



Protecting Innovating Leading

2009 annual report//accounts

Contents



LEADWAY **ASSURANCE COMPANY LIMITED**

//07	Notice of Annual General meeting
//09	Chairman's Statement
//13	Corporate Profile
//15-17	Board of Directors
//19-23	Directors' Report
//25	Statement of Directors
//26	Independent Auditors' Report
//27-37	Statement of Accounting Policies
//38	Leadway at a Glance
//42	Consolidated Company Balance Sheet
//43	Consolidated Profit and Loss Account
//44	Company Statement of Cash Flows
//45	General Business Balance Sheet
//46	General Business Profit and Loss Account
//47	General Business Revenue Account
//48	Life Business Balance Sheet
//49	Life Business Profit & Loss Account
//50	Life Business Revenue
//51	Deposit Administration Revenue Account
//52-105	Notes to the Financial Statements
//106-107	Branches Directory

Errata

The agenda under notice of Annual General Meeting (AGM) dated 28th June 2010 is hereby amended as follows:

1. By changing the date and venue as follows:

Date: Friday, 30th July 2010
Venue: Leadway Training School
Rooftop
Apex Mill House (Thomas Wyatt Building)
10, Abebe Village Road
Iganmu , Lagos

2. By Preceding Ordinary Business with the following:

A. **Special business**

Ordinary Resolution

“That in accordance with Section 217(2) of the Companies and Allied Matters Act 1990, shareholders agree to hold the Annual General Meeting called notwithstanding that less than 21 days notice of the meeting has been given.”

Accordingly, the existing Agenda and Resolutions 1 to 7 as set out in the AGM Notice be renumbered as Agenda B, with corresponding resolutions 1 to 7.

Dated 16th July 2010.

//007

AGM Notice

Notice of the 38th Annual General Meeting

NOTICE IS HEREBY GIVEN that the 38th Annual General Meeting of LEADWAY ASSURANCE COMPANY LIMITED will be held at Protea Hotel Leadway, No 1, Mogambo Close, Maryland Estate, Ikeja, Lagos on Tuesday, 20th July, 2010 at 12 noon for the following purposes:

Ordinary Business

1. To adopt the reports of the Directors and Auditors, including the Statement of Accounts for the year ended 31st December, 2009.
2. To declare a dividend.
3. To re-elect the Directors of the Company.
4. To authorize the Directors to fix the remuneration of the Auditors.
5. To transact any other business that may be transacted at an Annual General Meeting.

Special Business

To consider and if thought fit pass the following resolutions:

6. That the authorized share capital of the Company be and is hereby increased from ₦4,000,000,000.00 to ₦5,000,000,000 by the creation of 2,000,000,000 Ordinary Shares of 50kobo each; all shares to rank equally in all respects with existing shares of the Company.
7. That the Directors of the Company be and are hereby authorized following the increase in share capital to capitalize the sum of ₦ 1,371,811,468 (one billion, three hundred and seventy-one million, eight hundred and eleven thousand, four Hundred and Sixty Eight Naira) out of the profits declared for the accounting year ended 31st December, 2009 and to apply the sum in paying in full 2,743,622,936 (two billion, seven hundred and forty-three million, six hundred and twenty two thousand, nine hundred and thirty six) ordinary shares of 50 kobo each which shall be distributed to the shareholders as fully paid shares in the proportion of 1 (one) new share for every 2 (two) shares held by the shareholders as at 16th June 2010, all shares to rank equally in all respects with existing shares of the company except that they shall not rank for the dividend recommended by the Directors in respect of the year ended 31st December, 2009.

BY ORDER OF THE BOARD



Adetola Adegbayi
Company Secretary
28th June, 2010

NOTES

1. Any member entitled to attend and vote at the meeting may appoint a proxy (who need not be a member) to attend and vote in his place. In order to be valid, an instrument appointing a proxy must be deposited at the office of the Company Secretary, Leadway House, 121/123, Funso Williams Avenue, Iponri, Lagos not later than 48 hours before the time appointed for the meeting.
2. The register of members and their shareholding is available for inspection, at the office of the Company Secretary during normal business hours, from the date of this notice until the close of business on 16th July, 2010.

**Adetola
Adegbayi**

Adetola Adegbayi



Chairman's Statement

“ The Central Bank of Nigeria (CBN) banking industry correction, to safeguard the financial sector from systemic collapse, led to the injection of ₦620 billion to strengthen the industry's balance sheet which had weakened due to extreme financial asset deflation of some banks. ”

Dear Shareholders,

I welcome you all to the 38th Annual General Meeting of our Company and have the pleasure of presenting to you our financial performance for the financial year ended 31st December, 2009.

ECONOMIC BACKGROUND

2009 was a year of global recession, with rising unemployment and financial market instability. Foreign Direct Investment into Nigeria dropped significantly and there was an equally low level of government expenditure attributable to lower revenue generated from crude oil, which was as much a question of prices as it was of lower oil production as a result of crisis within the Niger Delta. The GDP growth for the year which stood at 6.9% was largely driven by the non-oil sectors such as agriculture, telecommunications, wholesale and retail trade.

The Central Bank of Nigeria (CBN) banking industry correction, to safeguard the financial sector from systemic collapse, led to the injection of ₦620 billion to strengthen the industry's balance sheet which had weakened due to extreme financial asset deflation of some banks. This correction resulted in significant bank job losses, cut back on expenses, including apathy towards lending activities. Overall, consumers crimped their spending and for many, insurance became a dispensable item resulting in lapses on payments and cancellation of policies.

The performance of the equities market reflected a significant reduction in prices of equities, thus putting insurers' capital under continuing stress, further weakened by poor investment returns. Without any financial respite, the country continued to grapple with basic infrastructural problems of power, water and roads which have contributed in worsening the already high cost of doing business in the country.

INSURANCE INDUSTRY

As the insurance industry is extremely sensitive to the national economy, it was unsurprising that insurance stocks performed poorly on the Nigerian Stock Exchange due to low returns delivered to investors, which in turn resulted in general market lull. Aware of the need to increase insurance penetration in the country, which still contributes less than 1% to the country's Gross Domestic Product, the National Insurance Commission released guidelines for the enforcement of compulsory insurance products, code-named "The Nigeria Insurance Market Development and Restructuring Initiative (MDRI)". It is hoped that the MDRI, together with the new accounting regulatory requirements on insurance industry receivables, will bolster societal development while at the same time encourage business growth.

Also, the financial reports being presented to you has been prepared in line with the revised regulatory standard set by the National Insurance Commission in its quest to harmonize insurers' accounting styles, though prepared in accordance with standards, made it difficult to compare performance of insurance companies.



Chairman's Statement



FINANCIAL PERFORMANCE

In line with the new regulatory standards of accounts presentation and against the background of the economic environment, I am pleased to report that your Company recorded 25% increase in Gross Premium Written from ₦19.8bn in 2008 to ₦24.8bn in 2009. However, there is a decrease of 5% in reinsurance outward from ₦12bn in 2008 to ₦11.4bn in 2009 despite increase in Gross Premium Written.

The new reporting format also specified elimination of most Life Business operations from the consolidated results. Consequently, most Life operations items are not reflected in the consolidated reports. Overall, your Company recorded a 47% increase in Net Premium Earned from ₦6bn in 2008 to ₦8.9bn in 2009.

With the settlement of a major fire claim, which cost the Company about ₦1bn for the prior year of account, Net Claims Incurred reduced by 14% from ₦3.4bn in 2008 to ₦2.9bn in 2009.

Due to prevailing financial market corrections, the Company's investment income plummeted by 64% from ₦2.03bn in 2008 to ₦747m in 2009. Company's overall result was, however, buoyed by good technical performance with 279% increase in underwriting profit from ₦1bn in 2008 to ₦4.1bn in 2009, resulting in a 10% dip in profit after tax from ₦1.1bn in 2008 to ₦1bn in 2009.

On the balance sheet side, the asset size of your Company increased by 31% from ₦27.3bn in 2008 to ₦35.6bn in 2009, with a 6% marginal drop in shareholders' fund from ₦12.3bn in 2008 to ₦11.6bn in 2009.

DIVIDEND AND BONUS

Out of the profits declared, your directors have recommended that cash dividend of 7.29 kobo per share be declared translating to ₦400m and that the sum of ₦1,371,811,468 be capitalized in response to the historical conservative values of capital preservation which have ensured the sustained growth of our Company over the years. The capitalized sum shall be used in paying in full 2,743,622,936 shares to be distributed to shareholders as 1(one) new share for every 2(two) units of shares held by them as at 16th June, 2010 without ranking for dividend distributed for the same year of account.

Chairman's Statement



FUTURE OUTLOOK

The year 2010 sees improvements in the financial sector, with a healthier stock market performance. As such, your Company should witness an upturn in its book losses, whilst taking full advantage of new opportunities to continue to sustain its position as an insurer of choice. The increased enforcement of compulsory insurances and local content requirements within the business environment, particularly as anticipated from the provisions of the Nigerian Oil and Gas Industry Content Development Act 2010, is expected to bolster premium growth and insurance density and your Company is positioned to take advantage of these, whilst ensuring that it continues to develop its retail sales for the Nigerian populace either through "Leadway Direct" or through the "Bancassurance" agreements.

APPRECIATION

Whatever the situation, we remain with our customers for the long haul and we must thank them directly and/or as intermediary brokers and agents who have given us the pleasure of their confidence in us. We must also thank our management and staff for striving daily to live up to our values of integrity, Service, Customer focus, Openness, Respect and Excellence ("iSCORE") in dealing with our customers. Without our customers, both external and internal, we will not have a Company that we are proud to be part and parcel of.

Alhaji Hassan Hadejia
(Shettiman Hadejia)
Chairman

//013

Corporate Profile



Directors

1. Alhaji Hassan Hadejia(Shettiman Hadejia) Chairman
2. Mr. Oye Hassan-Odukale, MFR (MD/CEO)
3. Mr. Jeremy Rowse
4. Mr. Olawale Oyeniye Oyedele
5. Mrs. Fehintola Obatusin (*appointed with effect from 9th Feb. 2010*)
6. Dr. Konyinsola Ajayi
7. Mallam Umar Yahaya
8. Dr. A.B.C. Orjiako
9. Mr. Tunde Hassan-Odukale

Secretary

Adetola Adegbayi

Registered Office

Leadway Assurance House
NN 28/29 Constitution Road,
P.O Box 458 Kaduna

Corporate Office

Leadway Assurance House
121/123 Funso Williams Avenue, Iponri, Lagos
G.P.O. Box 6437, Marina, Lagos

Auditors

KPMG Professional Services
22A, Gerrard Road, Ikoyi
Lagos

Consulting Actuaries

H.R (Nigeria) Limited
P. O. Box 75399
Victoria Island, Lagos

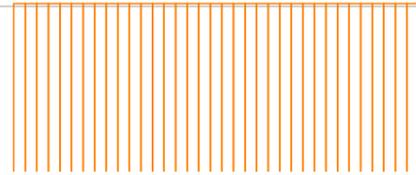
Reinsurers - Local

African Reinsurance Corporation
Continental Reinsurance PLC

Reinsurers - International

Swiss Re Zurich Limited
Munich Mauritius Reinsurance Company Limited
Hannover Reinsurance Africa Limited
Kenya Re Corporation Limited





//019

Directors' Report *For the year ended 31 December 2009*

The directors have pleasure in presenting their annual report on the affairs of Leadway Assurance Company Limited ("the Company") and subsidiary companies ("the Group") together with the audited financial statements and the auditor's report for the year ended 31 December 2009.

Legal form and principal activity

The Company was incorporated as a private limited liability Company in September 1970. It obtained a license to operate as an insurance Company in January 1971 and commenced business in January 1971. The Company is principally engaged in the business of providing risk underwriting and related financial services to its customers. Such services include provision of life and non-life insurance services to both corporate and individual customers.

Subsidiary and associated companies

The Company holds 53% shareholding in Leadway Capital and Trust Limited (formerly Leadway Trustees Limited), 51% in Leadway Hotels Limited and 100% in Leadway Properties and Investments Limited. The Company also holds 46% shareholding in Leadway Pensure PFA Limited and 25% in Total Health Trust Limited that are associated companies.

The financial results of all the subsidiaries have been consolidated in these financial statements. Leadway Pensure PFA Limited and Total Health Trust Limited, being associated companies, have been accounted for using the equity method.



Directors' Report

Operating results

The highlights of the Group and Company's operating results for the year ended 31 December 2009 are as follows:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Profit before taxation	1,774,111	1,257,508	1,470,749	1,332,397
Taxation	(551,294)	(255,430)	(468,279)	(225,151)
Profit after taxation	1,222,817	1,002,078	1,002,470	1,107,246
Non-controlling interest	(101,362)	(17,858)	-	-
Profit attributable to equity holders	1,121,455	984,220	1,002,470	1,107,246
Transfer to statutory contingency reserve	(765,649)	(302,364)	(765,649)	(302,364)
Transfer to bonus issue reserve	-	(304,847)	-	(304,847)
Transfer to general reserve	335,542	377,009	236,821	500,035
Shareholders' funds	11,416,840	12,396,889	11,654,142	12,338,998
Earnings per share (k) – Basic	22	21	18	23
Earnings per share (k) – Adjusted	22	18	18	20
Declared dividend per share (k)	6	10	6	10

Declared dividends:

The Shareholders at the annual general meeting held on 29 June 2009 approved the payment of N292,651,000 (2008: N500,000,000) as dividend during the year. The dividends were subject to deduction of withholding tax.

Directors' Report

Directors and their interest

The Directors who held office during the year, together with their direct and indirect interests in the shares of the Company, were as follows

		(Number of 50k ordinary shares held)			
		2009	2009	2008	2008
		Direct	Indirect	Direct	Indirect
Alhaji Hassan Hadejia	- Chairman	66,478,164	149,271,189	59,091,702	132,685,502
Mr. Oye Hassan-Odukale	- Managing Director	35,895,108	737,098,409	31,906,763	655,198,586
Mr. Tunde Hassan -Odukale	- Executive	-	345,904,566	-	307,470,726
Dr. Konyisola Ajayi	- Non Executive	-	-	-	-
Dr. A.B.C Orjiako	- Non Executive	-	-	-	-
Mr. Olawale Oyedele	- Executive	-	31,339,710	27,857,520	-
Mr. Jeremy Rowse	- Non Executive	-	1,042,576,719	-	926,734,862
Mrs. Abimbola Oyebanjo	- Non Executive	250,570,109	-	222,728,986	-
Mallam Umar Yahaya	- Non Executive	-	-	-	-

Analysis of shareholding

The analysis of the distribution of the shares of the Company is as follows:

Share range	2009			
	No. of Shareholders	Percentage of Shareholders	No. of Holdings	Percentage of Holders
Above 400,000,000	4	12%	3,390,703,427	62%
200,000,001 - 400,000,000	4	11%	1,028,363,073	19%
100,000,001 - 200,000,000	2	6%	337,720,088	6%
50,000,001 - 100,000,000	5	14%	354,469,739	6%
1,000,000 - 50,000,000	20	57%	375,989,545	7%
Total	35	100%	5,487,245,872	100%

Share range	2008			
	No. of Shareholders	Percentage of Shareholders	No. of Holdings	Percentage of Holders
Above 400,000,000	3	9%	3,019,726,233	62%
200,000,001 - 400,000,000	5	14%	731,119,197	15%
100,000,001 - 200,000,000	3	9%	483,176,949	10%
50,000,001 - 100,000,000	4	11%	260,671,170	5%
1,000,000 - 50,000,000	20	57%	382,858,349	8%
Total	35	100%	4,877,551,898	100%

Directors' Report

Fixed assets:

Information relating to changes in fixed assets is given in Note 12 to the financial statements.

Donations and charitable gifts

A total sum of ₦20,009,000 (2008: ₦8,127,500) was donated to non-political and charitable organizations, in order to identify with the aspirations of the community and the environment within which the Group operates. Details of such donations and charitable contributions are as follows:

Beneficiaries	Amount
Lagos State Security Trust Funds	10,000,000
Kaduna State Government (KADA Games Festival)	4,500,000
Inspire Africa Foundation	1,000,000
Chartered Insurance Institute of Nigeria	800,000
Chartered Institute of Taxation of Nigeria	700,000
Nigerian Insurers Association	500,000
Lagos Polo Club	500,000
Risk & Insurance Manager Society of Nigeria	350,000
Association of Registered Ins. Agents of Nigeria	250,000
Adekunle Ajasin University	250,000
Special Persons Association of Nigeria (SPAN)	190,000
National Youth Service Corps, Lagos state	164,000
Jubril Martins Memorial	108,000
Others	697,000
	20,009,000

Employment of disabled persons

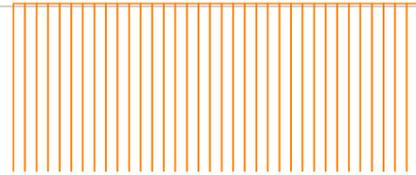
The Group operates a non-discriminatory policy in the consideration of applications for employment, including those received from disabled persons. The Group's policy is that the most qualified and experienced persons are recruited for appropriate job levels irrespective of an applicant's state of origin, ethnicity, religion or physical condition. In the event of any employee becoming disabled in the course of employment, the Group is in a position to arrange appropriate training to ensure the continuous employment of such a person without subjecting him/her to any disadvantage in his/her career development. Currently, the group has no persons on its employment with physical disability.

Health, safety and welfare of employees

The Group maintains business premises designed with a view to guaranteeing the safety and healthy living conditions of its employees and customers alike. Employees are adequately insured against occupational and other hazards.

Employee involvement and training

The Group encourages participation of employees in arriving at decisions in respect of matters affecting their well-being. Towards this end, the Group provides opportunities where employees deliberate on issues affecting the interest of the Group and its employee, with a view of making inputs to decisions thereon. The Group places a high premium on the development of its manpower. Consequently, the Group sponsors its employees for various training courses both locally and overseas.



//023

Directors' Report

Contracts

In accordance with section 277 of the Companies and Allied Matters act of Nigeria, none of the directors has notified the Company of any declarable interest in contracts deliberated by the Company during the year (2008: Nil).

Acquisition of own shares

The Company did not purchase any of its own shares during the year (2008: Nil).

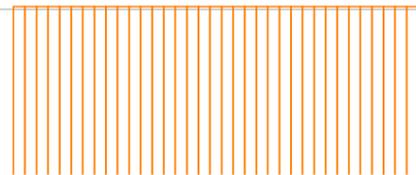
Auditors

Messrs KPMG Professional Services have indicated their willingness to continue in office in accordance with section 357(2) of the Companies and Allied Matters Act 1990.

BY ORDER OF THE BOARD

Adetola Adegbayi
Company Secretary
121/123 Funso Williams Avenue
Iponri
Lagos

14th July, 2010



//025

Statement of Directors

(Responsibilities in Relation to the Financial Statements)

for the year ended 31 December 2009

In accordance with the provisions of Sections 334 and 335 of the Companies and Allied Matters Act 1990, the Directors are responsible for the preparation of annual financial statements which give a true and fair view of the state of affairs of the Group and the Company, and of the profit for the financial year.

The responsibilities include ensuring that:

- (a) Appropriate internal controls are established both to safeguard the assets of the Group and to prevent and detect fraud and other irregularities;
- (b) The Group keeps accounting records which disclose with reasonable accuracy the financial position of the Group and which ensure that the financial statements comply with the requirements of the Companies and Allied Matters Act, Nigerian Accounting Standards, Insurance Act 2003 and NAICOM guidelines and circulars;
- (c) The Group 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
- (d) It is appropriate for the financial statements to be prepared on a going concern basis unless it is presumed that the Company and its subsidiaries 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 of Nigeria, Insurance Act 2003 and NAICOM guidelines and circulars.

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 Group and of the profit 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.

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

SIGNED ON BEHALF OF THE DIRECTORS BY:

Mr. Oye Hassan-Odukale
14th July, 2010

Mrs. Fehintola Obatusin
14th July, 2010





KPMG Professional Services
22A, Gerrard Road, Ikoyi
P.M.B 40014, Falomo
Lagos, Nigeria

Tel: 234 (1) 271 8955
Fax: 234 (1) 462 0704
www.ng.kpmg.com

//026

Independent Auditors' Report

To the members of Leadway Assurance Company Limited

Report on the financial statements

We have audited the accompanying financial statements of Leadway Assurance Company Limited ("the Company") and its subsidiary companies (together "the Group"), which comprise the balance sheets as at 31 December, 2009, and the profit and loss accounts, statements of cash flows and value added statements for the year then ended, and the statement of accounting policies, notes to the financial statements and the Group's three year financial summary and Company's five- year financial summary, as set out on pages 27 to 105

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with Statements of Accounting Standards applicable in Nigeria and in the manner required by the Companies and Allied Matters Act of Nigeria, the Insurance Act of Nigeria and National Insurance Commission (NAICOM) 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 mis-statement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material mis-statement of the financial statements whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimate made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements give a true and fair view of the financial position of Leadway Assurance Company Limited ("the Company") and its subsidiaries (together "the Group") as at 31 December, 2009, and of the Group and Company's financial performance and cash flows for the year then ended in accordance with Statements of Accounting Standards applicable in Nigeria and in the manner required by the Companies and Allied Matters Act of Nigeria, Insurance Act of Nigeria and relevant NAICOM circulars.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 6 of the Companies and Allied Matters Act of Nigeria

In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books and Company's balance sheet and profit and loss account are in agreement with the books of accounts.

KPMG

14th July, 2010
Lagos, Nigeria



Statement of Accounting Policies

The following is a summary of the significant accounting policies adopted by the Company and its subsidiaries (together referred to as 'the Group') in the preparation of its financial statements. These accounting policies have been consistently applied for all years presented.

1. Bases of accounting

These financial statements are prepared in accordance with, and comply with, Nigeria Statements of Accounting Standards (SAS), Companies and Allied Matters Act of Nigeria, Insurance Act 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 currency (Naira). The financial statements have been prepared under the historic cost convention as modified by the carrying of fixed assets and long term investments at valuation amount.

Life business: The financial statements for life business have been prepared using the fund method and under the historical cost convention as modified by the carrying of fixed assets and long term investments at valuation amount.

General business: The financial statements for general insurance business have been prepared using the annual basis of accounting and under the historical cost convention as modified by the carrying of long term investments at valuation amount.

2. Basis of consolidation

(a) Subsidiaries

Subsidiary undertakings, which are those companies in which the Company, directly or indirectly, has an interest of more than half of the voting rights or otherwise has power to exercise control over their operations, have been consolidated. Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the Company. Separate disclosure is made for minority interest.

The consolidated financial statements combine the financial statements of Leadway Assurance Company Limited ("the Company") and its subsidiaries ("the Group") wherein there is majority shareholding and/or control of the Board of Directors and management. The consolidated subsidiaries are Leadway Capital and Trust Limited (formerly Leadway Trustees Limited), Leadway Hotels Limited and Leadway Properties and Investments Limited.

Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealized gains or losses arising from intra-group transactions are eliminated in preparing the group financial statements

Statement of Accounting Policies

b *Associates*

Associates are those entities in which the Company has significant influence but not control, over the financial and operating policies. Investments in associates are accounted for using the equity method of accounting and are recognised at cost less impairment in the Company's separate financial statements.

The Group's share of the associates' post acquisition profits or losses is recognised in the profit and loss accounts. Its share of pre-acquisition reserves is recognised in reserves. The cumulative post acquisition investments are adjusted against the carrying amount of the investments.

When the Group's share of losses equals or exceeds its interest in an associate including any other unsecured receivables, the Group's carrying amount is reduced to nil and recognition of further loss is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of an associate. Distributions received from an associate are applied to reduce the carrying amount of the investment.

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

The preparation of financial statements require the use of certain critical accounting estimates and assumptions. It also requires management to exercise judgment in the process of applying the Company's accounting policies. Although estimates are determined on the basis of historical information, actuarial analyses and the directors best knowledge of current events and actions, actual results ultimately may differ from those estimates.

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 year in which the estimate is revised.

The preparation of the financial statements requires Management to make certain estimate and assumption that affect the allocated and reported amounts of assets and liabilities in the different business units as at the date of the financial statements and the reported amount of income and expense during the reporting period.

These estimates are determined on the basis of historical information, actuarial analysis and other analytical techniques where actual results could differ from these estimates.

4. **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 policyholder or other beneficiary.

Statement of Accounting Policies

5. Recognition and measurement of insurance contracts

Short-term insurance contracts under Non-Life are accounted for on an annual basis while long term insurance which comprise Life contracts are accounted for using the fund method.

The operating surpluses or losses arising from long-term insurance contracts are determined by annual actuarial valuation. These surpluses or losses are arrived at after taking into account the movement in actuarial liabilities under unexpired policies and other reserves within the policyholder liabilities. All losses are charged to the profit and loss account while a maximum of 40% of surplus is credited to the profit and loss account in line with NAICOM guideline.

6. 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.

7. Gross premium

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

(i) Short-term insurance contracts premium

Written premium on short-term insurance contracts premiums are contracts entered into during the year, irrespective of whether they relate in whole or in part to a later accounting period. Premium earned for the period includes adjustments to premiums written in respect of unearned premium.

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 unearned premium.

(ii) Long-term insurance contracts premium

Long-term insurance contracts premium is premium received in respect of insurance contract with maturity period exceeding one year.

8. Net Premium

Net premium represents gross premium less reinsurance. It is recognized as income from the date of attachment of risk.

9. Commission earned

Commissions are recognized on ceding business to the reinsurer, and are credited to the profit and loss account.

Statement of Accounting Policies

10. Claimsexpenses

All claims paid and incurred are charged against revenue as expense when incurred. Claims handling expenses are also charged against revenue when incurred. Reinsurance recoveries are recognized when the Company records the liability for the claims and netted off claims expense.

(iii) *Claims arising from short-term insurance contracts*

Claims incurred in respect of short-term insurance contracts consist of claims and claims handling expenses paid during the financial year as well as movements in provision for outstanding claims and claims incurred but not reported which is computed at a minimum rate of 10% of outstanding claims reported during the year 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 claims expense.

(iv) *Claims arising from long-term insurance contracts*

Claims incurred in respect of long-term insurance contracts especially pure life business consist of claims arising during the year including provision for policyholders' liabilities. Outstanding claims on long-term insurance contracts that have occurred at the balance sheet date and have been notified by the insured are carried at the claim amounts advised.

11. 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 and deposit administration are recognized as expense when incurred, with the exception of acquisition costs which are recognized on a time apportionment basis in respect of risk.

12. Management expenses

Management expenses are expenses other than claims and underwriting expenses. They include salaries and wages, depreciation expenses and other expenses. They are accounted for on an accrual basis.

13 Technical reserves

a. Non-life business:

(i) *Provision for unexpired risks:*

The portion of gross premium income on short-term non-life insurance contracts, which is estimated to be unearned in the current period, is accounted for as unexpired risk provision. This is computed separately for each contract and individual policy as at the balance sheet date using principally the time apportionment basis for direct businesses in accordance with the provisions of Section 20 of the Insurance Act 2003 except for marine business which is based on 50% of the gross premium.

Statement of Accounting Policies

(ii) *Outstanding claims*
Outstanding claims comprise provisions for all the Company's estimated ultimate costs of settling all claims and related claim handling expenses incurred but unpaid at the balance 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 reported amounts. Adequate provisions are also made for claims incurred, but not reported (IBNR) at 10% of outstanding claims amount as at the balance sheet date.

(iii) *Contingency reserve*
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.

b. Life business

(i) *General reserve fund*
This is made up of the net liabilities on policies in force as computed by the actuaries at the time of the actuarial valuation and an additional 25% of net premium for every year between valuation dates.

(ii) *Contingency reserve*
This is credited with the higher of 1% of gross premiums and 10% of profit after taxation.

14. Deferred acquisition cost

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 recognized in the subsequent period.

15. Fixed assets

The fixed assets comprise land and buildings and other properties owned by the Company.

Land and buildings are stated at historical cost or revalued amount (based on valuation by external independent valuers) less depreciation. Revaluation is carried out at the discretion of the management as and when necessary. Surpluses arising on the revaluation of individual fixed assets are credited to the Asset Revaluation Reserve Account. When previously revalued fixed assets are disposed of, any revaluation surplus arising relating to the disposed assets is transferred to the profit and loss account.

Statement of Accounting Policies

All other fixed assets are stated at historical cost less accumulated 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 recognized 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.

Capital work-in-progress are not depreciated. Depreciation is calculated on other 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:

Land and buildings	-	2% or over the lease period
Office equipment	-	20%
Computer equipment & software	-	33.33%
Furniture and fittings	-	20%
Motor vehicles	-	25%

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 and are charged to the profit and loss account.

16. Investments

Investments comprise equity investments 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:

a. 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 and market value.

Statement of Accounting Policies

- b. Long-term investments
Long-term investments relate to investments over a long period of time to earn income. These are investments other than short-term investments and includes:
- i. *Quoted investments*
Quoted investments are stated at valuation amount (market value) as at the balance sheet date, as provided by Section 24(13)(b) of the Insurance Act 2003. The excess of the valuation amounts over the cost at the balance sheet date is taken to an 'Equities Price Equalization Reserve Account', while unrealized diminution due to a decrease in the carrying value is recognized in the 'Equities Price Equalization Reserve Account' to the extent that a previous gain is offset, otherwise, it is recognized in the profit and loss account.
 - ii. *Unquoted investments*
These are stated at cost. Where in the opinion of the Directors the value of any unquoted investment is below its cost, an appropriate provision for the diminution in value thereof is charged against the profit and loss account of the relevant year.
 - iii. *Investments in subsidiaries*
Investments in subsidiaries are carried in the Company's balance sheet at cost less provisions for impairment losses. Where, in the opinion of the Directors, there has been impairment in the value of an investment, the loss is recognised as an expense in the period in which the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit and loss account.
 - iv. *Investments in associates*
Investments in associates are carried in the Company's balance sheet at cost less impairment.
- 17. 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.
- 18. Dividend income**
Dividend is recognized as earned when the quoted price of the related security is adjusted to reflect the value of the dividend and is stated net of withholding tax. Scrip dividend is recognized on the basis of the market value of the shares on the date they are quoted.

Statement of Accounting Policies

19. 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.

In line with the statutory guidelines set by NAICOM, allowance for outstanding premium is made as follows:

Period outstanding	% allowance required
Up to 3 months	Nil
3 – 6 months	25%
6 – 9 months	50%
9 – 12 months	75%
Above one (1) year	100%

When a receivable in respect of which a provision has already been made is deemed uncollectible, it is written-off against the related provision and subsequent recoveries are credited to the profit and loss account. Receivables in respect of which a previous provision was not made are written-off directly to the profit and loss account when they are deemed to be uncollectible.

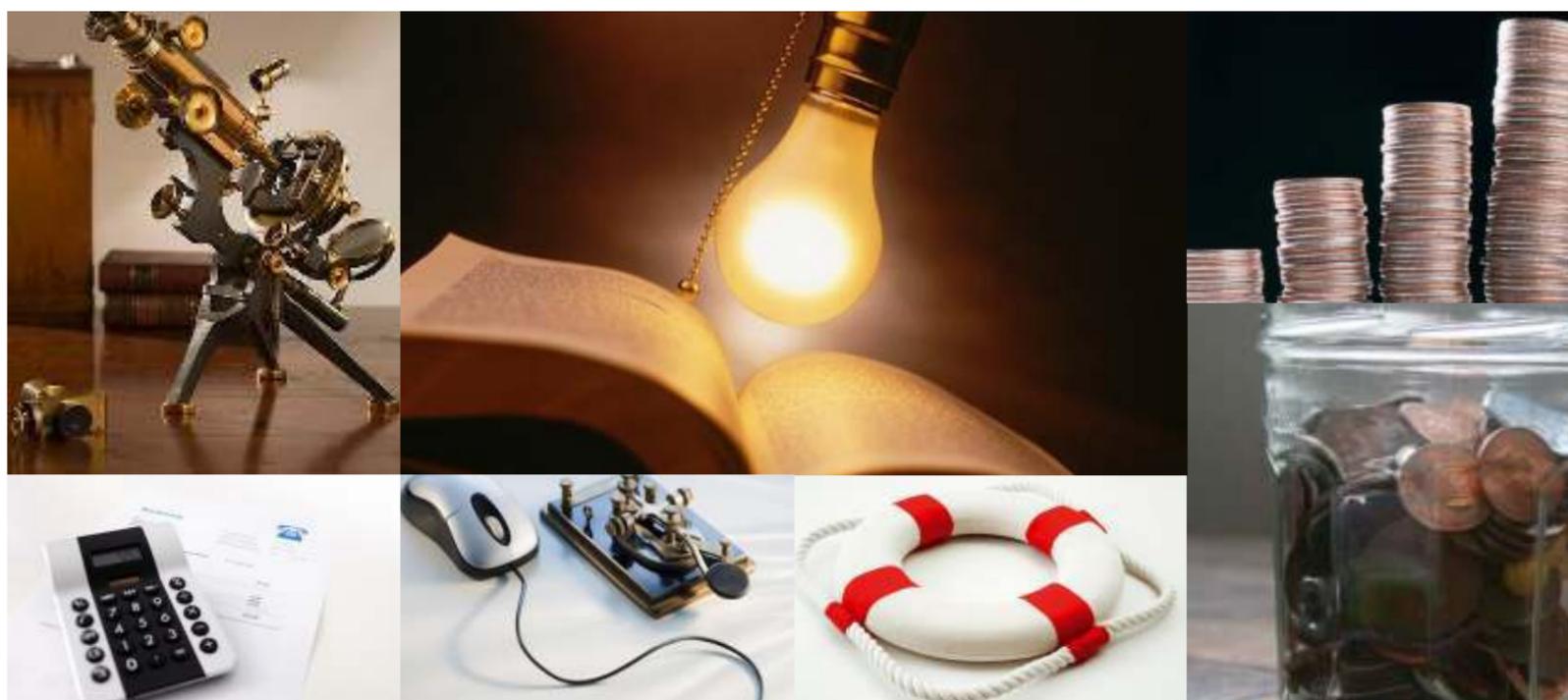
20. Foreign currency transactions

Transactions denominated in foreign currencies are recorded in Naira at the rate of exchange ruling at the date of each transaction. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included in the profit and loss account.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at that date. Exchange gain (net of associated tax) arising from the revaluation of long term monetary assets and liabilities are taken to Foreign Exchange Revaluation Reserve and released to profit and loss on realization of the asset or liability. Exchange losses are recognized in the revaluation reserve to the extent of gain previously recognized otherwise they are taken to the profit and loss account.

21. 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 year using the statutory tax rate at the balance sheet date.



Statement of Accounting Policies

22. Deferred taxation

Deferred taxation, which arises from timing differences in the recognition of items for accounting and tax purposes, is calculated using the liability method. Deferred taxation is provided fully on timing differences, which are expected to reverse at the rate of tax likely to be in force at the time of reversal. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilized. Deferred tax assets are reduced to the extent that it is no longer possible that the related tax benefit will be realized.

23. 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 a separate entity – 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. The Company's obligations are recognized in the profit and loss account.

Gratuity benefits

Prior to 31 December, 2004, the Company operated a gratuity scheme under which employees were entitled to one month basic salary, transport and housing allowance for each completed year of service.

Effective 31 December, 2004 the gratuity scheme was terminated. Under the terms of the termination, amounts payable to employees who were in the employment of the Company as at the termination date will be paid when such employees leave the service of the Company based on benefits determined as at 31 December 2004. The gratuity assets have been transferred to external trustees to manage.

24. Dividends

Dividend 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.

25. Segment reporting

A segment is a distinguishable component of the Company that is engaged in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company's primary format for segment reporting is based on business segments.

Statement of Accounting Policies

26. 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.

27. Deposit administration

Receipts for deposit administration and other business of savings nature are recognized as liabilities. Interest accruing from investment of the savings is recognized in the deposit administration revenue account in the period it is earned while interest paid and due to depositors is recognized as an expense.

28. Investment property

An Investment property is an investment in land or buildings held primarily for generating income or capital appreciation and not occupied substantially for use in the operations of the enterprise. A piece of property is treated as an investment property if it is not occupied substantially for use in the operations of the Group. An occupation of more than 15% of the property is considered substantial.

Investment properties are carried in the balance sheet at their market value and revalued periodically on a systematic basis at least once in every three years. Investment properties are not subject to periodic charge for depreciation.

When there has been a decline in value of an investment property, the carrying amount of the property is written down to recognize the loss. Such a reduction is charged to the profit and loss account. Reductions in carrying amount are reversed when there is an increase, following a revaluation in accordance with the Group's policy, in the value of the investment property, or if the reasons for the reduction no longer exist.

An increase in carrying amount arising from the revaluation of investment property is credited to Asset Revaluation Reserve Account. To the extent that a decrease in carrying amount offsets a previous increase, for the same property that has been credited to revaluation surplus and not subsequently reversed or utilized, it is charged against that revaluation surplus rather than the profit and loss account.

An increase in revaluation which is directly related to a previous decrease in carrying amount for the same property that was charged to the profit and loss account, is credited to profit and loss account to the extent that it offsets the previously recorded decrease.

Investment properties are disclosed separate from the property and equipment used for the purposes of the business.

29. Investments in finance lease

Investment in finance leases are stated net of unearned income. Lease finance income is recognized in a manner which provides constant yield on the outstanding investments over the lease period.

Statement of Accounting Policies

30. Other assets

Receivables and other sundry debtors are classified as other assets and are stated at cost less allowances for doubtful amounts.

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

Prepayments are stated at cost net of amortization.

31. Borrowings

Borrowings are recorded at outstanding principal and accrued interest. Interest costs are recognized in the profit and loss account over the duration of the instrument.

32. Managed funds

Managed funds represent cash deposits made by customers. Customer deposits are accounted for at cost and accrued interests.

33. 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 year.

Adjusted earnings per share is determined by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares adjusted for the bonus shares issued.

34. Commercial loans

Commercial loans represent loans availed to customers at agreed rates of interest. Allowances are determined as stated below:

<u>Period outstanding</u>	<u>% allowance required</u>
Up to 3 months	Nil
3 – 6 months	10%
6 – 12 months	50%
Above one (1) year	100%

When a commercial loan in respect of which an allowance has already been made is deemed not collectible, it is written off against the related provision and subsequent recoveries are credited to the profit and loss account.

Commercial loans in respect of which a previous provision was not made are written off to the profit and loss account when they are deemed to be not collectible.

35. Asset replacement reserve

A proportion of the Group's general reserve is transferred to an asset replacement reserve account for the replacement of assets utilized in its hotel business.

36. Reinsurance

Proportional and non proportional reinsurance premiums are accounted for on an accrual basis. Reinsurance premiums are recognized as expense based on the tenor of the reinsurance contract. Unexpired reinsurance cost is determined on a time apportionment basis and is accounted for as unexpired reinsurance cost.

Leadway at a Glance

YEAR OF INCORPORATION	1970
COMMENCEMENT OF OPERATIONS	1971
FINANCIAL YEAR END	31 st December
SHAREHOLDERS' FUNDS	₦ 11.65 Billion (as at 31 December 2009)
TOTAL ASSET BASE	₦ 35.64 Billion (as at 31 December 2009)
CLASSIFICATION	All classes of Insurance, Managed Funds & Trusteeship
NUMBER OF BRANCHES	19 (excluding Registered office & Corporate office)
SUBSIDIARIES	Leadway Capital & Trusts Limited Leadway Properties & Investments Ltd. Leadway Hotels Limited
ASSOCIATE	Leadway Pensure PFA Limited
NUMBER OF EMPLOYEES	410 (as at December 31, 2009)
FOUNDER	Sir Hassan O. Odukale (1926-1999)
DIRECTORS	Alhaji Hassan Hadejia (Shettiman Hadejia) (Chairman) Mr. Oye Hassan-Odukale, mfr (MD/CEO) Mr. Olawale O. Oyedele (Exec. Director) Mr. Tunde Hassan-Odukale (Exec. Director) Mallam Umar Yahaya (Director) Dr. A. B. C. Orjiako (Director) Dr. Konyinsola Ajayi (Director) Mrs. Fehintola Obatusin (Director) Mr. Jeremy Rowse (Director)
SECRETARY	Miss. Adetola Adegbayi
MANAGEMENT	Mr. Oye Hassan-Odukale, mfr (MD/CEO) Mr. Olawale O. Oyedele (ED) Mr. Tunde Hassan-Odukale (ED) Mr. Muftau O. Oyegunle (GM) Miss. Adetola Adegbayi (GM) Mr. Adebayo O. Okuwobi (DGM) Mr. Abiodun Foluso (DGM) Mr. Olasoji Tehingbola (DGM) Mr. David Onilado (DGM) Mr. Adetayo Adekunle (AGM) Deacon Clement O. Atere (AGM) Mr. Okegbemi Owoseje (AGM) Mrs. Moji Odusoga (AGM) Mr. Temilolu Aduloju (AGM)



//042

Consolidated Balance Sheet As at 31 December

	Notes	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Assets					
Cash and bank balances	1	3,047,299	1,052,951	2,892,338	868,218
Short term investments	2	6,345,019	3,478,827	5,969,800	3,301,729
Premium debtors	3	2,504,409	776,767	2,504,409	776,767
Reinsurance recoverables, other assets and loans	4	7,245,867	3,664,329	6,812,263	3,255,870
Investments in finance leases	5	203,407	188,222	-	-
Deferred acquisition costs	6	390,750	369,755	390,750	369,755
Long term investments	7	11,604,697	15,391,781	11,307,022	15,111,301
Investment in subsidiaries	8	-	-	342,946	342,946
Investment in associates	9	164,755	58,704	695,375	660,375
Investment properties	10	2,387,140	960,199	2,338,896	956,609
Statutory deposits	11	520,000	520,000	520,000	520,000
Fixed assets	12	2,691,388	2,102,616	1,863,952	1,207,022
Total assets		37,104,731	28,564,151	35,637,751	27,370,592
Liabilities					
Creditors and accruals	13	4,384,143	1,761,454	3,727,229	1,156,231
Dividend payable	14	-	95,000	-	95,000
Borrowings	15	414,504	505,225	-	-
Provision for outstanding claims	16	4,642,537	5,246,320	4,642,537	5,246,320
Insurance funds	17	8,284,042	3,375,274	8,284,042	3,375,274
Liability for administered deposits	18	6,491,997	4,827,145	6,491,997	4,827,145
Taxation payable	19	533,092	253,109	485,822	232,938
Deferred taxation	20	379,879	103,735	351,982	98,686
		25,130,194	16,167,262	23,983,609	15,031,594
Capital and reserves					
Share capital	21	2,743,624	2,438,777	2,743,624	2,438,777
Share premium	22	387,826	1,458,867	387,826	1,458,867
Statutory contingency reserve	23	1,858,984	1,093,335	1,858,984	1,093,335
Asset revaluation reserve	24	1,502,482	3,277	1,457,828	3,277
Equities revaluation reserve	25	2,527,889	5,335,192	2,527,889	5,377,115
Asset replacement reserve	26	20,264	-	-	-
Bonus issue reserve	27	1,371,812	304,847	1,371,812	304,847
General reserve	28	1,003,959	1,278,198	1,306,179	1,662,780
Shareholders funds:		11,416,840	11,912,493	11,654,142	12,338,998
Non controlling interest	29	557,697	484,396	-	-
		11,974,537	12,396,889	11,654,142	12,338,998
Total liabilities and reserves		37,104,731	28,564,151	35,637,751	27,370,592

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

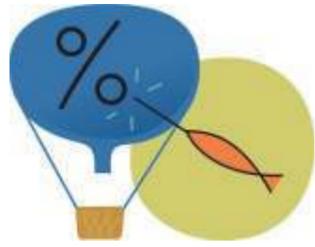
Mr Oye Hassan-Odukale (Managing Director)

Approved by the Board of Directors on 14th July, 2010

Mrs. Fehintola Obatusin (Director)



The statement of accounting policies and accompanying notes form an integral part of these financial statements.



//043

Consolidated Profit and Loss Account For the year ended 31 December

	Notes	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Gross earnings		22,797,776	22,052,881	21,786,771	21,239,662
Income					
Gross premium written		24,817,360	19,782,934	24,817,360	19,782,934
Less: increase in unearned premium	17.1	(4,454,527)	(1,659,998)	(4,454,527)	(1,659,998)
Gross premium earned		20,362,833	18,122,936	20,362,833	18,122,936
Reinsurance cost	30	(11,399,527)	(12,042,480)	(11,399,527)	(12,042,480)
Net premium earned		8,963,306	6,080,456	8,963,306	6,080,456
Commission earned	31	750,752	800,938	750,752	800,938
		9,714,058	6,881,394	9,714,058	6,881,394
Expenses					
Net claims incurred		2,947,780	3,419,767	2,947,780	3,419,767
Acquisition expenses		2,166,935	2,132,328	2,166,935	2,132,328
Maintenance cost		498,662	249,029	498,662	249,029
		5,613,377	5,801,124	5,613,377	5,801,124
Underwriting profit		4,100,681	1,080,270	4,100,681	1,080,270
Shareholders share of valuation surplus		-	260,888	-	260,888
Investment and other income	32	1,708,580	3,025,198	747,893	2,031,812
(Loss)/profit from Deposit Administration		(74,707)	23,088	(74,707)	23,088
Group's share of associate's profit/(loss) for the year	9(b)(i)	50,318	(180,167)	-	-
		5,784,872	4,209,277	4,773,867	3,396,058
Management expenses	33	(2,457,819)	(2,394,590)	(1,888,082)	(1,800,389)
Interest expense on borrowings		(108,066)	(290,907)	-	-
Write offs and provisions for bad and doubtful accounts	34	(1,444,876)	(266,272)	(1,415,036)	(263,272)
Profit before taxation		1,774,111	1,257,508	1,470,749	1,332,397
Taxation	35	(551,294)	(255,430)	(468,279)	(225,151)
Profit after taxation		1,222,817	1,002,078	1,002,470	1,107,246
Non controlling interest	29(b)	(101,362)	(17,858)	-	-
Profit attributable to equity holders		1,121,455	984,220	1,002,470	1,107,246
Appropriations:					
Transfer to statutory contingency reserve	23	765,649	302,364	765,649	302,364
Transfer to asset replacement reserve	26	20,264	-	-	-
Transfer to bonus issue reserve	27	-	304,847	-	304,847
Transfer to general reserve	28	335,542	377,009	236,821	500,035
		1,121,455	984,220	1,002,470	1,107,246
Earnings per share (k) - basic	36	22	21	18	23
Earnings per share (k) - adjusted	36	22	18	18	20
Declared dividend per share (k)	36	6	10	6	10

The board of directors has proposed a dividend of 7k (2008:6k per share) on the issued share capital of 5,487,246,000 (2008: 4,877,544,000) ordinary shares of 50k each, subject to the approval of the shareholders at the next annual general meeting

The board of directors has also proposed a bonus issue of 1 (2008:1) new ordinary share for every 2 (2008:8) held subject to the approval of the shareholders at the next Annual General Meeting. The bonus was appropriated from the general reserve and share premium accounts.

The statement of accounting policies and accompanying notes form an integral part of these financial statements.





//044

Statement of Cash Flows For the year ended 31 December

Notes	Group	Group	Company	Company	
	2009	2008	2009	2008	
	N'000	N'000	N'000	N'000	
Cashflow from operating activities					
Operating profit before changes in working capital	37	7,352,547	4,681,390	6,859,948	4,133,728
Changes in working capital:					
Short term investments		(45,771)	(87,106)	(45,771)	(87,106)
Premium debtors		(2,909,678)	(340,929)	(2,909,678)	(340,929)
Reinsurance recoverables, other assets and loans		(3,715,925)	(1,325,351)	(3,672,667)	(2,249,714)
Investment in finance leases		(15,185)	(57,641)	-	-
Deferred acquisition costs		(20,995)	(213,419)	(20,995)	(213,419)
Creditors and accruals		2,622,689	443,908	2,570,998	333,877
Liability for administered deposits		1,664,852	613,843	1,664,852	613,843
		4,932,534	3,714,695	4,446,687	2,190,280
Tax paid	19	(260,275)	(169,030)	(227,207)	(154,388)
Net cash flow from operating activities		4,672,259	3,545,665	4,219,480	2,035,892
Cashflow from investing activities					
Purchase of fixed assets	12	(451,471)	(719,764)	(421,514)	(661,162)
Proceeds from sale of fixed assets		2,349	39,380	2,349	2,856
Purchase of long term investments	7(c)	(909,139)	(4,058,537)	(880,217)	(3,881,510)
Purchase of investments in associates	9(b)(i)	-	(238,871)	-	(238,871)
Purchase of investment properties	10(a)	(96,910)	(20,000)	(96,910)	(20,000)
Proceeds from disposal of investments		1,576,158	2,250,796	1,576,158	2,250,796
Rent received		47,880	63,553	47,880	63,553
Dividend from investments		588,142	558,153	586,845	509,785
Net cashflow from investing activities		757,009	(2,125,290)	814,591	(1,974,553)
Cashflow from financing activities					
Cash paid to minority		(28,061)	(4,230)	-	-
Dividend paid	14	(387,651)	(405,000)	(387,651)	(405,000)
Loan repayment		(90,721)	(501,964)	-	-
Interest paid on term loans		(108,066)	(290,907)	-	-
Net cashflow from financing activities		(614,499)	(1,202,101)	(387,651)	(405,000)
Net increase/(decrease) in cash and cash equivalents		4,814,769	218,274	4,646,420	(343,661)
Cash and bank balances, beginning of year		4,210,993	3,992,719	3,849,162	4,192,823
Cash and bank balances, end of year	38	9,025,762	4,210,993	8,495,582	3,849,162

The statement of accounting policies and accompanying notes form an integral part of these financial statements.



//045

General Business Balance Sheet As at 31 December

	Notes	2009 N'000	2008 N'000
Assets			
Cash and bank balances	1.1	2,623,031	437,893
Short term investments	2.1	3,239,928	1,236,729
Premium debtors	3.1	2,443,150	776,767
Reinsurance recoverables, other assets and loans	4.1	6,021,716	2,669,536
Deferred acquisition costs	6	390,750	369,755
Long term investments	7.1	6,088,282	9,041,288
Investment in subsidiaries	8.1	342,946	228,637
Investment in associates	9	35,000	132,075
Investment properties	10.1	1,573,896	552,922
Statutory deposits	11	320,000	320,000
Fixed assets	12.1	1,293,849	782,170
Total assets		24,372,548	16,547,772
Liabilities			
Creditors and accruals	13.1	4,080,107	1,233,815
Dividend payable	14	-	95,000
Provision for outstanding claims	16.1	4,168,336	4,966,840
Insurance funds	17.1	7,226,228	2,771,701
Taxation payable	19.1	420,875	150,000
Deferred taxation	20.1	275,129	79,426
		16,170,675	9,296,782
Capital and reserves			
Share capital	21.1	1,794,395	1,794,395
Share premium	22	387,286	1,458,867
Statutory contingency reserve	23.1	1,696,070	951,549
Asset revaluation reserve	24.1	1,080,227	3,219
Equities revaluation reserve	25.1	958,051	1,837,578
Bonus issue reserve	27.1	1,071,041	-
General reserve	28.1	1,214,263	1,205,382
		8,201,873	7,250,990
Total liabilities and reserves		24,372,548	16,547,772

The statement of accounting policies and accompanying notes form an integral part of these financial statements.



//046

General Profit and Loss Account For the year ended 31 December

	Notes	2009 N'000	2008 N'000
Income			
Gross premium earned		24,817,360	19,782,934
Less: Increase in unearned premium		(4,454,527)	(1,659,998)
Gross premium earned		20,362,833	18,122,936
Reinsurance cost		(11,399,527)	(12,042,480)
Net premium earned		8,963,306	6,080,456
Commission earned		750,752	800,938
Total income		9,714,058	6,881,394
Expenses			
Net claims incurred		2,947,780	3,419,767
Acquisition expenses		2,166,935	2,132,328
Maintenance cost		498,662	249,029
		5,613,377	5,801,124
Underwriting profit		4,100,681	1,080,270
Investment income	32.1	520,903	1,404,707
Net operating income		4,621,584	2,484,977
Management expenses	33.1	(1,848,805)	(1,782,441)
Write offs and provisions for bad and doubtful accounts	34.1	(1,315,100)	(247,049)
Profit before taxation		1,457,679	455,487
Taxation	35.1	(411,626)	(141,083)
Profit after taxation		1,046,053	314,404
Transfer to statutory contingency reserve	23.1	744,521	223,080
Transfer to general reserve	28.1	301,532	91,324
		1,046,053	314,404

The statement of accounting policies and accompanying notes form an integral part of these financial statements.

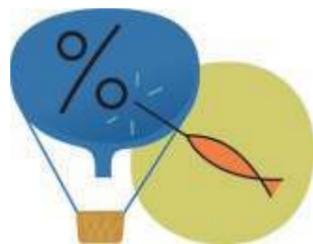


General Business Revenue Account For the year ended 31 December

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Notes	Motor N'000	Fire N'000	General Accident N'000	Marine N'000	Workmen Compensation N'000	Bond N'000	Engineering N'000	Oil & Gas N'000	2009 Total N'000	2008 Total N'000
INCOME										
Direct premium	3,361,126	1,158,012	2,304,432	962,647	117,150	207,301	633,235	16,064,046	24,807,949	19,774,395
Inward premium	6,369	-	-	881	-	-	2,161	-	9,411	8,539
Gross premium written	3,367,495	1,158,012	2,304,432	963,528	117,150	207,301	635,396	16,064,046	24,817,360	19,782,934
Less: increase/(decrease) in unearned premium	92,287	45,360	18,422	(101,308)	15,465	65,110	(41,512)	(4,548,351)	(4,454,527)	(1,659,998)
Gross premium earned	3,459,782	1,203,372	2,322,854	862,220	132,615	272,411	593,884	11,515,695	20,362,833	18,122,936
Reinsurance cost	(52,170)	(500,011)	(452,923)	(297,333)	(16,853)	(77,157)	(120,455)	(9,882,625)	(11,399,527)	(12,042,480)
Net premium earned	3,407,612	703,361	1,869,931	564,887	115,762	195,254	473,429	1,633,070	8,963,306	6,080,456
Commissions earned	11,292	86,671	34,930	29,450	7,302	13,959	33,770	533,378	750,752	800,938
Total income	3,418,904	790,032	1,904,861	594,337	123,064	209,213	507,199	2,166,448	9,714,058	6,881,394
EXPENSES										
Gross claims paid	1,275,362	2,072,593	385,336	196,695	33,069	149,461	130,547	29,495	4,272,558	2,784,560
Increase/(decrease) in outstanding claims provision	299,377	(1,713,957)	(103,302)	37,900	(4,383)	90,312	36,573	558,976	(798,504)	2,948,228
Gross Claims incurred	1,574,739	358,636	282,034	234,595	28,686	239,773	167,120	588,471	3,474,054	5,732,788
Deduct: reinsurance claims recoveries/recoverable	(131,237)	(117,164)	(66,968)	(96,602)	(13,440)	(54,388)	(46,475)	-	(526,274)	(2,313,021)
Net claims incurred	1,443,502	241,472	215,066	137,993	15,246	185,385	120,645	588,471	2,947,780	3,419,767
Add underwriting expenses:										
Acquisition expenses	641,105	321,660	432,673	149,959	23,889	66,307	134,396	396,945	2,166,935	2,132,328
Maintenance expenses	189,578	39,131	104,031	31,426	6,440	10,863	26,339	90,854	498,662	249,029
	830,684	360,791	536,704	181,385	30,329	77,170	160,735	487,799	2,665,597	2,381,357
Total expenses and claims incurred	2,274,186	602,263	751,770	319,378	45,575	262,555	281,380	1,076,270	5,613,377	5,801,124
Underwriting profit	1,144,718	187,769	1,153,091	274,959	77,489	(53,342)	225,819	1,090,178	4,100,681	1,080,270





//048

Life Business Balance Sheet As at 31 December

	Notes	2009 N'000	2008 N'000
Assets			
Cash and bank balances	1.2	269,307	430,325
Short term investments	2.2	2,729,872	2,065,000
Premium debtors	3.2	61,259	-
Reinsurance recoverables, other assets and loans	4.2	1,456,093	894,729
Long term investments	7.2	5,218,740	6,070,013
Investment in subsidiaries	8.2	-	114,309
Investment in associates	9	660,375	528,300
Investment properties	10.2	765,000	403,687
Statutory deposits	11	200,000	200,000
Fixed assets	12.2	570,103	424,852
Total assets		11,930,749	11,131,215
Liabilities			
Creditors and accruals	13.2	312,668	230,811
Provision for outstanding claims	16.2	474,201	279,480
Insurance funds	17.2	1,057,814	603,573
Liability for administered deposits	18	6,491,997	4,827,145
Taxation payable	19.2	64,947	82,938
Deferred taxation	20.2	76,853	19,260
		8,478,480	6,043,207
Capital and reserves			
Share capital	21.2	949,229	644,382
Statutory contingency reserve	23.2	162,914	141,786
Asset revaluation reserve	24.2	377,601	58
Equities revaluation reserve	25.2	1,569,838	3,539,537
Bonus issue reserve	27.2	300,771	304,847
General reserve	28.2	91,916	457,398
		3,452,269	5,088,008
Total liabilities and reserves		11,930,749	11,131,215

The statement of accounting policies and accompanying notes form an integral part of these financial statements.



//049

Life Business Profit and Loss Account For the year ended 31 December

	Notes	2009 N'000	2008 N'000
Income			
Investment and other income	32.2	226,990	627,105
Shareholders' share of valuation surplus		-	260,888
(Loss)/profit from Deposit Administration		(74,707)	23,088
Net operating income		152,283	911,081
Management expenses	33.2	(39,277)	(17,948)
Write offs and provisions for bad and doubtful accounts	34.2	(99,936)	(16,223)
Profit before taxation		13,070	876,910
Taxation	35.2	(56,653)	(84,068)
Profit after taxation		(43,583)	792,842
Transfer to statutory contingency reserve	23.2	21,128	79,284
Transfer to bonus issue reserve	27	-	304,847
Transfer to general reserve	28.2	(64,711)	408,711
		(43,583)	792,842

The statement of accounting policies and accompanying notes form an integral part of these financial statements.



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Life Business Revenue Account For the year ended 31 December

	Note	Individual Life N'000	Group Life N'000	2009 Total N'000	2008 Total N'000
Income					
Gross premium		161,089	1,951,729	2,112,818	1,931,671
Reinsurance cost		(5,990)	(586,440)	(592,430)	(367,480)
Premium retained		155,099	1,365,289	1,520,388	1,564,191
Commissions earned		-	175,932	175,932	107,075
Investment income		7,739	93,765	101,504	82,303
Other income		2,819	34,150	36,969	24,633
Total income		165,657	1,669,136	1,834,793	1,778,202
Direct claims paid					
Surrenders		5	-	5	22
Maturity claims		388	-	388	247
Increase/(decrease) in outstanding claims	16.2(b)	(1,428)	196,149	194,721	172,314
Gross claims incurred		30,713	1,209,398	1,240,111	1,035,847
Deduct:					
Reinsurance claims recoveries/recoverables		-	(468,052)	(468,052)	(162,773)
Net claims incurred		30,713	741,346	772,059	873,074
Acquisition expenses	39.2	26,419	320,106	346,525	332,317
Maintenance expenses	40.2	4,647	56,303	60,950	59,958
Operating expenses		15,326	185,692	201,018	209,704
Total expenses		77,105	1,303,447	1,380,552	1,475,053
Surplus before taxation		88,552	365,689	454,241	303,149
Taxation		-	-	-	-
Surplus after taxation		88,552	365,689	454,241	303,149
Shareholders' share of valuation surplus		-	-	-	260,888
Accretion/increase to life fund	17.2(b)	88,552	365,689	454,241	42,261
		88,552	365,689	454,241	303,149



//051

Deposit Administration Revenue Account For the year ended 31 December

	Company 2009 N'000	Company 2008 N'000
Interest Income	339,466	186,047
Gains from sale of investment	116,437	472,183
Other investment income	166,042	197,002
Total income	621,945	855,232
Expenses		
Acquisition expenses	141,723	91,238
Maintenance cost	5,107	4,173
Guaranteed interest	526,173	419,770
Transferred to liability for administered deposit	-	281,066
Management expenses	23,649	35,897
Total expenses	696,652	832,144
(Loss)/profit from Deposit Administration	(74,707)	23,088



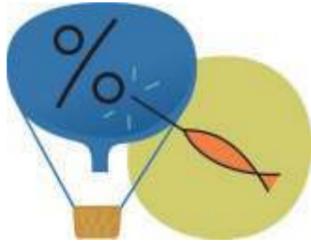
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Notes to the Financial Statements For the year ended 31 December

1 Cash and bank balances

Cash and bank balances comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Cash in hand	719	3,361	551	3,164
Cash at bank	3,046,580	1,049,590	2,891,787	865,054
	<u>3,047,299</u>	<u>1,052,951</u>	<u>2,892,338</u>	<u>868,218</u>
1.1 General business			2009 N'000	2008 N'000
Cash in hand			495	1,829
Cash at bank			2,622,536	436,064
			<u>2,623,031</u>	<u>437,893</u>
1.2 Life business			2009 N'000	2008 N'000
Cash in hand			56	1,335
Cash at bank			269,251	428,990
			<u>269,307</u>	<u>430,325</u>
2 Short term investments				
(a) Short term investments comprise:	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Short term placements	5,978,463	3,158,042	5,603,244	2,980,944
Subscription for shares	105,030	125,785	105,030	125,785
Investment in bonds (see note (b) below)	261,526	195,000	261,526	195,000
	<u>6,345,019</u>	<u>3,478,827</u>	<u>5,969,800</u>	<u>3,301,729</u>



//053

Notes to the Financial Statements For the year ended 31 December

(b) The investment in bonds comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
3rd FGN Bond 2009 Series 2 (12.5%)	-	150,000	-	150,000
Access Bank ₦13.5 billion 14% redeemable convertible bond 2010	15,000	45,000	15,000	45,000
GTB unsecured 8.5% Eurobond 2012	246,526	-	246,526	-
	<u>261,526</u>	<u>195,000</u>	<u>261,526</u>	<u>195,000</u>

2.1 General business

(a) Short term investments comprise:

	2009 N'000	2008 N'000
Short term placements	2,938,397	1,000,944
Subscription for shares	50,005	120,785
Investment in bonds (see note (b) below)	251,526	115,000
	<u>3,239,928</u>	<u>1,236,729</u>

(b) The investment in bonds comprise:

	Company 2009 N'000	Company 2008 N'000
3rd FGN Bond 2009 Series 2 (12.5%)	-	100,000
Access Bank ₦13.5 billion 14% redeemable convertible bond 2010	5,000	15,000
GTB unsecured 8.5% Eurobond 2012	246,526	-
	<u>251,526</u>	<u>115,000</u>

2.2 Life business

(a) Short term investments comprise:

	2009 N'000	2008 N'000
Short term placements	2,664,847	1,980,000
Subscription for shares	55,025	5,000
Investment in bonds (see note (b) below)	10,000	80,000
	<u>2,729,872</u>	<u>2,065,000</u>



//054

Notes to the Financial Statements For the year ended 31 December

(b) The investment in bonds comprise:

	Company 2009 N'000	Company 2008 N'000
3rd FGN Bond 2009 Series 2 (12.5%)	-	50,000
Access Bank ₦13.5 billion 14% redeemable convertible bond 2010	10,000	30,000
	<u>10,000</u>	<u>80,000</u>

3 Premium debtors

(a) Premium debtors comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Premium debtors	3,797,412	887,734	3,797,412	887,734
Less: allowance for doubtful accounts (see note (b) below)	(1,293,003)	(110,967)	(1,293,003)	(110,967)
	<u>2,504,409</u>	<u>776,767</u>	<u>2,504,409</u>	<u>776,767</u>

(b) The movement in allowance for doubtful premium debtors during the year was as follows:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	110,967	-	110,967	-
Addition during the year (see note 34)	1,182,036	110,967	1,182,036	110,967
Balance, end of year	<u>1,293,003</u>	<u>110,967</u>	<u>1,293,003</u>	<u>110,967</u>

(c) The age analysis of premium debtors and related provisions are as follows:

	Company 2009 Gross premium N'000	Company 2009 Provision N'000
0 - 90 days	1,387,957	-
91 - 180 days	916,487	229,122
181 - 270 days	741,059	370,530
271 - 360 days	234,229	175,671
361 days and above	517,680	517,680
	<u>3,797,412</u>	<u>1,293,003</u>



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Notes to the Financial Statements For the year ended 31 December

3.1 General business:

(a) Premium debtors comprise:

	Company 2009 N'000	Company 2008 N'000
Premium debtors	3,656,304	887,734
Less: allowance for doubtful accounts (see note (b) below)	(1,213,154)	(110,967)
	2,443,150	776,767

(b) The movement in allowance for doubtful premium debtors during the year was as follows:

	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	110,967	-
Addition during the year (see note 34.1)	1,102,187	110,967
Balance, end of year	1,213,154	110,967

(c) The age analysis of premium debtors and related provisions are as follows:

	2009 Gross premium N'000	2008 Provision N'000
0 - 90 days	1,366,316	-
91 - 180 days	896,983	224,246
181 - 270 days	695,830	347,915
271 - 360 days	224,728	168,546
361 days and above	472,447	472,447
	3,656,304	1,213,154

3.2 Life business:

(a) Premium debtors comprise:

	Company 2009 N'000	Company 2008 N'000
Premium debtors	141,108	-
Less: allowance for doubtful accounts (see note (b) overleaf)	(79,849)	-
	61,259	-



//056

Notes to the Financial Statements For the year ended 31 December

(b) The movement in allowance for doubtful premium debtors during the year was as follows:

	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	-	-
Addition during the year (see note 34.2)	79,849	-
Balance, end of year	<u>79,849</u>	<u>-</u>

(c) The age analysis of premium debtors and related provisions are as follows:

	2009 Gross premium N'000	2009 Provision N'000
0 - 90 days	21,641	-
91 - 180 days	19,504	4,876
181 - 270 days	45,229	22,615
271 - 360 days	9,501	7,125
361 days and above	45,233	45,233
	<u>141,108</u>	<u>79,849</u>

4 Reinsurance recoverables, other assets and loans

(a) Reinsurance recoverables, other assets and loans comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Claims recoverable from re-insurers	1,497,506	2,181,017	1,497,506	2,181,017
Commercial loans	617,425	598,325	284,358	276,304
Unexpired reinsurance cost	4,302,939	304,470	4,302,939	304,470
Loans to policy holders	255,110	172,177	255,110	172,177
Staff loans	169,210	168,996	168,560	168,517
Prepayments	69,318	49,831	68,787	37,541
Agency loans	21,737	18,560	21,737	18,560
Stock and inventory	16,897	19,523	-	-
Other debtors	434,136	516,941	330,920	454,267
	<u>7,384,278</u>	<u>4,029,840</u>	<u>6,929,917</u>	<u>3,612,853</u>
Less: allowance for doubtful accounts (see note (b) overleaf)	(138,411)	(365,511)	(117,654)	(356,983)
	<u>7,245,867</u>	<u>3,664,329</u>	<u>6,812,263</u>	<u>3,255,870</u>



//057

Notes to the Financial Statements For the year ended 31 December

(b) The movement in allowance for doubtful accounts during the year was as follows:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	365,511	331,137	356,983	319,828
Addition during the year (see note 34)	134,387	123,746	116,274	120,746
Written-off	(361,487)	(89,372)	(355,603)	(83,591)
Balance, end of year	<u>138,411</u>	<u>365,511</u>	<u>117,654</u>	<u>356,983</u>

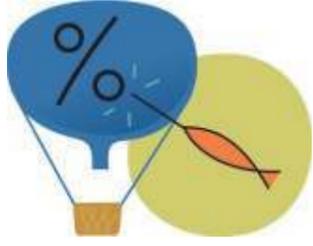
4.1 General business

(a) Reinsurance recoverables, other assets and loans comprise:

	2009 N'000	2008 N'000
Claims recoverable from re-insurers	1,351,807	2,119,230
Commercial loans	59,451	38,539
Unexpired reinsurance cost	4,302,939	304,470
Staff loans	153,994	153,807
Prepayments	35,294	37,541
Other debtors	215,798	315,741
	<u>6,119,283</u>	<u>2,969,328</u>
Less: allowance for doubtful accounts (see note (b) below)	(97,567)	(299,792)
	<u>6,021,716</u>	<u>2,669,536</u>

(b) The movement in allowance for doubtful accounts during the year was as follows:

	2009 N'000	2008 N'000
Balance, beginning of year	299,792	248,004
Addition during the year (see note 34.1)	96,187	104,523
Written-off	(298,412)	(52,735)
Balance, end of year	<u>97,567</u>	<u>299,792</u>



//058

Notes to the Financial Statements For the year ended 31 December

4.2 Life business

(a) Reinsurance recoverables, other assets and loans comprise:

	2009 N'000	2008 N'000
Due from general business	665,546	308,395
Loans to policy holders	255,110	172,177
Commercial loans	224,907	237,765
Claims recoverable from reinsurers	145,699	61,787
Prepayments	33,493	-
Agency loans	21,737	18,560
Staff loans	14,566	14,710
Other debtors	115,122	138,526
	<u>1,476,180</u>	<u>951,920</u>
Less: allowance for doubtful accounts (see note (b) below)	(20,087)	(57,191)
	<u>1,456,093</u>	<u>894,729</u>

(b) The movement in allowance for doubtful accounts during the year was as follows:

	2009 N'000	2008 N'000
Balance, beginning of year	57,191	71,824
Addition during the year (see note 34.2)	20,087	16,223
Written-off	(57,191)	(30,856)
Balance, end of year	<u>20,087</u>	<u>57,191</u>

5 Investment in finance leases

(a) Investment in finance lease comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Gross investment in finance lease (see note (b) below)	251,071	229,379	-	-
Unearned finance income	(47,664)	(41,157)	-	-
Net investment in finance lease	<u>203,407</u>	<u>188,222</u>	<u>-</u>	<u>-</u>

(b) The analysis of gross investment in finance lease is shown below:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Current portion	142,546	120,239	-	-
Non-current portion	108,525	109,140	-	-
Gross investment in finance lease	<u>251,071</u>	<u>229,379</u>	<u>-</u>	<u>-</u>



//059

Notes to the Financial Statements For the year ended 31 December

6 Deferred acquisition costs

- (i) Deferred acquisition costs represent commissions on unearned premium relating to the unexpired period of risks and comprise:

General business

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Motor	115,086	119,242	115,086	119,242
Fire	73,432	110,787	73,432	110,787
General accident	57,465	69,559	57,465	69,559
Marine and aviation	91,188	18,739	91,188	18,739
Workmen's compensation	3,845	3,191	3,845	3,191
Bond	8,667	21,220	8,667	21,220
Engineering	39,894	26,333	39,894	26,333
Oil and gas	1,173	684	1,173	684
	<u>390,750</u>	<u>369,755</u>	<u>390,750</u>	<u>369,755</u>

- (ii) The movement in the Deferred acquisition costs during the year is as shown below:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	369,755	156,336	369,755	156,336
Increase during the year	20,995	213,419	20,995	213,419
Balance, end of year	<u>390,750</u>	<u>369,755</u>	<u>390,750</u>	<u>369,755</u>



//060

Notes to the Financial Statements For the year ended 31 December

7 Long term investments

Long term investments comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Quoted investments (see note (a) below)	8,186,561	12,198,133	8,104,079	12,109,575
Unquoted investments (see note (b) below)	3,418,136	3,193,648	3,202,943	3,001,726
	<u>11,604,697</u>	<u>15,391,781</u>	<u>11,307,022</u>	<u>15,111,301</u>

(a) Quoted investments

Quoted investments comprise:

	Group				Company			
	Market value 2009	Cost 2009	Market value 2008	Cost 2008	Market value 2009	Cost 2009	Market value 2008	Cost 2008
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Ordinary shares	8,009,316	5,802,033	12,175,888	6,840,696	7,926,834	5,671,553	12,087,330	6,710,215
Bonds (see note (a)(i) below)	170,000	170,000	20,000	20,000	170,000	170,000	20,000	20,000
Other quoted investments	7,245	7,245	2,245	2,245	7,245	7,245	2,245	2,245
	<u>8,186,561</u>	5,979,278	<u>12,198,133</u>	6,862,941	<u>8,104,079</u>	5,848,798	<u>12,109,575</u>	6,732,460
Net excess of market value over cost (see Provision for		2,207,283		5,335,192		2,255,281		5,377,115
		<u>8,186,561</u>		<u>12,198,133</u>		<u>8,104,079</u>		<u>12,109,575</u>



//061

Notes to the Financial Statements For the year ended 31 December

(a)(i) The investments in bonds comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Lagos State Government fixed bonds series 1, 2014 (13%)	150,000	-	150,000	-
1st FGN Bonds 2010 (TB+3%)	10,000	10,000	10,000	10,000
2nd FGN Bonds 2013 (TB+3.75%)	10,000	10,000	10,000	10,000
	<u>170,000</u>	<u>20,000</u>	<u>170,000</u>	<u>20,000</u>

(a)(ii) Quoted investments valued at N151,861,175 (2008: N281,115,764) were pledged with First Bank Nigeria Plc, as collateral, against a loan obtained from the Bank. The loan was repaid during the year; however, the investments were still under lien as at year end.

(a)(iii) The analysis of excess of market value over cost is shown below:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Parent company's excess of market value over cost (see note 25)	2,255,281	5,377,115	2,255,281	5,377,115
Subsidiaries' shortfall of market value over cost (see note (a)(iv)) below	(47,998)	(41,923)	-	-
	<u>2,207,283</u>	<u>5,335,192</u>	<u>2,255,281</u>	<u>5,377,115</u>

(a)(iv) The movement in allowance for diminution in quoted investment is shown below:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	-	-	-	-
Reclassification from equities revaluation reserve	41,923	-	-	-
Addition during the year (see note 34)	6,075	-	-	-
Balance, end of year	<u>47,998</u>	<u>-</u>	<u>-</u>	<u>-</u>



//062

Notes to the Financial Statements For the year ended 31 December

(b) Unquoted investments

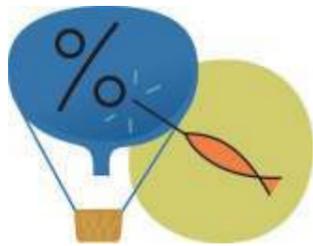
	Group Cost 2009 N'000	Group Cost 2008 N'000	Company Cost 2009 N'000	Company Cost 2008 N'000
Cost	3,299,465	3,225,207	3,078,620	3,033,285
Foreign exchange gain (see note 25(b)(ii))	272,608	-	272,608	-
	<u>3,572,073</u>	<u>3,225,207</u>	<u>3,351,228</u>	<u>3,033,285</u>
Less : allowance for dimunition in unquoted investments (see note (b)(l)below)	(153,937)	(31,559)	(148,285)	(31,559)
Carrying value	<u>3,418,136</u>	<u>3,193,648</u>	<u>3,202,943</u>	<u>3,001,726</u>

(b)(i) The movement in allowance for dimunition in unquoted investment is shown below:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	31,559	-	31,559	-
Addition during the year (see note 34)	122,378	31,559	116,726	31,559
Write-off during the year	-	-	-	-
Balance, end of year	<u>153,937</u>	<u>31,559</u>	<u>148,285</u>	<u>31,559</u>

(c) The movement in long term investments during the year is as shown below:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Cost				
Balance, beginning of year	10,088,148	6,623,907	9,765,745	6,478,531
Addition during the year	909,139	4,058,537	880,217	3,881,510
Disposal during the year	(1,683,544)	(594,296)	(1,683,544)	(594,296)
Transfer to investment in associates (see note 7(b))	(35,000)	-	(35,000)	-
	<u>9,278,743</u>	<u>10,088,148</u>	<u>8,927,418</u>	<u>9,765,745</u>
Excess of market value over cost (see note 7(a))	2,207,283	5,335,192	2,255,281	5,377,115
Provision for dimunition in value of unquoted investment	(153,937)	(31,559)	(148,285)	(31,559)
Foreign exchange gain on unquoted investments (see note 7(b))	272,608	-	272,608	-
Balance, end of year	<u>11,604,697</u>	<u>15,391,781</u>	<u>11,307,022</u>	<u>15,111,301</u>



//063

Notes to the Financial Statements For the year ended 31 December

7.1 General Business

	Company 2009 N'000		Company 2008 N'000	
Quoted investments (see note (a) below)	4,543,526		6,726,399	
Unquoted investments (see note (b) below)	1,544,756		2,314,889	
	<u>6,088,282</u>		<u>9,041,288</u>	
(a) Quoted investments				
	Market value 2009 N'000	Cost 2009 N'000	Market value 2008 N'000	Cost 2008 N'000
Ordinary shares	4,536,281	3,681,275	6,724,154	4,886,576
Other quoted investments	7,245	7,245	2,245	2,245
	<u>4,543,526</u>	<u>3,688,520</u>	<u>6,726,399</u>	<u>4,888,821</u>
Excess of market value over cost (see note 25.1)		855,006		1,837,578
		<u>4,543,526</u>		<u>6,726,399</u>
Foreign exchange gain (see note 25.1(b))				
(b) Unquoted investments				
	2009 N'000		2008 N'000	
Cost	1,589,996		2,346,448	
Foreign exchange gain (see note 25.1(b))	103,045		-	
	<u>1,693,041</u>		<u>2,346,448</u>	
Less : allowance for diminution in unquoted investments (see note (b)(i)below)	(148,285)		(31,559)	
Carrying value	<u>1,544,756</u>		<u>2,314,889</u>	



//064

Notes to the Financial Statements For the year ended 31 December

(b)(i) The movement in allowance for diminution in unquoted investment is shown below:

	2009 N'000	2008 N'000
Balance, beginning of year	31,559	-
Addition during the year (see note 34.1)	116,726	31,559
Balance, end of year	<u>148,285</u>	<u>31,559</u>

7.2 Life business

	Company 2009 N'000	Company 2008 N'000
Quoted investments (see note (a) below)	3,560,553	5,383,176
Unquoted investments (see note (b) overleaf)	1,658,187	686,837
	<u>5,218,740</u>	<u>6,070,013</u>

(a) Quoted investments

	Market value 2009 N'000	Cost 2009 N'000	Market value 2008 N'000	Cost 2008 N'000
Ordinary shares	3,390,553	1,990,278	5,363,176	1,823,639
Bonds (see note (a)(i) below)	170,000	170,000	20,000	20,000
	<u>3,560,553</u>	<u>2,160,278</u>	<u>5,383,176</u>	<u>1,843,639</u>
Excess of market value over cost (see note 25.2)		1,400,275		3,539,537
		<u>3,560,553</u>		<u>5,383,176</u>

(a)(i) The investments in bonds comprise:

	2009 N'000	2008 N'000
Lagos State Government fixed bonds series 1, 2014 (13%)	150,000	-
1st FGN Bonds 2010 (TB+3%)	10,000	10,000
2nd FGN Bonds 2013 (TB+3.75%)	10,000	10,000
	<u>170,000</u>	<u>20,000</u>



//065

Notes to the Financial Statements For the year ended 31 December

(b) Unquoted investments

	Cost 2009 N'000	Cost 2008 N'000
Ordinary shares	1,488,624	686,837
Foreign exchange gain (see note 25.2(b))	169,563	-
Carrying value	<u>1,658,187</u>	<u>686,837</u>

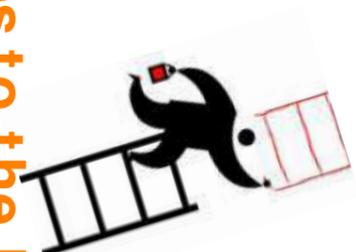
8 Investment in subsidiaries

Investment in subsidiaries comprises:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Leadway Capital and Trusts Limited	-	-	47,696	47,696
Leadway Hotels Limited	-	-	293,250	293,250
Leadway Properties and Investments Limited	-	-	2,000	2,000
	<u>-</u>	<u>-</u>	<u>342,946</u>	<u>342,946</u>

(a) The details of consolidated subsidiaries are shown below

Company name	Country of Incorporation	Nature of Business	Percentage of equity capital held		Year end consolidated
			2009	2008	
Leadway Capital and Trusts Limited <i>(formerly Leadway Trustee Limited)</i>	Nigeria	Trusteeship Hotel and hospitality	53%	53%	31 December 2009
Leadway Hotels Limited	Nigeria	Property management	51%	51%	31 December 2009
Leadway Properties and Investments Limited	Nigeria		100%	100%	31 December 2009



- (b) Condensed results of consolidated entities
 (i) The condensed financial data of the consolidated entities as at 31 December 2009, are as follows:

<i>Subsidiary companies/parent company</i>	Total Assets N'000	Total liabilities N'000	Net assets N'000	Gross earnings N'000	Profit/(loss) before tax N'000	Cash and cash equivalent N'000
Leadway Assurance Company Limited	35,637,751	23,983,609	11,654,142	21,786,771	1,470,749	8,495,582
Leadway Capital and Trusts Limited	1,183,340	715,704	467,636	188,667	46,414	293,359
Leadway Hotels Limited	1,131,084	441,518	689,566	803,302	241,434	226,688
Leadway Properties and Investments Limited	96,147	104,042	(7,895)	10,238	(34)	10,133
Eliminations	(943,591)	(114,679)	(828,912)	8,798	15,548	-
Consolidated amount	<u>37,104,731</u>	<u>25,130,194</u>	<u>11,974,537</u>	<u>22,797,776</u>	<u>1,744,111</u>	<u>9,020,762</u>

- (ii) The condensed financial data of the consolidated entities as at 31 December 2008, are as follows:

<i>Subsidiary companies/parent company</i>	Total Assets N'000	Total liabilities N'000	Net assets N'000	Gross earnings N'000	Profit/(loss) before tax N'000	Cash and cash equivalent N'000
Leadway Assurance Company Limited	27,370,592	15,031,594	12,338,998	21,239,662	1,332,397	3,849,162
Leadway Capital and Trusts Limited	1,155,944	698,166	457,778	293,253	62,165	323,197
Leadway Hotels Limited	1,132,491	583,064	549,427	683,715	4,948	145,783
Leadway Properties and Investments Limited	101,358	61,401	39,957	21,188	1,012	14,330
Eliminations	(1,196,234)	(206,963)	(989,271)	(184,937)	(143,014)	(121,479)
Consolidated amount	<u>28,564,151</u>	<u>16,167,262</u>	<u>12,396,889</u>	<u>22,052,881</u>	<u>1,257,508</u>	<u>4,210,993</u>



//067

Notes to the Financial Statements For the year ended 31 December

8.1 General Business

	2009 N'000	2008 N'000
Leadway Capital and Trusts Limited	47,696	33,387
Leadway Hotels Limited	293,250	193,250
Leadway Properties and Investments Limited	2,000	2,000
	<u>342,946</u>	<u>228,637</u>

8.2 Life business

	2009 N'000	2008 N'000
Leadway Capital and Trusts Limited	-	14,309
Leadway Hotels Limited	-	100,000
	<u>-</u>	<u>114,309</u>

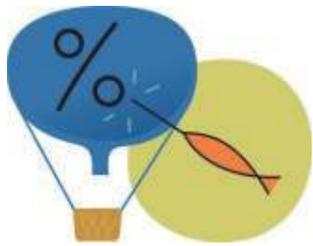
9 Investment in associates

(a)(i) Investment in associates comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Leadway Pensure PFA Limited	99,794	58,704	660,375	660,375
Total Health Trust Limited	64,961	-	35,000	-
	<u>164,755</u>	<u>58,704</u>	<u>695,375</u>	<u>660,375</u>

(ii) The details of associates accounted for using the equity method of accounting are shown below:

Company name	Country of Incorporation	Nature of Business	Percentage of equity capital held		Year end accounted for using equity method
			2009	2008	
Leadway Pensure PFA Limited (see note (iii) below)	Nigeria	Pension fund administration	46%	46%	31 December 2009
Total Health Trust Limited (see note (iv) overleaf)	Nigeria	Health care provider	25%	25%	31 December 2009



//068

Notes to the Financial Statements For the year ended 31 December

(iii) The Company's holdings in the associate is as stated below:

	Percentage holding		Amount invested	
	2009	2008	2009	2008
			N'000	N'000
General Business	-	9%	-	132,075
Life Business	46%	37%	660,375	528,300
	<u>46%</u>	<u>46%</u>	<u>660,375</u>	<u>660,375</u>

(iv) The Company's holdings in the associate is as stated below:

	Percentage holding		Amount invested	
	2009	2008	2009	2008
			N'000	N'000
General Business	25%	-	35,000	-

(b) The movement in investment in associates during the year is as shown below:

(i) **Group**

	Leadway	Total Health	Group	Group
	Pensure PFA	Trust	Group	Group
	2009	2009	2009	2008
	N'000	N'000	N'000	N'000
Balance, beginning of year	58,704	-	58,704	421,504
Transferred from unquoted investments (see note 7(b))	-	35,000	35,000	-
Addition during the year	-	-	-	238,871
	<u>58,704</u>	<u>35,000</u>	<u>93,704</u>	<u>660,375</u>
Previously unrecognised reserve	(1,267)	26,831	25,564	(421,504)
Dividend income	-	(4,831)	(4,831)	-
Share of profit/(loss) for the year	42,357	7,961	50,318	(180,167)
Balance, end of year	<u>99,794</u>	<u>64,961</u>	<u>164,755</u>	<u>58,704</u>

(ii) **Company**

	Leadway	Total Health	Company	Company
	Pensure PFA	Trust	Company	Company
	2009	2009	2009	2008
	N'000	N'000	N'000	N'000
Balance, beginning of year	660,375	-	660,375	421,504
Transferred from unquoted investments	-	35,000	35,000	-
Addition during the year	-	-	-	238,871
Balance, end of year	<u>660,375</u>	<u>35,000</u>	<u>695,375</u>	<u>660,375</u>



//069

Notes to the Financial Statements For the year ended 31 December

(c) The summarized financial information of the Group's associate is set out below:

	Leadway Pensure PFA 2009 N'000	Total Health Trust 2009 N'000	Total 2009 N'000	Leadway Pensure PFA 2008 N'000
Total assets	372,034	1,112,743	1,484,777	301,934
Total liabilities	(155,091)	(852,900)	(1,007,991)	(177,072)
Net assets	216,943	259,843	476,786	124,862
Total revenue	714,630	1,785,562	2,500,192	358,196
Profit/(loss) for the year	92,081	31,843	123,924	(201,300)

10 Investment properties

(a) The movement in investment properties during the year is shown below:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Cost				
Balance, beginning of year	960,199	940,199	956,609	936,609
Addition during the year	96,910	20,000	96,910	20,000
Transfer from fixed assets	26,512	-	26,512	-
	1,083,621	960,199	1,080,031	956,609
Revaluation surplus during the year (see note (b) below)	1,303,519	-	1,258,865	-
Balance, end of year	2,387,140	960,199	2,338,896	956,609

(b)

Leadway Assurance Company's investment properties were revalued by Funsho Oladimeji & Co., estate surveyors and valuers on 18th and 21st December 2009 using both Investment method and Comparative method of valuation to arrive at the open market value.

10.1 General business

(a) The movement in investment properties during the year is shown below:

	2009 N'000	2008 N'000
Cost		
Balance, beginning of year	552,922	397,922
Addition during the year	1,910	20,000
Transfer from/(to) life business during the year	116,055	135,000
	670,887	552,922
Revaluation surplus during the year	903,009	-
Balance, end of year	1,573,896	552,922





//070

Notes to the Financial Statements For the year ended 31 December

10.2 Life business

(a) The movement in investment properties during the year is shown below:

	2009	2008
	N'000	N'000
Cost		
Balance, beginning of year	403,687	538,687
Addition during the year	95,000	-
Transfer from/(to) General business during the year	(116,055)	(135,000)
Transfer from fixed assets	26,512	-
	409,144	403,687
Revaluation surplus during the year	355,856	-
Balance, end of year	765,000	403,687

11 Statutory deposits

This represents the Company's deposit with the Central Bank of Nigeria as at 31 December 2009, in compliance with the Insurance Act, CAP 117 LFN 2004 and comprise:

	Group 2009	Group 2008	Company 2009	Company 2008
	N'000	N'000	N'000	N'000
General Business	320,000	320,000	320,000	320,000
Life Business	200,000	200,000	200,000	200,000
	520,000	520,000	520,000	520,000



//071

Notes to the Financial Statements For the year ended 31 December

12 Fixed assets (a) Group

	Land and buildings	Office equipment	Computer equipment	Furniture & fittings	Motor vehicles	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost/valuation							
Balance, beginning of year	1,066,005	455,061	409,582	294,488	509,200	494,788	3,229,124
Additions	7,269	38,630	47,333	19,706	59,932	278,601	451,471
Revaluation surplus	460,794	-	-	-	-	-	460,794
Transfers	1,368	144,698	-	(144,698)	-	(1,368)	-
Transfer to Investment Property (see note 10)	(26,512)	-	-	-	-	-	(26,512)
Write-off	(4,287)	-	-	(309)	-	-	(4,596)
Disposals	-	-	-	-	(24,557)	-	(24,557)
Balance, end of year	1,504,637	638,389	456,915	169,187	544,575	772,021	4,085,724
Accumulated depreciation							
Balance, beginning of year	77,418	224,156	332,453	142,986	349,495	-	1,126,508
Charge for the year	18,992	45,976	73,505	78,564	77,426	-	294,463
Reclassification	-	56,750	-	(56,750)	-	-	-
Write-off	(2,078)	-	-	-	-	-	(2,078)
Disposals	-	-	-	-	(24,557)	-	(24,557)
Balance, end of year	94,332	326,882	405,958	164,800	402,364	-	1,394,336
Net book value							
End of year	1,410,305	311,507	50,957	4,387	142,211	772,021	2,691,388
Beginning of year	988,587	230,905	77,129	151,502	159,705	494,788	2,102,616

- (i) Leadway Assurance Company's land and buildings were revalued by Funsho Oladimeji & Co., estate surveyor and valuers in December 2009 using both Investment method and Comparative method of valuation to arrive at the open market value.
- (ii) The Group has capital commitments of N536,863,580 (31 December 2008: N365,884,857) as at the balance sheet date
- (iii) Capital work in progress represents construction costs in respect of new offices in Lagos and Abuja. On completion of construction, the related amounts are transferred to other categories of fixed assets.
- (iv) No leased assets are included in the fixed assets



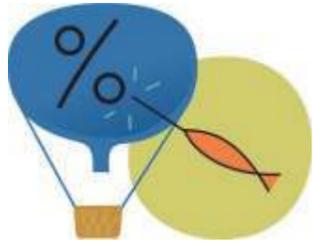
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Notes to the Financial Statements For the year ended 31 December

(b) Company

	Land and buildings	Office equipment	Computer equipment	Furniture & fittings	Motor vehicles	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost/valuation							
Balance, beginning of year	432,375	184,593	408,526	172,266	496,287	494,788	2,188,835
Additions	6,239	27,501	47,212	16,150	55,305	269,107	421,514
Revaluation surplus	460,794	-	-	-	-	-	460,794
Transfers	1,368	-	-	-	-	(1,368)	-
Transfer to Investment Property (see note 10)	(26,512)	-	-	-	-	-	(26,512)
Write-off	(4,287)	-	-	(309)	-	-	(4,596)
Disposals	-	-	-	-	(20,384)	-	(20,384)
Balance, end of year	869,977	212,094	455,738	188,107	531,208	762,527	3,019,651
Accumulated depreciation							
Balance, beginning of year	60,031	135,224	331,781	112,351	342,426	-	981,813
Charge for the year	7,809	19,718	73,261	21,475	74,085	-	196,348
Write-off	(2,078)	-	-	-	-	-	(2,078)
Disposals	-	-	-	-	(20,384)	-	(20,384)
Balance, end of year	65,762	154,942	405,042	133,826	396,127	-	1,155,699
Net book value							
End of year	804,215	57,152	50,696	54,281	135,081	762,527	1,863,952
Beginning of year	372,344	49,369	76,745	59,915	153,861	494,788	1,207,022

- (i) The Company's land and buildings were revalued by Funsho Oladimeji & Co., estate surveyor and valuers in December 2009 using both Investment method and Comparative method of valuation to arrive at the open market value.
- (ii) The Company has capital commitments of N525,957,000 (31 December 2008:N365,884,857) as at the balance sheet date
- (iii) Capital work in progress represents construction costs in respect of new offices in Lagos and Abuja. On completion of construction, the related amounts are transferred to other categories of fixed assets.
- (iv) No leased assets are included in the fixed assets



//073

Notes to the Financial Statements For the year ended 31 December

12.1 General business

	Land and buildings	Office equipment	Computer equipment	Furniture & fittings	Motor vehicles	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost/valuation							
Balance, beginning of year	321,326	147,733	366,933	138,955	447,293	229,076	1,651,316
Additions	486	4,600	44,161	15,265	34,145	198,046	296,703
Revaluation surplus	378,951	-	-	-	-	-	378,951
Transfers	1,368	-	-	-	-	(1,368)	-
Write-off	-	-	-	(309)	-	-	(309)
Disposals	-	-	-	-	(20,384)	-	(20,384)
Balance, end of year	<u>702,131</u>	<u>152,333</u>	<u>411,094</u>	<u>153,911</u>	<u>461,054</u>	<u>425,754</u>	<u>2,306,277</u>
Accumulated depreciation							
Balance, beginning of year	52,180	115,050	301,258	94,060	306,598	-	869,146
Charge for the year	4,710	11,690	67,131	17,792	62,343	-	163,666
Disposals	-	-	-	-	(20,384)	-	(20,384)
Balance, end of year	<u>56,890</u>	<u>126,740</u>	<u>368,389</u>	<u>111,852</u>	<u>348,557</u>	<u>-</u>	<u>1,012,428</u>
Net book value							
End of year	<u>645,241</u>	<u>25,593</u>	<u>42,705</u>	<u>42,059</u>	<u>112,497</u>	<u>425,754</u>	<u>1,293,849</u>
Beginning of year	<u>269,146</u>	<u>32,683</u>	<u>65,675</u>	<u>44,895</u>	<u>140,695</u>	<u>229,076</u>	<u>782,170</u>

- (i) The General business' land and buildings were revalued by Funsho Oladimeji & Co., estate surveyor and valuers in December 2009 using both Investment method and Comparative method of valuation to arrive at the open market value.
- (ii) The business has capital commitments of N450,970,000 (31 December 2008:Nil) as at the balance sheet date.
- (iii) Capital work in progress represents construction costs in respect of new office in Lagos. On completion of construction, the related amounts are transferred to other categories of fixed assets.
- (iv) No leased assets are included in the fixed assets



//074

Notes to the Financial Statements For the year ended 31 December

12.2 Life business

	Land and buildings	Office equipment	Computer equipment	Furniture & fittings	Motor vehicles	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost/valuation							
Balance, beginning of year	111,049	36,860	41,593	33,311	48,994	265,712	537,519
Additions	5,753	22,901	3,051	885	21,160	71,061	124,811
Revaluation surplus	81,843	-	-	-	-	-	81,843
Transfer to Investment Property (see note 10.2)	(26,512)	-	-	-	-	-	(26,512)
Write-off	(4,287)	-	-	-	-	-	(4,287)
Balance, end of year	167,846	59,761	44,644	34,196	70,154	336,773	713,374
Accumulated depreciation							
Balance, beginning of year	7,851	20,174	30,523	18,291	35,828	-	112,667
Charge for the year	3,099	8,028	6,130	3,683	11,742	-	32,682
Write-off	(2,078)	-	-	-	-	-	(2,078)
Balance, end of year	8,872	28,202	36,653	21,974	47,570	-	143,271
Net book value							
End of year	158,974	31,559	7,991	12,222	22,584	336,773	570,103
Beginning of year	103,198	16,686	11,070	15,020	13,166	265,712	424,852

- (i) The Life business' land and buildings were revalued by Funsho Oladimeji & Co., estate surveyor and valuers in December 2009 using Investment method and Comparative method of valuation to arrive at the open market value.
- (ii) The business has capital commitments of N74,987,000 (31 December 2008:N365,884,857) as at the balance sheet date
- (iii) Capital work in progress represents construction costs in respect of new office in Abuja. On completion of construction, the related amounts are transferred to other categories of fixed assets.
- (iv) No leased assets are included in the fixed assets



//075

Notes to the Financial Statements For the year ended 31 December

13 Creditors and accruals

(a) Creditors and accruals comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Due to reinsurers	1,141,223	580,697	1,141,223	580,697
Due to brokers	1,513,794	-	1,513,794	-
Premium deposits	118,553	90,971	118,553	90,971
Gratuity provision (see note (b) below)	10,745	22,041	10,745	22,041
Unearned income	138,013	-	130,208	-
Accruals	203,635	92,229	179,278	72,988
Other credit balances	812,588	695,833	633,428	389,534
Managed funds	445,592	279,683	-	-
	<u>4,384,143</u>	<u>1,761,454</u>	<u>3,727,229</u>	<u>1,156,231</u>

(b) The movement on gratuity provision account during the year was as follows:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	22,041	136,533	22,041	136,533
Transfer to external trustees	(11,296)	(114,492)	(11,296)	(114,492)
		-		-
Balance, end of year	<u>10,745</u>	<u>22,041</u>	<u>10,745</u>	<u>22,041</u>

13.1 General business

(a) Creditors and accruals comprise:

	2009 N'000	2008 N'000
Due to reinsurers	1,141,223	580,697
Due to brokers	1,513,794	-
Due to life business	665,546	308,395
Gratuity provision (see note (b) overleaf)	4,596	4,596
Unearned income	84,225	-
Accruals	153,937	63,954
Other credit balances	516,786	276,173
	<u>4,080,107</u>	<u>1,233,815</u>



//076

Notes to the Financial Statements For the year ended 31 December

(b) The movement on gratuity provision account during the year was as follows:

	2009 N'000	2008 N'000
Balance, beginning of year	4,596	119,088
Transfer to external trustees	-	(114,492)
Balance, end of year	<u>4,596</u>	<u>4,596</u>

13.2 Life business

(a) Creditors and accruals comprise:

	2009 N'000	2008 N'000
Premium deposits	118,553	90,971
Gratuity provision (see note (b) below)	6,149	17,445
Unearned income	45,983	-
Accruals	25,341	9,034
Other credit balances	116,642	113,361
	<u>312,668</u>	<u>230,811</u>

(b) The movement on gratuity provision account during the year was as follows:

	2009 N'000	2008 N'000
Balance, beginning of year	17,445	17,445
Transfer to external trustees	(11,296)	-
Balance, end of year	<u>6,149</u>	<u>17,445</u>

14 Dividend payable

The movement on the dividend payable account during the year is as shown below:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of the year	95,000	-	95,000	-
Dividend declared during the year	292,651	500,000	292,651	500,000
Payment during the year	(387,651)	(405,000)	(387,651)	(405,000)
Balance, end of year	<u>-</u>	<u>95,000</u>	<u>-</u>	<u>95,000</u>



//077

Notes to the Financial Statements For the year ended 31 December

15 Borrowings

(a) Borrowings comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Term loans (see note (b) below)	414,504	494,307	-	-
Other borrowings	-	10,918	-	-
	<u>414,504</u>	<u>505,225</u>	<u>-</u>	<u>-</u>

(b) The analysis of the term loans is shown below:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
First Bank of Nigeria Plc (see note (b)(i) below)	277,778	388,889	-	-
First Bank share purchase loan (see note (b)(ii) below)	136,726	105,418	-	-
	<u>414,504</u>	<u>494,307</u>	<u>-</u>	<u>-</u>

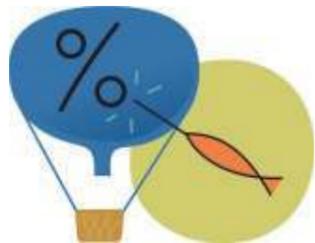
(b)(i) This represents the outstanding balance on a facility granted to Leadway Hotels Limited, a subsidiary, by First Bank of Nigeria Plc. at an interest rate of 20% (2008:15%) per annum for a period of 5 years commencing from 1 July 2007. The Loan is repayable over eighteen (18) equal quarterly instalments from March 2008, after a six(6) months moratorium. The loan is secured over fixed and floating assets of Leadway Hotels Limited.

(b)(ii) This represents the outstanding balance on a facility granted to Leadway Capital and Trusts Limited (formerly Leadway Trustee Limited) by First Bank of Nigeria Plc. at an interest rate of 12% (2008: LIBOR plus 5, subject to a minimum of 9.5%). The loan is repayable as a bullet repayment with the option of the borrower paying on account as deemed fit.

16 Provision for outstanding claims

(a) Provision for outstanding claims comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
General business	4,168,336	4,966,840	4,168,336	4,966,840
Life business	474,201	279,480	474,201	279,480
	<u>4,642,537</u>	<u>5,246,320</u>	<u>4,642,537</u>	<u>5,246,320</u>



//078

Notes to the Financial Statements For the year ended 31 December

(b) The age analysis of provision for outstanding claims is analysed below:

	Group 2009	Group 2008	Company 2009	Company 2008
	N'000	N'000	N'000	N'000
0 - 90 days	2,363,845	2,385,198	2,363,845	2,385,198
91 - 180 days	577,458	874,548	517,458	874,548
181 - 270 days	549,038	727,572	549,038	727,572
271 - 360 days	279,339	430,981	279,339	430,981
361 days and above	932,857	828,022	932,857	828,022
	<u>4,642,537</u>	<u>5,246,320</u>	<u>4,642,537</u>	<u>5,246,320</u>

16.1 General business

(a) Provision for outstanding claims is inclusive of 10% Incurred But Not Reported (IBNR) provision as required under section 20(1)(b) of the Insurance Act 2003 and it comprises:

	Company 2009	Company 2008
	N'000	N'000
Motor	758,947	459,570
Fire	960,219	2,674,176
General accident	439,407	542,709
Marine and aviation	278,398	240,498
Workmen's compensation	51,476	55,859
Bond	156,843	66,531
Engineering	216,978	180,405
Oil and gas	1,306,068	747,092
	<u>4,168,336</u>	<u>4,966,840</u>

(b) The movement on the provision for outstanding claims during the year was as follows:

	Company 2009	Company 2008
	N'000	N'000
Gross provision for outstanding claims	3,789,396	4,515,309
Provision for IBNR	378,940	451,531
Provision for outstanding claims - Closing	<u>4,168,336</u>	<u>4,966,840</u>
Less: provision for outstanding claims - Opening	(4,966,840)	(2,018,612)
Increase/(decrease) in provision for outstanding claims	<u>(798,504)</u>	<u>2,948,228</u>



//079

Notes to the Financial Statements For the year ended 31 December

(c) The age analysis of provision for outstanding claims is shown below:

	Company 2009 N'000	Company 2008 N'000
0 - 90 days	2,216,099	2,264,695
91 - 180 days	435,175	776,078
181 - 270 days	509,125	702,728
271 - 360 days	220,593	411,358
361 days and above	787,344	811,981
	4,168,336	4,966,840

16.2 Life business

(a) Provision for outstanding claims comprises:

	Company 2009 N'000	Company 2008 N'000
Group life	471,051	274,902
Individual life	3,150	4,578
	474,201	279,480

(b) The movement in the provision for outstanding claims during the year was as follows:

	Group life 2009 N'000	Individual life 2009 N'000	Company 2009 N'000	Company 2008 N'000
Opening balance	274,902	4,578	279,480	107,166
Increase/(decrease) in provision for outstanding claims	196,149	(1,428)	194,721	172,314
Closing balance	471,051	3,150	474,201	279,480

(c) The age analysis of provision for outstanding claims is shown below:

	Company 2009 N'000	Company 2008 N'000
0 - 90 days	147,746	120,503
91 - 180 days	82,283	98,470
181 - 270 days	39,913	24,844
271 - 360 days	58,746	19,623
361 days and above	145,513	16,041
	474,201	279,480



//080

Notes to the Financial Statements For the year ended 31 December

17 Insurance funds

(a) Insurance funds comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Unearned premium	7,226,228	2,771,701	7,226,228	2,771,701
Life funds	1,057,814	603,573	1,057,814	603,573
	<u>8,284,042</u>	<u>3,375,274</u>	<u>8,284,042</u>	<u>3,375,274</u>

17.1 General business

(a) Insurance funds comprise:

	Company 2009 N'000	Company 2008 N'000
Unearned premium (see note (b) below)	<u>7,226,228</u>	<u>2,771,701</u>

(b)(i) Unearned premium comprises:

	Company 2009 N'000	Company 2008 N'000
Motor	950,249	1,042,536
Fire	356,272	401,632
General accident	404,082	422,504
Marine and aviation	481,324	380,016
Workmen's compensation	27,068	42,533
Bond	45,409	110,519
Engineering	209,084	167,572
Oil and gas	4,752,740	204,389
	<u>7,226,228</u>	<u>2,771,701</u>

(ii) The movement in the unearned premium account during the year was as follows:

	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	2,771,701	1,111,703
Addition during the year	4,454,527	1,659,998
Balance, end of year	<u>7,226,228</u>	<u>2,771,701</u>



//081

Notes to the Financial Statements For the year ended 31 December

17.2 Life business

(a) Life fund comprises:

	Company 2009 N'000	Company 2008 N'000
Group life	766,125	300,493
Individual life	291,689	303,080
	1,057,814	603,573

(b) The movement on the life funds account during the year was as follows:

	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	603,573	561,312
Addition during the year	454,241	42,261
Balance, end of year	1,057,814	603,573

(c) Actuarial valuation

The latest available valuation of the life business funds was as at 31 December 2008.

The book value of the life funds as at that date was equal to its net actuarial liabilities.

The valuation of the company's life business funds as at 31 December 2008 was carried out by HR Nigeria Limited (consultants and actuaries).

18 Liability for administered deposits

Life business

The movement on liability for administered deposit during the year was as follows:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	4,827,145	4,213,302	4,827,145	4,213,302
Deposits received	1,929,090	1,663,275	1,929,090	1,663,275
Guaranteed interest	526,173	419,770	526,173	419,770
	7,282,408	6,296,347	7,282,408	6,296,347
Less: withdrawals	(790,411)	(1,750,268)	(790,411)	(1,750,268)
Transfer from profit and loss account	-	281,066	-	281,066
Balance, end of year	6,491,997	4,827,145	6,491,997	4,827,145



//082

Notes to the Financial Statements For the year ended 31 December

19 Taxation payable

The movement on taxation payable account during the year was as follows:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	253,109	161,359	232,938	159,614
Payment during the year	(260,275)	(169,030)	(227,207)	(154,388)
Charge for the year (see note 35)	540,258	260,780	480,091	227,712
Balance, end of year	<u>533,092</u>	<u>253,109</u>	<u>485,822</u>	<u>232,938</u>

19.1 General business

	2009 N'000	2008 N'000
Balance, beginning of year	150,000	114,083
Payment during the year	(150,000)	(114,531)
Charge for the year (see note 35.1)	420,875	150,448
Balance, end of year	<u>420,875</u>	<u>150,000</u>

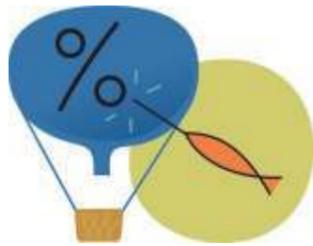
19.2 Life business

	2009 N'000	2008 N'000
Balance, beginning of year	82,938	45,531
Payment during the year	(77,207)	(39,857)
Charge for the year (see note 35.2)	59,216	77,264
Balance, end of year	<u>64,947</u>	<u>82,938</u>

20 Deferred taxation

The movement on deferred taxation account during the year was as follows:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	103,735	109,085	98,686	101,247
Charge to asset revaluation reserve (see note 24)	265,108	-	265,108	-
Charge/(credit) to profit and loss account for the year (see note 35)	11,036	(5,350)	(11,812)	(2,561)
Balance, end of year	<u>379,879</u>	<u>103,735</u>	<u>351,982</u>	<u>98,686</u>



//083

Notes to the Financial Statements For the year ended 31 December

20.1 General business

	2009 N'000	2008 N'000
Balance, beginning of year	79,426	88,791
Charge to asset revaluation reserve (see note 24.1)	204,952	-
Charge/(credit) to profit and loss account for the year (see note 35.1)	(9,249)	(9,365)
Balance, end of year	<u>275,129</u>	<u>79,426</u>

20.2 Life business

	2009 N'000	2008 N'000
Balance, beginning of year	19,260	12,456
Charge to asset revaluation reserve (see note 24.2)	60,156	-
Charge/(credit) to profit and loss account for the year (see note on 35.2)	(2,563)	6,804
Balance, end of year	<u>76,853</u>	<u>19,260</u>

21 Share capital

Share capital comprises:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
(a) Authorised				
Ordinary shares of 50k each				
General business (6,000,000,000 units)	3,000,000	3,000,000	3,000,000	3,000,000
Life business (2,000,000,000 units)	1,000,000	1,000,000	1,000,000	1,000,000
	<u>4,000,000</u>	<u>4,000,000</u>	<u>4,000,000</u>	<u>4,000,000</u>
(b) Issued and fully paid				
Ordinary shares of 50k each				
General business 3,588,790,000 units	1,794,395	1,794,395	1,794,395	1,794,395
Life business 1,898,458,000 units	949,229	644,382	949,229	644,382
	<u>2,743,624</u>	<u>2,438,777</u>	<u>2,743,624</u>	<u>2,438,777</u>



//084

Notes to the Financial Statements For the year ended 31 December

(c) The movement on the share capital account during the year was as follows:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	2,438,777	2,438,777	2,438,777	2,438,777
Bonus issue capitalized (see note 27)	304,847	-	304,847	-
Balance, end of year	<u>2,743,624</u>	<u>2,438,777</u>	<u>2,743,624</u>	<u>2,438,777</u>

21.1 General business

	2009 N'000	2008 N'000
Balance, beginning of year	1,794,395	1,794,395
Addition during the year	-	-
Balance, end of year	<u>1,794,395</u>	<u>1,794,395</u>

21.2 Life business

	2009 N'000	2008 N'000
Balance, beginning of year	644,382	644,382
Bonus issue capitalized (see note 27)	304,847	-
Balance, end of year	<u>949,229</u>	<u>644,382</u>

22 Share premium

General business:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	1,458,867	1,458,867	1,458,867	1,458,867
Transfer to bonus issue reserve account	(1,071,041)	-	(1,071,041)	-
Balance, end of year	<u>387,826</u>	<u>1,458,867</u>	<u>387,826</u>	<u>1,458,867</u>



//085

Notes to the Financial Statements For the year ended 31 December

23 Statutory contingency reserve

The movement on statutory contingency reserve account during the year was as follows:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	1,093,335	790,971	1,093,335	790,971
Transfer during the year	765,649	302,364	765,649	302,364
Balance, end of year	<u>1,858,984</u>	<u>1,093,335</u>	<u>1,858,984</u>	<u>1,093,335</u>

23.1 General business

	2009 N'000	2008 N'000
Balance, beginning of year	951,549	728,469
Transfer during the year	744,521	223,080
Balance, end of year	<u>1,696,070</u>	<u>951,549</u>

23.2 Life business

	2009 N'000	2008 N'000
Balance, beginning of year	141,786	62,502
Transfer during the year	21,128	79,284
Balance, end of year	<u>162,914</u>	<u>141,786</u>

24 Asset revaluation reserve

(a) The movement in the asset revaluation reserve account during the year is shown below:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	3,277	3,277	3,277	3,277
Revaluation surplus during the year:				
- Fixed assets (see note 12 on page 071)	460,794	-	460,794	-
- Investment properties (see note 10 on page 069)	1,303,519	-	1,258,865	-
	<u>1,767,590</u>	<u>3,277</u>	<u>1,722,936</u>	<u>3,277</u>
Deferred taxation on asset revaluation	(265,108)	-	(265,108)	-
Balance, end of year	<u>1,502,482</u>	<u>3,277</u>	<u>1,457,828</u>	<u>3,277</u>



//086

Notes to the Financial Statements For the year ended 31 December

24.1 General business

The movement in the asset revaluation reserve account during the year is shown below:

	2009 N'000	2008 N'000
Balance, beginning of year	3,219	3,219
Revaluation surplus during the year:		
- Fixed assets (see note 12.1)	378,951	-
- Investment properties (see note 10.1)	903,009	-
	1,285,179	3,219
Deferred taxation on asset revaluation	(204,952)	-
Balance, end of year	1,080,227	3,219

24.2 Life business

The movement in the asset revaluation reserve account during the year is shown below:

	2009 N'000	2008 N'000
Balance, beginning of year	58	58
Revaluation surplus during the year:		
- Fixed assets (see note 12.2)	81,843	-
- Investment properties (see note 10.2)	355,856	-
	437,757	58
Deferred taxation on asset revaluation	(60,156)	-
Balance, end of year	377,601	58

25 Equities revaluation reserve

Equities revaluation reserve comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Equities price equalisation reserve (see note (a) below)	2,255,281	5,335,192	2,255,281	5,377,115
Foreign exchange revaluation reserve (see note (b) below)	272,608	-	272,608	-
	2,527,889	5,335,192	2,527,889	5,377,115

(a) Equities price equalisation reserve represents the excess of market value over the cost of quoted investments

(b)(i) Foreign exchange revaluation reserve represents the translation gain on the Company's dollar denominated monetary assets.



//087

Notes to the Financial Statements For the year ended 31 December

(ii) The movement in foreign exchange revaluation reserve during the year was as follows:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	-	-	-	-
Addition during the year from unquoted investments (see note 7(b))	272,608	-	272,608	-
	272,608	-	272,608	-
	-	-	-	-

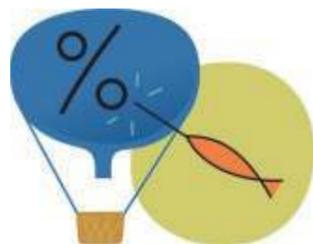
25.1 General business

	Company 2009 N'000	Company 2008 N'000
Equities price equalisation reserve (see note (a) below)	855,006	1,837,578
Foreign exchange revaluation reserve (see note (b) below)	103,045	-
	958,051	1,837,578

(a) Equities price equalisation reserve represents the excess of market value over the cost of quoted investments

(b) The movement in foreign exchange revaluation reserve during the year was as follows:

	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	-	-
Addition during the year from unquoted investments (see note 7.1(b))	103,045	-
	-	-
	-	-
	-	-



//088

Notes to the Financial Statements For the year ended 31 December

25.2 Life business

	Company 2009 N'000	Company 2008 N'000
Equities price equalisation reserve (see note (a) below) (and note 7.2 (a))	1,400,275	3,539,537
Foreign exchange revaluation reserve (see note (b) below)	169,563	-
	<u>1,569,838</u>	<u>3,539,537</u>

(a) Equities price equalisation reserve represents the excess of market value over the cost of quoted investments

(b) The movement in foreign exchange revaluation reserve during the year was as follows:

	Company 2009 N'000	Company 2008 N'000
Addition during the year (see note 7.2(b))	-	-
	<u>169,563</u>	-
	-	-

26 Assets replacement reserve

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	-	-	-	-
Transfer from Profit and loss account	20,264	-	-	-
Balance, end of year	<u>20,264</u>	<u>-</u>	<u>-</u>	<u>-</u>

(a)(i) In line with the standard set by Protea Hotels International, brand owners of the hotel operated by Leadway Hotels Limited, a subsidiary, the Group set aside this funds for major replacement of the hotel property, plant and equipment from the distributable profit



//089

Notes to the Financial Statements For the year ended 31 December

27 Bonus issue reserve

The movement on the bonus issue reserve during the year is shown below:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year				
Bonus capitalised (see note 21)	304,847	-	304,847	-
Transfer from profit and loss account	(304,847)	-	(304,847)	-
Transfer from the share premium account (see note 22 above)	1,071,041	304,847	1,071,041	304,847
Transfer from general reserve account (see note 28) (a) below	300,771		300,771	
Balance, end of year	<u>1,371,812</u>	<u>304,847</u>	<u>1,371,812</u>	<u>304,847</u>

27.1 General business

The movement on the bonus issue reserve during the year is shown below:

	Company 2009 N'000	Company 2008 N'000
Transfer from the share premium account (see note 22 above)	1,071,041	-

27.2 Life business

The movement on the bonus issue reserve during the year is shown below:

	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	304,847	-
Bonus capitalised (see note 21 above)	(304,847)	-
Transfer from profit and loss account	-	304,847
Transfer from general reserve account (see note 28.2 below)	300,771	-
Balance, end of year	<u>300,771</u>	<u>304,847</u>



//090

Notes to the Financial Statements For the year ended 31 December

28 General reserve

The movement on the general reserve account during the year is shown below:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	1,278,198	1,401,189	1,662,780	1,662,745
Previously unrecognised reserve	(16,359)	-	-	-
	1,261,839	1,401,189	1,662,780	1,662,745
Transfer from profit and loss account	335,542	377,009	236,821	500,035
Transfer to bonus issue reserve account(see note 27)	(300,771)	-	(300,771)	-
Dividends declared	(292,651)	(500,000)	(292,651)	(500,000)
General reserve, end of the year	<u>1,003,959</u>	<u>1,278,198</u>	<u>1,306,179</u>	<u>1,662,780</u>

28.1 General business

	2009 N'000	2008 N'000
Balance, beginning of year	1,205,382	1,614,058
Transfer from profit and loss account	301,532	91,324
Dividends declared	(292,651)	(500,000)
General reserve, end of the year	<u>1,214,263</u>	<u>1,205,382</u>

28.2 Life business

	2009 N'000	2008 N'000
Balance, beginning of year	457,398	48,687
Transfer from profit and loss account	(64,711)	408,711
Dividend declared	-	-
Transfer to bonus issue reserve account (See note 27)	(300,771)	-
General reserve, end of the year	<u>91,916</u>	<u>457,398</u>



//091

Notes to the Financial Statements For the year ended 31 December

29 Non controlling interest

(a) Non controlling interest comprises:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Leadway Capital and Trust Limited	219,809	215,176	-	-
Leadway Hotels Limited	337,888	269,220	-	-
	<u>557,697</u>	<u>484,396</u>	<u>-</u>	<u>-</u>

(b) The movement in non controlling interest account during the year is shown below:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Balance, beginning of year	484,396	470,768	-	-
Cash paid to minority as dividend	(28,061)	(4,230)	-	-
Minority's share of profit for the year	101,362	17,858	-	-
Balance, end of year	<u>557,697</u>	<u>484,396</u>	<u>-</u>	<u>-</u>

30 Reinsurance cost

General business

Reinsurance cost comprises:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Reinsurance premium paid	11,756,091	12,346,950	11,756,091	12,346,950
Less: Unexpired reinsurance cost	(356,564)	(304,470)	(356,564)	(304,470)
Reinsurance cost	<u>11,399,527</u>	<u>12,042,480</u>	<u>11,399,527</u>	<u>12,042,480</u>

31 Commission earned

General business

Commission earned comprises:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Commission earned	<u>750,752</u>	<u>800,938</u>	<u>750,752</u>	<u>800,938</u>



//092

Notes to the Financial Statements For the year ended 31 December

32 Investment and other income

Investment and other income comprises:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
(Loss)/gain on sale of investment	(249,747)	1,125,277	(249,747)	1,125,277
Dividend income	406,363	390,893	409,897	342,525
Interest income	507,153	515,869	396,880	390,224
Hotel management income	778,189	667,892	-	-
Rental income	6,317	-	6,317	-
Profit/(loss) on sale of fixed assets	2,349	(6,687)	2,349	2,706
Foreign exchange gain	26,105	2,177	20,934	-
Other income	231,851	329,777	161,263	171,080
	<u>1,708,580</u>	<u>3,025,198</u>	<u>747,893</u>	<u>2,031,812</u>

32.1 General business

	2009 N'000	2008 N'000
(Loss)/gain on sale of investment	(295,042)	779,046
Dividend income	409,897	342,525
Interest income	264,826	253,803
Rental income	6,317	-
Profit/(loss) on sale of fixed assets	2,349	2,506
Foreign exchange gain	20,934	-
Other income	111,622	26,827
	<u>520,903</u>	<u>1,404,707</u>

32.2 Life business

	2009 N'000	2008 N'000
Gain on sale of investment	45,295	346,231
Interest income	132,054	136,421
Profit/(loss) on sale of fixed assets	-	200
Other income	49,641	144,253
	<u>226,990</u>	<u>627,105</u>



//093

Notes to the Financial Statements For the year ended 31 December

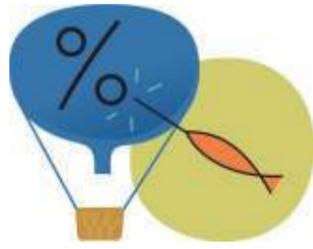
33 Management expenses

Management expenses comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Staff and directors' costs (see note 41(c)(ii))	971,351	968,499	843,579	873,157
Depreciation	261,781	335,780	163,666	229,298
Exchange loss/(gain)	-	10,097	-	10,097
Finance charges	74,992	22,787	26,834	21,847
Maintenance expenses	75,586	47,674	37,990	47,674
Travelling and tours	77,877	114,796	77,877	114,796
Training expenses	12,672	42,932	12,404	42,932
Professional fees	36,928	-	24,360	-
Advertisement	69,293	33,498	69,293	33,498
Telecommunication	89,339	31,829	89,339	31,829
Amortisation of deferred charges	-	81,150	-	-
Hotel management expenses	141,301	118,909	-	-
Other management expenses	646,699	586,639	542,740	395,261
	2,457,819	2,394,590	1,888,082	1,800,389

33.1 General business

	2009 N'000	2008 N'000
Staff and directors' costs	836,607	867,038
Depreciation	163,666	229,298
Exchange loss/(gain)	-	10,097
Finance charges	26,834	21,847
Maintenance expenses	37,990	47,674
Travelling and tours	77,877	114,796
Training expenses	12,404	42,932
Professional fees	24,360	-
Advertisement	69,293	33,498
Telecommunication	89,339	31,829
Other management expenses	510,435	383,432
	1,848,805	1,782,441



//094

Notes to the Financial Statements For the year ended 31 December

33.2 Life business

	2 0 0 9	2 0 0 8
	N'000	N'000
Staff and directors' costs	6,972	6,119
Other management expenses	32,305	11,829
	<u>39,277</u>	<u>17,948</u>

34 Write offs and provisions for bad and doubtful accounts

Write offs and allowances for bad and doubtful accounts comprise:

	Group 2 0 0 9	Group 2 0 0 8	Company 2 0 0 9	Company 2 0 0 8
	N'000	N'000	N'000	N'000
Bad debt Written-off				
Allowance for doubtful premium debtors (see note 3(b))	1,182,036	110,967	1,182,036	110,967
Allowances for doubtful other assets (see note 4(b))	134,387	123,746	116,274	120,746
Allowance for doubtful quoted investments (see note 7.1(b))	6,075	-	-	-
Allowance for doubtful unquoted investments (see note 7b(l))	122,378	31,559	116,726	31,559
	<u>1,444,876</u>	<u>266,272</u>	<u>1,415,036</u>	<u>263,272</u>

34.1 General business

	2 0 0 9	2 0 0 8
	N'000	N'000
Allowance for doubtful premium debtors (see note 3.1(b))	1,102,187	110,967
Allowances for doubtful other assets (see note 4.1(b))	96,187	104,523
Allowance for doubtful unquoted investments (see note 7.1(b))	116,726	31,559
	<u>1,315,100</u>	<u>247,049</u>



//095

Notes to the Financial Statements For the year ended 31 December

34.2 Life business

	2 0 0 9 N'000	2 0 0 8 N'000
Allowance for doubtful premium debtors (see note 3.2(b))	79,849	-
Allowances for doubtful other assets (see note 4.2(b))	20,087	16,223
	<u>99,936</u>	<u>16,223</u>

35 Taxation charge

Taxation charge comprises:

	Group 2 0 0 9 N'000	Group 2 0 0 8 N'000	Company 2 0 0 9 N'000	Company 2 0 0 8 N'000
Company income tax	515,660	256,500	462,565	227,712
Education tax	24,598	4,280	17,526	-
	<u>540,258</u>	<u>260,780</u>	<u>480,091</u>	<u>227,712</u>
Deferred tax (credit)/charge (see note 20)	11,036	(5,350)	(11,812)	(2,561)
	<u>551,294</u>	<u>255,430</u>	<u>468,279</u>	<u>225,151</u>

(b) Life business did not have taxable profit during the year while general business taxable profit gave a lower company income tax than the minimum tax. Hence, the company income tax for both the general business and the life business were calculated based on minimum tax. Education tax levy was computed for only the general business at a rate of 2%(2008: nil). None was computed for the life business because there was no assessable profit after considering all non-allowable items.

35.1 General business

	2 0 0 9 N'000	2 0 0 8 N'000
Company income tax	403,349	150,448
Education tax	17,526	-
	<u>420,875</u>	<u>150,448</u>
Deferred tax (credit)/charge (see note 20.1)	(9,249)	(9,365)
	<u>411,626</u>	<u>141,083</u>



//096

Notes to the Financial Statements For the year ended 31 December

35.2 Life business

	2 0 0 9	2 0 0 8
	N'000	N'000
Company income tax	59,216	77,264
Education tax		-
	59,216	77,264
Deferred tax (credit)/charge (see note 20.2)	(2,563)	6,804
	56,653	84,068

36 Earnings and dividend per share

Basic earnings per share have been computed based on the profit after taxation and the weighted average number of ordinary shares outstanding during the year of 5,487,248,000 (2008: 4,521,309,000). Adjusted earnings per share have been computed based on profit after taxation and the ordinary shares of 5,487,248,000 as at year end.

Dividend per share has been computed based on the profit after taxation and the number of ordinary shares outstanding during the year of 4,521,309,000 (2008: 4,521,309,000) qualifying for dividend.

37 Net cash flow from operating activities before changes in operating assets comprises:

	Group 2 0 0 9	Group 2 0 0 8	Company 2 0 0 9	Company 2 0 0 8
	N'000	N'000	N'000	N'000
Profit after taxation	1,222,817	1,002,078	1,002,470	1,107,246
Add: Taxation	551,294	255,430	468,279	225,151
Profit before taxation	1,774,111	1,257,508	1,470,749	1,332,397
Share of (profit)/loss of associate	(50,318)	180,167	-	-
Depreciation	294,463	358,754	196,348	252,272
Amortisation of deferred charges	-	81,150	-	-
Increase in provision for unearned premium	4,454,527	1,355,528	4,454,527	1,355,528
Increase in life fund	454,241	42,261	454,241	42,261
Provision for outstanding claims	(603,783)	3,120,543	(603,783)	3,120,543
Allowance for doubtful premium debtors	1,182,036	110,967	1,182,036	110,967
Allowances for bad and doubtful accounts	134,387	123,746	116,274	120,746
Allowance for doubtful un-quoted investments	122,378	31,559	116,726	31,559
Allowance for doubtful quoted investments	6,075	-	-	-
(Profit)/loss on sale of fixed assets	(2,349)	6,507	(2,349)	(2,706)
Fixed assets written-off	2,518	-	2,518	-
Loss/(gain) on disposal of investments	107,386	(1,656,500)	107,386	(1,656,500)
Interest expense on borrowings	108,066	290,907	-	-
Rent received	(47,880)	(63,553)	(47,880)	(63,553)
Dividend received	(583,311)	(558,154)	(586,845)	(509,786)
	7,352,547	4,681,390	6,859,948	4,133,728



//097

Notes to the Financial Statements For the year ended 31 December

38 Analysis of cash and cash equivalents

Cash and cash equivalents comprise

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Cash and bank balances (see note 1)	3,047,299	1,052,951	2,892,338	868,218
Short term placements (see note 2)	5,978,463	3,158,042	5,603,244	2,980,944
	<u>9,025,762</u>	<u>4,210,993</u>	<u>8,495,582</u>	<u>3,849,162</u>

39 Acquisition expenses

Acquisition expenses comprise:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
General business	2,166,935	2,132,328	2,166,935	2,132,328
Life business	346,525	332,317	346,525	332,317
	<u>2,513,460</u>	<u>2,464,645</u>	<u>2,513,460</u>	<u>2,464,645</u>

39.1 General business

	2009 N'000	2008 N'000
Commissions	1,529,091	1,486,804
Staff costs	358,546	350,028
Other acquisition expenses	279,298	295,496
	<u>2,166,935</u>	<u>2,132,328</u>

39.2 Life business

	2009 N'000	2008 N'000
Commissions	169,087	188,850
Staff costs	139,457	122,380
Other acquisition expenses	37,981	(21,087)
	<u>346,525</u>	<u>332,317</u>



//098

Notes to the Financial Statements For the year ended 31 December

40 Maintenance expenses

Maintenance expenses comprise

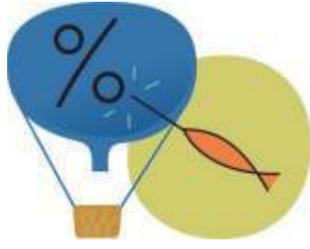
	Group 2 0 0 9 N'000	Group 2 0 0 8 N'000	Company 2 0 0 9 N'000	Company 2 0 0 8 N'000
General business	498,662	249,029	498,662	249,029
Life business	60,950	59,958	60,950	59,958
	<u>559,612</u>	<u>308,987</u>	<u>559,612</u>	<u>308,987</u>

40.1 General business

	2 0 0 9 N'000	2 0 0 8 N'000
Insurance supervision levy	220,056	198,445
Other maintenance expenses	278,606	50,584
	<u>498,662</u>	<u>249,029</u>

40.2 Life business

	2 0 0 9 N'000	2 0 0 8 N'000
Insurance supervision levy	14,989	59,958
Other maintenance expenses	45,961	
	<u>60,950</u>	<u>59,958</u>



//099

Notes to the Financial Statements For the year ended 31 December

41 Supplementary profit and loss information

(a) General information

The Company's profit before taxation for the year is stated after charging/(crediting) the following:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Depreciation	294,463	358,754	196,348	252,272
(Profit)/loss on disposal of fixed assets	2,349	(6,687)	2,349	2,706
Auditor's remuneration	23,500	22,300	19,500	19,000

(b) Staff and directors' information

The average number of full time employees employed by the Company during the year as

	Group 2009 Number	Group 2008 Number	Company 2009 Number	Company 2008 Number
Management staff	53	49	35	31
Non-management staff	465	481	377	394
	<u>518</u>	<u>530</u>	<u>412</u>	<u>425</u>

(c) Staff and directors' costs:

i Employee costs, including executive directors during the year comprises:

	Group 2009 N'000	Group 2008 N'000	Company 2009 N'000	Company 2008 N'000
Wages and salaries	1,361,324	1,426,078	1,258,809	1,340,397
Pension costs	90,317	37,248	84,903	32,746
Other benefits	57,227	22,255	37,384	17,096
	<u>1,508,868</u>	<u>1,485,581</u>	<u>1,381,096</u>	<u>1,390,239</u>

ii Staff and directors' costs comprise:

	2009 N'000	2008 N'000	2009 N'000	2008 N'000
Charged to management expenses	1,010,865	1,013,173	883,093	917,831
Charged to underwriting expenses	498,003	472,408	498,003	472,408
	<u>1,508,868</u>	<u>1,485,581</u>	<u>1,381,096</u>	<u>1,390,239</u>



//100

Notes to the Financial Statements For the year ended 31 December

iii Employees earning more than N100,000 per annum received salaries in the following range:

	Group 2009	Group 2008	Company 2009	Company 2008
	Number	Number	Number	Number
N101,001 - N500,000	81	89	-	-
N500,001 - N750,000	7	-	-	-
N750,000 - N1,000,000	109	93	91	88
N1,000,000 - N2,000,000	37	73	37	68
N2,000,000 - N3,000,000	188	176	188	170
Over N3,000,000	96	99	96	99
	518	530	412	425

iv Directors' remuneration, excluding pension and other benefits was as follows:

	2009	2008
	N'000	N'000
Directors' fees	9,050	6,050
Other emoluments	16,560	24,427
	25,610	30,477

v The directors' remuneration shown above includes

	2009	2008
	N'000	N'000
Chairman	4,210	4,210
Highest paid director	5,455	5,342
	9,665	9,552

The emoluments of all other directors fell within the following range:

N2,300,000 - N4,800,000	2	2
N1,750,000 - N2,300,000	5	5
	7	7



//101

Notes to the Financial Statements For the year ended 31 December

42 Related party transactions

Related parties to the Company are as follows:

			2009 N'000	2008 N'000
Name of related party	Relationship	Nature of related party transactions	Outstanding balance	
Leadway Capital and Trusts Limited	Subsidiary	Investments	27,826	51,269
Leadway Hotels Limited	Subsidiary	Commercial paper	-	89,614
Leadway Properties and Investments Limited	Subsidiary Associated	Nil Technical service agreement	-	-
Leadway Pensure PFA	company	and co-location fees	21,700	21,700

Business transactions with these related parties were done at arm's length.

43 Contingent Liabilities Litigations and claims

There are litigation claims against the Company as at 31 December 2009 amounting to N4.4 billion (2008: N 4.7 billion). These litigation claims arose in the normal course of business and are being contested by the Company. The directors, having sought advice of professional counsel, are of the opinion that no significant liability will crystallise from these claims. No provisions have been made in these financial statements.

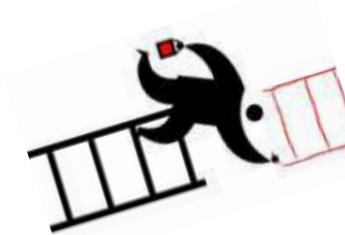
44 Subsequent events

The board of directors proposed a dividend of 7k per share (2008: 6k per share) from the retained earnings as at 31 December 2009 on the issued share capital of 5,487,246,000(2008:4,877,544,000) ordinary shares of 50k each subject to the approval of the shareholders at the next annual general meeting.

The board of directors also proposed a bonus issue of 1 (2008:1) new ordinary share for every 2 (2008:8) held subject to the approval of the shareholders at the next annual general meeting.

45 Prior year comparative figures

Certain prior year corresponding balances have been reclassified to conform with the current year presentation format which is principally as a result of NAICOM's new reporting format.



46 Segment information

Segment information is presented in respect of the Company's business segments which represents the primary segment reporting format and is based on the Company's management and reporting structure. No geographical segment information has been provided in these financial statements as there is only one geographical segment.

Business Segments

The Company operates the following main business segments:

Non-life (General Business)	Includes general insurance transactions with individual and corporate customers
Life Business	Includes life insurance policies with individual and corporate customers
Trusteeship	Includes the provision of trusteeship and investment management services
Hospitality	Includes the provision of hotels and hospitality services
Property management	Includes the provision of real estate development and estate management services

Business reporting

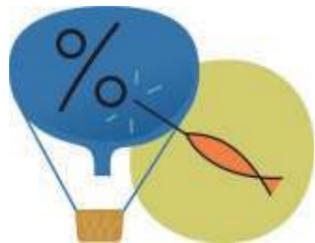
	<u>General Business</u>		<u>Life Business</u>		<u>Trusteeship</u>		<u>Hospitality</u>		<u>Property management</u>		<u>Total</u>	
	<u>2 0 0 9</u>	<u>2 0 0 8</u>	<u>2 0 0 9</u>	<u>2 0 0 8</u>	<u>2 0 0 9</u>	<u>2 0 0 8</u>	<u>2 0 0 9</u>	<u>2 0 0 8</u>	<u>2 0 0 9</u>	<u>2 0 0 8</u>	<u>2009</u>	<u>2008</u>
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Revenue from external customers												
(a) Gross premium	20,362,833	18,122,936	-	-	-	-	-	-	-	-	20,362,833	18,122,936
Commission received	750,752	800,938	-	107,075	-	-	-	-	-	-	750,752	908,013
Investment and other income	520,903	1,404,707	226,990	627,105	188,667	293,253	803,302	683,715	10,238	21,188	1,750,100	3,029,968
Shareholders' share of valuation surplus	-	-	-	260,888	-	-	-	-	-	-	-	260,888
(Loss)/profit from Deposit Administration	-	23,088	(74,707)	23,088	-	-	-	-	-	-	(74,707)	46,176
Group's share of associate's profit/(loss) for the year	50,318	(180,167)	-	-	-	-	-	-	-	-	50,318	(180,167)
Total segment income	21,684,806	20,171,502	152,283	1,018,156	188,667	293,253	803,302	683,715	10,238	21,188	2,476,463	22,187,814
Profit on ordinary activities before taxation	1,457,679	455,487	13,070	876,910	46,414	99,552	241,434	7,083	(34)	3,413	1,758,563	1,442,445
Assets and liabilities												
Tangible segment assets	24,372,548	16,547,772	11,930,749	11,131,215	1,183,340	1,155,944	1,131,084	1,132,491	96,147	101,358	38,713,868	30,068,780
Charged to other segments	-	-	-	-	-	-	-	-	-	-	(1,609,137)	(1,504,629)
Total assets	24,372,548	16,547,772	11,930,749	11,131,215	1,183,340	1,155,944	1,131,084	1,132,491	96,147	101,358	37,104,731	28,564,151
Segment liabilities	16,170,675	9,296,782	8,478,480	6,043,207	715,704	698,166	441,518	583,064	104,042	61,401	25,910,419	16,682,620
Charged to other segments	-	-	-	-	-	-	-	-	-	-	(780,225)	(515,358)
Total liabilities	16,170,675	9,296,782	8,478,480	6,043,207	715,704	698,166	441,518	583,064	104,042	61,401	25,130,194	16,167,262
Net assets	8,201,873	7,250,990	3,452,269	5,088,008	467,636	457,778	689,566	549,427	(7,895)	39,957	11,974,537	12,396,889
Depreciation	163,666	229,298	-	-	3,125	16,486	93,855	88,665	1,135	1,331	261,781	335,780



//103

Statement of Value Added For the year ended 31 December

	Group 2 0 0 9		Group 2 0 0 8		Company 2 0 0 9		Company 2 0 0 8	
	N'000	%	N'000	%	N'000	%	N'000	%
Gross premium (Local)	24,817,360		19,782,934		24,817,360		19,782,934	
Other income								
- Local	2,337,360		4,852,588		1,326,355		2,813,047	
- Foreign	97,583		42,791		97,583		42,791	
	<u>27,252,303</u>		<u>24,678,313</u>		<u>26,241,298</u>		<u>22,638,772</u>	
Bought in materials and services								
- Local	(9,873,232)		(10,470,602)		(9,499,542)		(8,848,903)	
- Foreign	(13,726,245)		(10,837,935)		(13,726,245)		(10,837,935)	
Value added	<u>3,652,826</u>	100%	<u>3,369,776</u>	100%	<u>3,015,511</u>	100%	<u>2,951,934</u>	100%
Distribution of value added								
To government								
Government as taxes	551,294	15%	255,430	8%	468,279	16%	225,151	8%
To employees								
Employee cost	1,508,868	41%	1,485,581	43%	1,381,096	46%	1,390,239	46%
To providers of finance								
To lenders	108,066	3%	290,907	9%	-	0%	-	0%
Retained in the business								
To replace fixed assets (depreciation)	261,781	7%	335,780	10%	163,666	5%	229,298	8%
To augment reserves	822,817	27%	709,425	21%	602,470	20%	814,593	28%
To pay proposed dividend	400,000	11%	292,653	9%	400,000	13%	292,653	10%
Value added	<u>3,652,826</u>	100%	<u>3,369,776</u>	100%	<u>3,015,511</u>	100%	<u>2,951,934</u>	100%



Three Years Financial Summary

Group

	2009 N'000	2008 N'000	2007 N'000
Results			
Gross premium written	24,817,360	19,782,934	15,114,579
Net Premium written	8,963,306	6,080,456	7,413,630
Premium earned	8,963,306	6,080,456	7,132,784
Profit before taxation	1,774,111	1,257,508	1,414,584
Taxation	(551,294)	(255,430)	(200,193)
Profit after taxation	1,222,817	1,002,078	1,214,391
Dividends	292,651	500,000	100,222
Earnings per share (k)	22	21	27
Dividend per share (k)	6	10	2
Balance sheet			
Assets			
Current assets	13,391,732	6,052,024	4,160,695
Investments	20,501,611	19,889,511	22,604,184
Statutory deposits	520,000	520,000	520,000
Fixed assets	2,691,388	2,102,616	1,787,492
Total assets	37,104,731	28,564,151	29,072,371
Liabilities and capital			
Insurance funds	8,284,042	3,375,274	3,798,793
Other liabilities	16,846,152	12,791,988	6,808,479
Share capital	2,743,624	2,438,777	2,438,777
Share premium	387,826	1,458,867	1,458,867
Reserves	8,843,087	8,499,245	14,567,455
Total liabilities and reserves	37,104,731	28,564,151	29,072,371



//105

Five Years Financial Summary

Company

	2009	2008	2007	2006	2005
	N'000	N'000	N'000	N'000	N'000
Results					
Gross premium written	24,817,360	21,714,605	15,114,579	4,528,803	3,875,974
Net Premium written	8,963,306	9,000,175	7,413,630	3,956,169	3,335,479
Premium earned	8,963,306	7,602,386	7,132,784	2,439,651	2,476,906
Profit before taxation	1,470,749	1,332,397	1,208,561	727,478	510,674
Taxation	(468,279)	(225,151)	(181,315)	(85,987)	(64,442)
Profit after taxation	1,002,470	1,107,246	1,027,246	641,491	446,232
Dividend declared	292,651	500,000	100,222	125,000	105,000
Earnings per share (k)	18	23	23	33	45
Dividend per share (k)	6	10	2	6	11
Balance sheet					
Assets					
Current assets	12,599,760	5,270,610	5,659,956	3,088,407	1,622,250
Investments	20,654,039	20,372,960	20,372,960	6,730,402	5,716,869
Statutory deposits	520,000	520,000	520,000	35,000	35,000
Fixed assets	1,863,952	1,207,022	798,282	434,426	402,820
Total assets	35,637,751	27,370,592	27,351,198	10,288,236	7,776,939
Liabilities and capital					
Insurance funds	8,284,042	3,375,274	3,798,793	2,145,818	1,567,354
Other liabilities	15,699,567	11,656,320	5,296,518	3,413,270	2,873,209
Share capital	2,743,624	2,438,777	2,438,777	975,409	500,000
Share premium	387,826	1,458,867	1,458,867	236,108	10,699
Reserves	8,522,692	8,441,354	14,358,243	3,517,631	2,825,677
Total liabilities and reserves	35,637,751	27,370,592	27,351,198	10,288,236	7,776,939

Branches Directory

S/N	BRANCH	ADDRESS	TELEPHONE
1.	Abuja	Plot 48 Aguiyi Ironsi Street (After British High Commission), Maitama P.M.B. 275 Abuja	0802 223 5873 09-4819339
2.	Abeokuta	13 Lalubu Street, Oke'Iewo P.M.B 2176, Abeokuta	0803 322 8120 039-774207
3.	Akure	NACRDB Building Ado - Owo Road, Alagbaka P.O. Box 790, Akure	0802 417 0777 0803 080 3700 0805 487 8006 034-217082
4.	Benin	84 Akpakpava Street Benin City	0802 336 9990 0803 754 5100 052-881162
5.	Calabar	141 Ndidem Usang Iso Road/ Marian Road, Calabar	0802 324 6228 0803 321 8684 0805 229 5330 087-823027
6.	Enugu	Akalaka House (2nd floor) 127/129 Chime Avenue New Haven, Enugu	0802 304 3667 0803 666 9140
7.	Ilorin	163.Ajase- Ipo Road Gaa- Akanbi Junction Road Anu Oluwapo complex P.M.B. 1538, Ilorin, Kwara State	0803 474 2969 031-741495
8.	Ibadan	Marbella House 96, Ring Road P.O. Box 872, Ibadan	0802 332 4284
9.	Jos	55, Murtala Mohammed Way P.O. Box 766, Jos	0802 223 5815 0803 701 1980
10.	Kano	Fustan House 25 Zaria Road Gyadi- Gyadi Round About P.O. Box 1005, Kano	0802 223 8654 0803 702 0376
11.	Makurdi	Last Floor, 8 Railway bye pass, High Level, near Zenith bank, P.O. Box 828, Makurdi	0802 552 3737 0806 308 1478

Branches Directory

12.	Osogbo	2nd floor, Moye House Km 2, Gbogan/Ibadan Road Oshogbo, Osun State	0802 223 8018 0905 541 5302 035-207975
13.	Port Harcourt	8 Igbodo Street, Old GRA P.O. Box 1969, Port Harcourt	0802 223 8655 084-769901 084-465757-8 084-465754
14.	Sagamu	136 Akarigbo Street Opposite Mobil Filling Station Ijokun, Sagamu	0805 611 1398 0808 344 8878 037-781651
15.	Sokoto	7 Kano Road Opp. Central Bank of Nigeria P.O. Box 140, Sokoto	0802 345 4008 0803 623 9195 0805 364 3682
16.	Uyo	164 Ikot Ekpene Road (3rd Floor), Uyo	0805 505 4266
17.	Warri	Ecobank Building 60 Efurun/Sapele Road P.O. Box 4188, Warri	0803 391 5245 0702 954 8056 053 -321172
18.	Yenagoa	Imgbi Road Opp. Spring Bank, Amarata	0802 908 1977 0803 919 5954
19.	Zaria	Last floor, UBA building by PZ Kaduna Road P.O. Box 400, Zaria	0802 900 3787 0803 700 3774

AGENCY OFFICES

BIDA	GBOKO	GOMBE
KAFANCHAN	YOLA	KATSINA
MAIDUGURI	MINNA	OKENE
IKARE	ADO-EKITI	



Protea Hotel Leadway Ikeja is conveniently located in Maryland, Ikeja, Lagos, approximately 15 minutes drive from Murtala Muhammed International Airport.

Privately owned by Nigerian investors and managed and marketed by Protea Hotels, the largest hotel operating company in Africa, the hotel offers 47 deluxe en-suite rooms and 2 suites each equipped with DSTV, central air conditioning, in-room tea and coffee making facilities, direct internet access, a mini bar refrigerator and digital safe. Other facilities and services include a Restaurant, a 24-hour cocktail bar, fitness centre, swimming pool, business centre and 24-hour room service. One facility that clearly separates this Hotel from the rest is an Audio/Sound Room, where GUEST, can get away from the hustle and bustle from Lagos and relax in a private lounge with surround sound stereo audio and video facilities or have a private meeting.

The Hotel offers state of the art conference facilities with one conference room, seating up to 50 delegates and two boardrooms seating up to 12 delegates each.

Architecturally, the Hotel is different from the other Protea-managed Hotels in Lagos. The façade, interior and layout of the rooms are refreshingly different. Rustic oranges, reds and yellows have been used throughout as the predominant colour scheme. The furniture is a mixture of dark wood, cane and modern desk chairs in the rooms. There is good light flow in the Hotel and it has an airy feel about it.

The management and STAFF pride themselves on offering hospitality and service of world class standard and living up to their 'Leading the Way' creed under the leadership of General Manager, Ankia Swart and Deputy General Manager, Tunde Oduyoye; while the chef brigade under the leadership of South African Executive Chef Chris Geldart will be offering excellent local and international cuisine. The menu selection is varied enough to cater for all tastes and will be able to accommodate those GUEST that will be staying more than one day.

Protea Hotel Leadway will offer superior appointments, personalised service and individuality of character.

When next in Lagos it may be well worth your while to pay this truly superb hotel a visit, whether to stay, have a conference, and enjoy a snack, dinner or ... to simply relax.

WHERE ELEGANCE AND SERVICE IS
A PRIORITY!

1 Mugambo Close, Maryland Estate, Lagos, Nigeria. Tel: +234 1 279 0800/0802/0803/0806. Fax: +234 1 279 0801
reservations@leadway-protea.com www.proteahotels.com/leadway

LEADWAY CAPITAL & TRUSTS LIMITED

RC 268,275

LEADWAY CAPITAL & TRUSTS LIMITED was incorporated as Leadway Trustees Limited in 1995 but its services became commercial in 1999. To operate within the capital market, the company registered with the Securities and Exchange Commission in year 2000 and has maintained its registration since then.

Leadway Capital & Trusts Limited is a subsidiary of Leadway Assurance Company Limited, one of the foremost insurance service providers in Nigeria. The reputation enjoyed by the Leadway Group has been attained and sustained by the pursuit of improvements to maintain competitive advantage. All aspects of the business are approached with discipline – the recruitment of staff, development of products, use of advanced technology to final service delivery.

Since incorporation, the company has provided and is still providing corporate and personal trusteeship services in diverse arrangements. Specifically, Leadway Capital & Trusts Limited provides professional services in the following areas:

- Trust of Consortium Lending
- Debenture Trusts
- Unit Trusts and Mutual Funds
- Mortgage Trusts
- Investment Trusts
- Leasing Trusts
- Management of other Trusts as Endowments, Foundations, Co-operatives
- Employee Share Ownership Trusts
- Custodian Trusteeship
- Nominee Shareholding
- Living Trusts
- Education Trusts
- Vehicle Leases to select Corporate Bodies
- Investment in varied transactions where management finds it expedient

Although a young company, it is able to tap into the resources and nearly 40 years experience of its parent company, Leadway Assurance Company Limited.

ADDRESS:

3rd Floor, Afric Place
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Website: www.leadway.com

