Provision for bad and doubtful debts	9,838	19,751
Rents and rates	9,345	4,032
Marine superintendents fee	9,251	7,369
Printing and stationery	7,807	7,099
Pension fund charge	7,380	9,274
Bank charges and commissions	6,894	9,272
Insurance special supervision fund contribution	6,345	8,326
Computer expenses	5,856	5,114
Advertising	5,544	7,917
Donations and subscriptions	4,071	4,814
AGM expenses	3,698	4,429
Postages and courier services	2,835	2,584
Lighting and water rate	4,279	4,147
Employer's contribution to NSITF	1,779	2,105
Debt recovery expenses	1,730	531
Office cleaning	1,697	1,054
Technical management fee	1,541	-
Audit fee	1,500	1,500
Newspapers	1,407	534
I.T.F. contributions	1,107	473
Legal expenses	673	402
Stamp duty	610	843
Other professional fees	442	1,827
Stock exchange fee	38	1,113
	<u>327,247</u>	290,905
Depreciation	<u>4,312</u>	<u>10,616</u>
	<u>331,559</u>	<u>301,521</u>
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