
REGENCY ALLIANCE INSURANCE PLC

UN-AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER, 2020

**UN-AUDITED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31 2020**

	Note	DEC 2020 =N=	DEC 2019 =N=
ASSETS			
Cash and Cash equivalents	1	1,430,845,661	2,219,991,178
Financial Assets:	2	4,620,407,075	2,646,558,952
Trade Receivables	3	11,848,182	5,630,602
Reinsurance assets	4	1,045,041,143	1,015,101,410
Deferred Acquisition Cost	5	96,400,178	76,531,775
Other Receivables and prepayments	6	15,416,490	16,749,619
Investment in subsidiaries	7	1,026,169,685	943,438,495
Investment Property	8	505,962,253	495,962,253
Intangible Assets	9	11,584,828	14,644,498
Property, Plant and Equipment	10	753,235,401	801,784,335
Statutory Deposits	11	300,000,000	300,000,000
Total Assets		9,816,910,896	8,536,393,117
LIABILITIES			
Insurance Contract Liabilities	12	2,689,242,368	2,318,366,697
Provision and Other trade payables	13	132,106,858	200,716,417
Retirement benefit obligation	14	3,002,975	3,006,787
Provision for Current Income Tax Liabilities	15	243,678,941	214,085,088
Deferred income tax liabilities	16	99,500,497	99,500,497
Total Liabilities		3,167,531,639	2,835,675,486
EQUITY			
Total equity attributable to owners of the parent:			
Issued and Paid up share capital	17	3,334,375,000	3,334,375,000
Contingency Reserve	18	1,481,893,456	1,341,161,011
Retained Earnings	19	1,588,110,800	1,021,793,377
Fair Value Reserves on Available for sale As	20	(0)	3,388,244
Deposit for shares	21	245,000,000	
Total		6,649,379,256	5,700,717,632
Non-controlling Interest in Equity			
		9,816,910,896	8,536,393,117

The financial statements were approved by the board of directors on January 27, 2021 and signed on behalf of the board of directors by the directors listed below:

.....
MR CLEM BAIYE
FRC/2020/003/00000021054
(Acting Chairman)

.....
MR BIYI OTEGBEYE
FRC/2013/NBA/00000003749
(Managing Director/Chief Executive Officer)

.....
MR KEHINDE OYADIRAN
FRC/2013/ICAN/00000003559
(Chief Finance Officer)

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

**UN-AUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31, DECEMBER 2020**

		JAN-DEC	JAN-DEC	OCT-DEC	OCT-DEC
	Note	2020	2019	2020	2019
		N	N		
Gross Premium Written	22	3,886,109,818	3,946,286,757	606,290,117	340,011,757
Gross Premium Income	23	3,896,056,682	3,851,066,780	895,289,246	969,146,780
Reinsurance Expenses	24	(1,329,308,239)	(1,311,691,611)	(357,641,323)	(460,871,611)
Net Premium Income		2,566,748,443	2,539,375,169	537,647,923	508,275,169
Fees and Commission Income	25	48,840,010	55,542,910	12,173,001	31,170,910
Net Underwriting Income		2,615,588,453	2,594,918,080	549,820,924	539,446,080
Claims Paid Gross	26	(1,007,581,012)	(738,319,041)	(164,654,653)	(337,145,041)
Recovery from Reinsurance		288,245,405	161,402,971	(51,901,772)	15,104,971
Underwriting Expenses	27	(516,435,723)	(584,366,792)	(121,090,282)	(32,044,792)
Underwriting Profit		1,379,817,124	1,433,635,218	212,174,217	185,361,218
Investment Income	28	357,966,167	411,660,782	84,099,689	82,351,782
Other Operating Income	29	10,576,988	8,882,554	64,330	6,093,554
Fair value on Investment Properties	8	10,000,000	40,000,000	10,000,000	40,000,000
Net Gains on Financial Asset	30	(92,816,121)	(117,334,698)	(24,472,448)	29,877,302
Employee Benefit Expenses	31(a)	(367,539,052)	(364,886,705)	(93,218,831)	(59,378,705)
Other Operating Expenses	31(b)	(501,190,135)	(568,409,603)	(120,873,599)	(117,457,603)
Impairment on unquoted Investment	2.2	-	(5,000,000)	-	(5,000,000)
Result of Operating Activities		796,814,971	838,547,548	67,773,358	161,847,548
Income Tax Expense	15	(93,152,745)	(188,953,955)	(16,649,700)	(109,313,955)
Profit After Taxation		703,662,226	649,593,593	51,123,657	52,533,593
Other comprehensive income, net of tax					
items that may be subsequently reclassified to the profit or loss account:					-
Net unrealised fair value gain/(loss) on AFS financial asset		-	460,064	-	460,064
Income tax relating to component of other comprehensive income			(138,019)	-	(138,019)
Foreign exchange translation difference					-
Total other comprehensive income		-	322,045	-	322,045
Total comprehensive income for the Period		703,662,226	649,915,638	51,123,657	52,855,638
Earnings per share					
Basic (in kobo)		10.55	9.74	0.77	0.79

REGENCY ALLIANCE INSURANCE PLC
UN-AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

THE COMPANY

REGENCY ALLIANCE INSURANCE PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2020

	Share Capital =N=	Contingency Reserve =N=	Retained Earnings =N=	Fair Value Reserves =N=	Deposit for Shares =N=	Total Equity =N=
At 1 January 2020	3,334,375,000	1,341,161,011	1,021,793,377	3,387,642	-	5,700,717,030
Profit after tax for the period	-	-	703,662,226	-	-	703,662,226
Transfer to Contingency Reserves	-	140,732,445	(140,732,445)	-	-	-
Transfer from Fair Value Reserve	-	-	-	-	-	-
	-	140,732,445	562,929,781	-	-	703,662,226
Other Comprehensive Income	-	-	-	-	-	-
Total comprehensive income for the period	-	140,732,445	562,929,781	-	-	703,662,226
Transaction with owner's of equity, recorded directly in equity distribution to owners	-	-	-	-	-	-
Transfer adjustment on fair value reserves of disposed unquoted equity	-	-	3,387,642	(3,387,642)	-	-
Deposit for Shares	-	-	-	-	245,000,000	245,000,000
Total Transaction with owners	-	-	3,387,642	(3,387,642)	245,000,000	245,000,000
At 31 DECEMBER 2020	3,334,375,000	1,481,893,456	1,588,110,800	(0)	245,000,000	6,649,379,256

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019

	Share Capital =N=	Contingency Reserve =N=	Retained Earnings =N=	Fair Value Reser =N=	Total =N=	Total Equity =N=
At 1 January 2019	3,334,375,000	1,211,242,292	502,118,503	3,065,597	-	5,050,801,392
Profit after tax for the period	-	-	649,594,000	-	-	649,594,000
Transfer to Contingency Reserves	-	129,919,000	(129,919,000)	-	-	-
	-	129,919,000	519,675,000	-	-	649,594,000
Other Comprehensive Income	-	-	-	-	-	-
Changes in the value of unquoted investment	-	-	-	460,064	-	460,064
Income tax relating to component of other comprehensive income	-	-	-	(138,019)	-	(138,019)
Total comprehensive income for the period	-	129,919,000	519,675,000	322,045	-	649,916,045
Dividend to equity owners	-	-	-	-	-	-
	-	-	-	-	-	-
At 31 DECEMBER 2019	3,334,375,000	1,341,161,292	1,021,793,503	3,387,642	-	5,700,717,437

STATEMENT OF CASH FLOWS

	2020	2019
Cash Flow From Operating Activities		
	=N='	=N='
Premium Received	3,879,892,238	3,948,507,155
Reinsurance Premium Paid	(1,319,313,329)	(1,304,456,653)
Commission Received	48,840,010	55,542,910
Gross Claim paid	(626,758,477)	(901,327,169)
Claim Expenses Recovered from Reinsurance	288,245,405	180,247,992
Acquisition Expenses	(322,019,119)	(349,476,452)
Maintenance Expenses	(204,548,201)	(196,037,342)
Cash Paid to and On behalf of Employees	(387,539,052)	(399,704,705)
Cash Payments for Other Operating Expenses	(533,322,417)	(557,383,501)
Tax Paid	(63,558,892)	(108,536,476)
Net Cash Generated From Operating Activities	759,918,166	367,375,759
Cash Flow From Investing Activities		
Purchase of Financial Asset-HTM	(2,207,718,208)	(447,637,326)
Proceeds From Disposal of HTM	-	36,012,839
Purchase of Financial Asset-FVTPOL	-	(879,984)
Receipt From Repayment Of Loan & Advances	88,578,601	2,878,827
Additional to Loan & Receivables	(4,051,960)	(91,256,000)
Investment Income Received	357,966,167	411,660,782
Other Operating Income Received	5,148,348	1,597,343
Acquisition of Property, Plant & Equipment	(7,006,293)	(20,898,519)
Proceeds From Disposal of Property, Plant & Equipme	2,732,887	6,956,800
Addition to Investment properties	-	(5,962,253)
Proceeds From Disposal of Investment Property	-	82,683,882
Rental Income Received	6,950,000	10,636,666
Acquisition of Intangible Asset	(3,151,267)	(3,422,644)
Net Cash Generated From Investing Activities	(1,760,551,725)	(17,629,586)
Cash Flow From Financing Activities		
Deposit for Share	245,000,000	-
Share Issue/Deposit for Shares in Subsidiaries	(82,731,190)	-
Net Cash Generated From Financing Activities	162,268,810	-
Net Increase/(Decrease) In Cash and Cash Equivalen	(838,364,749)	349,746,172
Effect of Movement in Exchange Rate on Cash and Cash Equival	49,219,231	9,102,845
Net Increase/(Decrease) In Cash and Cash Equivalents	(789,145,518)	358,849,017
Cash and Cash Equivalent as at 1 January	2,219,991,178	1,861,142,161
Cash and Cash Equivalent as at 31 December 20	1,430,845,661	2,219,991,178

REGENCY ALLIANCE INSURANCE PLC
UN-AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

	DEC 2020	DEC 2019
	N	N
1 Cash and Cash Equivalents		
Cash in Hand	4,505,100	1,387,998
Bank Balances-Current Account	216,164,327	312,188,550
<i>Shortterm placements:</i>		
Fixed Deposit	580,963,881	783,016,690
Treasury bills with original maturity < 90 days	629,212,353	1,123,397,940
Total	1,430,845,661	2,219,991,178

Current	1,430,845,661	2,219,991,178
Non- Current		

2 Financial Assets:

The financial assets are summarised below by measurement category:

Held to Maturity (note 2.1)	4,200,056,598	1,992,338,390
Fair Value through Profit or Loss - quoted Investment	412,864,325	554,899,677
Available-for-sale - Unquoted Investment (note 2.3)	-	7,596,440
Loans and Receivables (note 2.4)	7,486,152	91,724,445
	4,620,407,075	2,646,558,952

Current	4,620,407,075	2,646,558,952
Non- Current		

2.1 Held-to-maturity financial assets, at amortised cost

Treasury Bill with Maturity period >90 days	872,613,868	1,904,759,330.0
Federal Government Bond	1,291,605,614	-
Deposit with Corporate Institution with Maturity pe	2,035,837,116	87,579,060
	4,200,056,598	1,992,338,390

Current		
Non- Current		

REGENCY ALLIANCE INSURANCE PLC
UN-AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

The fair value of the held-to-maturity assets as at the reporting date is analysed below:

2.2 Analysis of quoted financial assets FVTPOL are shown:

a. Quoted Investments

Market value as at the beginning of the year	554,899,677	685,593,315
Addition	-	879,984
Unrealised fair value gain/loss on equities	(142,035,352)	(126,437,543)
Impairment Loss		(5,000,000)
Market value as at 31 DEC 2020	412,864,325	555,035,756

Analysis of available for sale instruments is shown:

Current	412,864,325	555,035,756
Non-Current	-	

2.3 Available-for-sale - Financial assets

Unquoted Investment- as at the beginning of the year:	7,596,000	7,136,000
Appreciation in value /(Impairment loss)	-	460,000
Disposal	(7,596,000)	-
Balance at 31 DEC 2020	-	7,596,000

2.2a Analysis of Appreciation/Diminution in value on AFS financials asset is shown:

Dominion Trust Limited	-	
Balance at 31 DEC 2020	-	

Current	-	7,596,000
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b.) Profund Securities Limited	2,072,000	2,072,000
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Impairment on Profund Securities Financial asset

Balance at the beginning of year	(2,072,000)	(2,072,000)
Additional during the Period		
Reversal during the Period		
Balance at 31 DEC 2020	(2,072,000)	(2,072,000)

Carrying Amount	-	-
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2.4 Loans and receivables comprise as shown below:

(a) Staff loan

Balance at the beginning of year	91,724,445	3,031,112
Additional during the Period	4,051,960	91,256,000
Repayment during the period	(88,578,601)	(2,878,827)
Accrued Interest	288,348	316,160
	7,486,152	91,724,445

Staff Advances are less than 12 months, the estimated fair values of the advances are the undiscounted amount be received.

7,197,804

REGENCY ALLIANCE INSURANCE PLC
UN-AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

3 Trade Receivables

Due from Brokers and Other Intermediaries	11,848,182	5,630,602
Current	11,848,182	5,630,602
Non-Current		
(6a) Age Analysis - premium debtor		
0 to 30 days	11,848,182	5,630,602
Above 30 days	-	-
	11,848,182	5,630,602
Impairment Loss on Trade Receivable	-	-
	11,848,182	5,630,602

4 Reinsurance Assets

Prepaid Reinsurance Premium	658,813,155	668,808,064
Reinsurance Share of Claim Paid	38,833,380	38,833,979
Reinsurance Share of IBNR	305,026,000	305,026,000
Due from treaty	42,368,608	2,433,366
	1,045,041,143	1,015,101,410

Current	1,045,041,143	1,015,101,410
Non-Current		

a Prepaid Reinsurance Premium

Balance at the beginning of year	668,808,064	676,043,023
Outward Reinsurance Premium	1,319,313,329	1,304,456,653
	1,988,121,394	1,980,499,675
Amortisation during the period	(1,329,308,239)	(1,311,692,000)
Balance at 31 DEC 2020	658,813,155	668,808,064

c Movement in the Reinsurance Share of Recoverables on Claim Paid

Balance at the beginning of year	38,833,380	127,333,401
Reinsurance Recoveries From Claim Paid	-	(88,500,021)
Receipts from Reinsurance During the period	-	
Balance at 31 DEC 2020	38,833,380	38,833,979

b Movement in Reinsurance Share of Outstanding IBNR

Balance as at 1 January	305,026,000	235,371,000
Charges During the period	-	69,655,000
Balance at 31 DEC 2020	305,026,000	305,026,000

5 Deferred Acquisition Cost

commissions on unearned premium		
General Accident	14,419,656	10,769,065
Oil & Gas	4,081,077	3,158,401
Fire	9,785,337	7,335,193
Motor	26,387,139	19,535,154
Aviation	2,243,412	4,525,793
Bond	311,908	922,406
Engineering	19,972,624	15,234,000
Marine	19,011,661	14,984,763
Emp/Liability	187,363	67,000
	96,400,178	76,531,775

5.1 Movement in deferred acquisition cost

Balance at the beginning of year	76,531,775	115,384,772
Additions during the period	331,755,925	349,476,452
Amortisation during the period	(311,887,522)	(388,329,449)
Balance at 31 DEC 2020	96,400,178	76,531,775
Current	96,400,178	76,531,775
Non-Current		

6 Other Receivable and Prepayments

b Prepaid Insurance	6,999,834	6,999,834
c Prepaid rent	5,611,470	5,611,470
d Sundry Receivable & Prepayment	2,805,185	4,138,315
	15,416,490	16,749,619
Current	15,416,490	16,749,619
Non-Current		

REGENCY ALLIANCE INSURANCE PLC
UN-AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

7 Investment in Subsidiaries

a Regency Alliance Insurance Limited, Ghana	553,053,645	553,053,645
b RIC Properties & Investment Ltd	300,000,000	217,268,810
c RIC Microfinance Bank Limited	161,395,734	161,395,734
d RIC Technologies Limited	11,720,306	11,720,306
	<u>1,026,169,685</u>	<u>943,438,495</u>
Current		
Non-Current	1,026,169,685	943,438,495
a Regency Alliance Insurance Limited, Ghana	<u>553,053,645</u>	<u>553,053,645</u>
b RIC Properties & Investment Ltd		
Balance at the beginning of year	217,268,810	217,268,810
Transfer from Deposit for Share in Subsidiaries.	82,731,190	-
Balance at 31 DEC 2020	<u>300,000,000</u>	<u>217,268,810</u>
c RIC Microfinance Bank Limited		
Balance at the beginning of year	161,395,601	161,395,601
Balance at 31 DEC 2020	<u>161,395,601</u>	<u>161,395,601</u>
d RIC Technologies Limited	<u>11,720,306</u>	<u>11,720,306</u>

8 Investment Property

Balance at the beginning of year	495,962,253	530,000,000
Addition during the year		5,962,253
Disposal	-	(80,000,000)
Fair value Gain	10,000,000	40,000,000
Balance at 31 DEC 2020	<u>505,962,253</u>	<u>495,962,253</u>

9 Intangible Assets

(a) Intangible Assets- Computer Software

COST		
Balance at the beginning of year	91,068,124	87,645,480
ADDITIONS	3,151,267	3,422,644
Balance at 31 DEC 2020	<u>94,219,391</u>	<u>91,068,124</u>
Accumulated Amortisation		
Balance at the beginning of year	76,423,626	65,523,538
Charge for the period	6,210,937	10,900,088
Balance at 31 DEC 2020	<u>82,634,563</u>	<u>76,423,626</u>
Carrying Amount as at 31 DEC 2020	<u>11,584,828</u>	<u>14,644,498</u>
Current		
Non-Current	11,584,828	14,644,498

The intangible assets of the company comprised computer software. The computer softwares are accounted for using the cost model of IAS 38 i.e cost less accumulated armortisation and less accumulated impairment. The amortization is charged to the statement of profit or loss and other comprehensive income in line with the Company's policy.

REGENCY ALLIANCE INSURANCE PLC
UN-AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

Note 10

PROPERTY, PLANT AND EQUIPMENT							
LEASEHOLD LAND	BUILDING	MOTOR VEHICLE	OFFICE EQUIPMENT	OFFICE FURNITURE AND FITTINGS	PLANT AND MACHINERY	LIBRARY	TOTAL
=N=	=N=	=N=	=N=	=N=	=N=	=N=	=N=
491,403,603	250,986,486	467,939,381	167,022,625	45,450,177	30,604,819	241,020	1,453,648,110
	-	446,700	5,844,093	166,500	549,000	-	7,006,293
		(18,341,841)					(18,341,841)
494,403,603	250,986,486	450,044,240	172,866,718	45,616,677	31,153,819	241,020	1,445,312,562
-	64,108,753	353,545,859	159,731,731	42,902,013	22,546,914	239,706	643,074,976
							-
-	64,108,753	353,545,859	159,731,731	42,902,013	22,546,914	239,706	643,074,976
	3,764,790	39,684,518	3,050,065	856,170	1,646,642	-	49,002,184
							-
-	67,873,543	393,230,376	162,781,796	43,758,182	24,193,556	239,706	692,077,161
494,403,603	183,112,943	56,813,863	10,084,922	1,858,494	6,960,263	1,314	753,235,401
497,365,855	184,393,944	121,783,220	4,713,348	1,728,709	6,689,210	1,314	816,675,599

PROPERTY, PLANT AND EQUIPMENT								
COMPANY 2019	LEASEHOLD LAND	BUILDING	MOTOR VEHICLE	OFFICE EQUIPMENT	OFFICE FURNITURE AND FITTINGS	PLANT AND MACHINERY	LIBRARY	TOTAL
COST/VALUATION	=N=	=N=	=N=	=N=	=N=	=N=	=N=	=N=
Opening Balance as at January 1 2019	485,000,000.00	246,724,863.00	485,903,222.00	166,219,591.40	45,073,676.73	22,029,059.00	241,020.00	1,451,191,432.13
Addition during the Year	6,403,602.50	4,261,623.04	377,999.85	803,033.50	476,500.00	8,575,760.00	-	20,898,518.89
Transfer to Investment Property			-	-	-	-	-	-
Disposal	-	-	(18,341,841.00)		(100,000.00)		-	(18,441,841.00)
Closing Balance as at December 31, 2019	491,403,602.50	250,986,486.04	467,939,380.85	167,022,624.90	45,450,176.73	30,604,819.00	241,020.00	1,453,648,110.02
ACCUMULATED DEPRECIATION								
Opening Balance as at January 1 2019	-	59,115,103.88	302,604,006.00	155,121,763.00	41,580,233.47	19,867,653.48	239,706.00	578,528,465.83
Charge for the period	-	4,993,649.42	65,080,078.52	4,609,968.40	1,421,779.33	2,679,260.63	-	78,784,736.30
Transfer to Investment Property	-	-	-	-	-	-	-	-
Disposal	-	-	(5,349,703.67)	-	(100,000.00)	-	-	(5,449,703.67)
Closing Balance as at December 31, 2019	-	64,108,753.30	362,334,380.85	159,731,731.40	42,902,012.80	22,546,914.11	239,706.00	646,514,071.59
Carrying Amount as at December 31 2019	491,403,602.50	186,878,000.00	105,605,000.00	7,291,000.00	2,548,000.00	8,058,000.00	1,314.00	801,784,916.50
Carrying Amount as at December 31, 2018	485,000,000	187,610,000	183,299,000	11,098,000	3,493,000	2,161,000	1,000	872,662,000

11 Statutory Deposits

These are amounts lodged with the Central Bank of the Company's areas of operations as required by the laws

Carrying Amount as at 31 DEC 2020	300,000,000	300,000,000
Current		
Non-Current	300,000,000	300,000,000

The Statutory Deposit represents amounts deposited with the Central Bank of Nigeria(CBN) pursuant to Section 10(3) of the Insurance Act,2003. The deposits are not available for use by the company on a normal course of day to day business.The company has statutory deposit of ₦=300,000,000.00 with (CBN) in line with Insurance Act,2003.

12 Insurance Contract Liabilities

Provision for unearned premium (note 12.1)	1,219,667,136	1,229,614,000
Provision for outstanding claims (note 12.2)	584,032,232	203,209,697
Incurred But Not Reported (IBNR) (12.c)	885,543,000	885,543,000
	2,689,242,368	2,318,366,697
Current	2,689,242,368	2,318,366,697
Non-Current		

12a Provision for unearned premium

General Accident	190,181,134	209,334,000
Oil and Gas	280,247,282	397,680,000
Fire	48,016,836	36,603,000
Motor	210,642,777	156,176,000
Aviation	35,208,832	33,954,000
Bond	1,559,538	4,058,000
Engineering	156,472,215	174,091,000
Marine	296,389,237	217,383,000
Emp/Liability	949,286	335,000
	1,219,667,136	1,229,614,000

12a (i) Movement in unearned premium provision:

Balance at the beginning of year	1,229,614,000	1,134,394,023
Movement during the period	(9,946,864)	95,219,977
Carrying Amount as at 31 DEC 2020	1,219,667,136	1,229,614,000

The Company does not make provision for premium deficiency. This is because all classes of business in which the Company is involved report a profit i.e. the premium written is in excess of claims incurred.

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12b **Provision for outstanding claims**

General Accident	23,653,856	28,059,973
Oil and Gas	435,307,186	45,054,477
Fire	55,467,330	54,146,356
Motor	45,634,900	49,231,941
Aviation	2,844,249	2,053,065
Bond	-	-
Engineering	15,689,554	17,121,566
Marine	4,790,077	6,899,663
Emp/Liability	645,080	642,656
	584,032,232	203,209,697
Add: Provision for IBNR Claims	885,543,000	885,543,000
	1,469,575,232	1,088,752,697

b(i) Movement in outstanding claims provision:

Balance at the beginning of year	203,209,697	567,713,825
Gross Claims incurred in the period	993,057,309	536,823,041
Claims paid during the period	(612,234,774)	(901,327,169)
Carrying Amount as at 31 DEC 2020	584,032,232	203,209,697

c(i) Claims incurred but not reported (IBNR) provision

Movement in IBNR provision:

Balance at the beginning of year	885,543,000	684,047,000
Movement during the period	-	201,496,000
Carrying Amount as at 31 DEC 2020	885,543,000	885,543,000

13 **Provision and Other trade payables**

Accrued Rental Income	921,667	921,667
Accrued Expenses	71,328,203	130,054,183
Unearned Commission received	-	9,883,578
Unclaimed Dividend	59,856,988	59,856,988
	132,106,858	200,716,417

Current	132,106,858	200,716,417
Non-Current		

14 Retirement Benefits Obligations

Balance at the beginning of year	3,006,787	3,282,277
Provision during the period	36,124,323	37,885,409
	39,131,110	41,167,686
Payment during the period	36,128,135	(38,161,000)
Carrying Amount as at 31 DEC 2020	3,002,975	3,006,686

Current	3,002,975	3,006,686
Non-Current		

The Company runs a defined contributory plan in accordance with the Pensions Reform Act where contributions are made to approved pension fund administrator.

15 Income Tax Liabilities

a Per Statement of Comprehensive Income

Income Tax Expense for the period

Income Tax, based on current results	84,332,749	127,985,753
Education Tax	851,846	1,256,200
	85,184,595	129,241,953
Information Technology Levy	7,968,150	7,845,826
Charged for the period	93,152,745	137,087,780
Deferred Income Tax movement (note 16)	-	51,866,176
	93,152,745	188,953,955

b Per Statement of Financial Position

The movement on tax payable account during the period is as follows:

Balance at the beginning of year	214,085,088	185,533,785
Charge for the period	93,152,745	137,087,780
Tax Paid	(63,558,892)	(108,536,476)
	243,678,941	214,085,088

Current income tax is the amount of income tax payable on the taxable profit for the period determined in line with the relevant tax legislation applicable in the areas' of operation

Current	243,678,941	214,085,088
Non-Current		

16 Deferred Tax Liabilities

Balance at the beginning of year	99,500,497	47,496,302
Movement during the period	-	52,004,195
Carrying Amount as at 31 DEC 2020	99,500,497	99,500,497

Current	99,500,497	99,500,497
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17 Share Capital

Share capital comprises:

Authorised Share Capital

12,000,000,000 Ordinary shares of 50k each	6,000,000,000	6,000,000,000
Issued and fully Paid Share Capital		
6,668,750,000 Ordinary shares of 50k each	3,334,375,000	3,334,375,000

18 Contingency Reserves

In compliance with Section 21 (1) of Insurance Act 2003, the contingency reserve for non-life insurance business is credited with the greater of 3% of total premiums, or 20% of the profits. This shall accumulate until it reaches the amount of greater of minimum paid up capital or 50% of net premium.

Balance at the beginning of year	1,341,161,011	1,211,242,292
Transfer from retained earnings	140,732,445	129,918,719
Carrying Amount as at 31 DEC 2020	1,481,893,456	1,341,161,011

19 Retained Earnings

Balance at the beginning of year	1,021,793,377	502,118,503
Transfer from Statement of comprehensive income	703,662,226	649,593,593
Transfer to contingency reserve	(140,732,445)	(129,918,719)
Transfer from fair value reserve	3,387,642	
Carrying Amount as at 31 DEC 2020	1,588,110,800	1,021,793,377

20 Fair Value Reserves

Balance at the beginning of year	3,387,642	3,065,597
Fair value changes in Value of Quoted Shares (net of deferred tax)		460,064
Transfer to Retained Earnings	(3,387,642)	
Income tax relating to component of fair value change		(138,019)
Carrying Amount as at 31 DEC 2020	(0)	3,388,244

21 Deposit For Shares

Balance as at 1 January		
Movement	245,000,000	-
Carrying Amount as at 31 DEC 2020	245,000,000	-

22 Gross Premium Written

General Accident	515,892,833	539,908,979
Oil/Gas	970,813,103	1,267,247,752
Fire	195,856,088	225,987,984
Motor	673,434,626	665,714,593
Aviation	241,568,804	221,377,758
Bond	25,386,080	25,245,249
Engineering	474,062,959	373,465,731
Marine	784,888,731	623,263,935
Emp/Liability	4,206,594	4,074,777
Total	3,886,109,818	3,946,286,757

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22 Gross Premium Written	3,886,109,818	3,946,286,757
(Increase)/decrease in unearned premium	9,946,864	(95,219,977)
Gross premium Income	3,896,056,682	3,851,066,780

23 Gross Premium Income		
General Accident	535,045,699	537,326,668
Oil/Gas	1,088,245,821	1,187,321,367
Fire	184,442,252	272,614,251
Motor	618,967,849	667,966,804
Aviation	240,313,972	197,514,561
Bond	27,884,542	22,292,432
Engineering	491,681,744	431,223,731
Marine	705,882,494	530,592,935
Emp/Liability	3,592,309	4,214,031
Total	3,896,056,682	3,851,066,780

24 Reinsurance Expenses		
Prepaid reinsurance at the beginning of the year	668,808,064	676,043,023
Reinsurance cost during the period	1,319,313,329	1,304,457,000
Total	1,988,121,394	1,980,500,023
Repaid reinsurance at the end of the period carry forward	658,813,155	668,808,000
Reinsurance expenses	(1,329,308,239)	(1,311,692,023)

24a Reinsurance Expenses		
General Accident	170,659,486	146,158,042
Oil/Gas	457,183,981	551,071,243
Fire	58,695,182	139,202,250
Motor	76,434,579	142,339,224
Aviation	112,814,063	58,900,027
Bond	3,606,191	280,300
Engineering	187,954,534	130,163,132
Marine	261,911,223	143,626,137
Emp/Liability	49,000	(48,746)
Total	1,329,308,239	1,311,691,611

25 Fees and Commission Income

General Accident	12,474,757	11,966,728
Oil & Gas	-	-
Fire	15,694,271	17,210,724
Motor	699,468	688,304
Aviation	-	902,600
Bond	314,882	98,508
Engineering	10,258,090	10,531,799
Marine	9,398,542	14,144,249
Total	48,840,010	55,542,910

26 Claim Expenses (Gross)

Current Year Claim Paid	626,758,477	901,327,169
(Increase)/decrease in Outstanding Claim	380,822,535	(364,504,128)
Outstanding Claim -IBNR	-	201,496,000
Total Claim and Loss Adjuster Expenses	1,007,581,012	738,319,041
Recovery from Claim	-	91,747,971
Recovery from Reinsurance	288,245,405	69,655,000
Net Claim and Loss Adjuster	719,335,607	576,916,070

26(a) Net Claims Expenses

General Accident	(4,361,147)	4,588,819
Oil & Gas	555,961,875	182,315,596
Fire	(19,697,220)	49,565,645
Motor	41,095,874	52,681,641
Aviation	3,435,021	118,986,620
Bond	4,112,732	(2,877,269)
Engineering	137,311,101	87,583,798
Marine	1,086,936	84,907,520
Emp/Liability	390,434	(836,300)
Total	719,335,607	576,916,070

27 Underwriting Expenses

a Acquisition Cost	311,887,522	388,329,449
b Maintenance Cost	204,548,201	196,037,342
	516,435,723	584,366,792

a Acquisition

General Accident	102,277,523	126,687,194
Oil & Gas	12,359,202	8,132,466
Fire	18,297,968	35,052,310
Motor	53,511,862	65,653,808
Aviation	18,427,648	18,988,402
Bond	1,520,145	1,086,596
Engineering	55,763,531	67,166,343
Marine	49,013,965	64,699,579
Emp/Liability	715,677	862,751
Total	311,887,522	388,329,449

b Maintenance

General Accident	52,327,064	46,767,131
Oil & Gas	37,457,771	68,221,853
Fire	-	15,724,414
Motor	36,796,935	15,481,712
Aviation	8,383,770	5,069,844
Bond	641,841	315,275
Engineering	15,555,933	19,800,778
Marine	46,829,883	24,492,105
Emp/Liability	120,958	164,230.67
Total	198,114,156	196,037,342

28 Investment Income

a Investment Income Attributable to Shareholders' Fund

Income from statutory Deposit	39,141,350	36,948,014
Income from placement with Financial Institution With Matu	148,222,808	190,208,079
Income from placement with Financial Institution With Matu	169,280,639	182,800,903
	356,644,797	409,956,996

b Dividend Received	1,321,370	1,703,786
	1,321,370	1,703,786

Total (a+b)	357,966,167	411,660,782
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29 Other operating Income

Rental Income	6,950,000	10,636,666
Interest Income (Staff Loan)	288,348	316,160
Sundry Income	5,148,348	1,281,183
Gain on Disposal of Investment Property	-	2,683,882
Loss on disposal of unquoted equity	(4,542,594)	-
Realised gain on PPE	2,732,887	(6,035,337)
	10,576,988	8,882,554

30 Net Gains on Financial Asset

Unrealised fair value gain/(loss) on quoted equities	(142,035,352)	(126,437,543)
Exchange gains/(loss)	49,219,231	9,102,845
	(92,816,121)	(117,334,698)

31(a) Employee Benefit Expenses

Salaries and Wages	265,479,101.32	267,108,391
Medical Expenses	10,309,090.74	10,868,796
Staff Training	41,105,176.73	31,707,244
Pension contribution cost	36,124,323.00	37,885,409
Staff Welfare	14,521,360.00	17,317,000
	367,539,052	364,886,840

31(b) Other Operating Expenses

Motor Running Expenses	42,623,539	46,679,633
Depreciation & Amortization	55,213,121	89,685,101
Advert/Marketing Expenses	74,883,919	77,265,824
Office Repairs & Maintenance Expenses	34,674,350	37,530,832
Professional fees	26,820,712	27,802,865
Subscription & Fees	16,949,352	17,689,168
Director Emolument	11,820,000	12,175,000
Auditor Remuneration	4,200,000	4,200,000
Electricity/Generator Maintenance	41,843,318	43,770,079
Tours & Travel	50,964,180	52,919,351
Printing & stationery	31,441,718	34,797,056
Statutory Annual Dues and Levies	34,737,131	39,246,397
Rent	9,090,315	10,540,149
Insurance Expenses	16,975,018	23,140,781
Telephone Expenses	3,786,015	5,073,620
Postages	674,125	1,165,250
Contract Service Expenses	26,852,135	26,780,216
Bank charges	7,344,820	6,981,337
Newspaper & Periodicals	294,020	358,200
Board & AGM Expenses	4,955,370	7,595,434
Entertainment Expenses	1,846,980	2,513,311
Donations	3,200,000	500,000
	<u>501,190,135</u>	<u>568,409,603</u>

	868,729,187	568,409,603
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32 PROFIT BEFORE TAX

This is stated after charging:

Depreciation & Amortization	55,213,121	89,685,101
Directors Emolument	11,820,000	12,175,000
Auditors Remuneration	4,200,000	4,200,000

33 DIRECTORS AND EMPLOYEES

i The average number of full time persons employed during the year and the relative cost were as follows:

	Number	
Management	39	40
Senior Staff	12	12
Junior Staff	63	60
	114	112

ii Directors' remuneration paid during the year is analysed as follows:

Directors fees	1,500,000	1,910,000
Directors other entitlements	10,320,000	10,265,000
Directors emolument	11,820,000	12,175,000

iii The directors remuneration shown above includes:

The Chairman and 6 directors.

The numbers of Directors who received fees and other emolument (excluding pension contribution) during the year were in the following ranges:

7	7
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iv Employee cost during the year amounted to:

Staff Cost	367,539,052	364,886,840
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34 Litigation and Claim

The Company in the ordinary course of business is presently involve in eight litigations cases.

Based on the advise of the Company Secretary/Legal Adviser Anuoluwapo Shobo (Mrs) FRC number FRC/2013/NBA/00000003654, the directors are of the opinion that non of the cases is likely to have material effect on the the Company and they are not aware of any other pending and threatened claim or litigation which may

35 CAPITAL EXPENDITURE COMMITMENT

There are no material capital expenditure commitment at the end of the reporting date

36 Comparative

Where necessary, comparative figures have been adjusted to conform with changes in presentaion in the current period.

37 SECURITY TRADING POLICY

The Company has a Security Trading Policy. The Policy prohibits insider trading by Directors and guides the Directors in their trading in the Company's Shares.

The Policy also precludes them from passing any price sensitive information to third parties for the purpose of trading in the Company's Shares. We have enquired from our Directors and from the information received, there was no contravention during the period under consideration.

38 Statement of compliance

The consolidated and separate financial statement of the Company comply with, International Financial Reporting Standards (IFRS), Companies and Allied Matters Act CAP C20 LFN 2004, Financial Reporting Council Act 2011, Investment and Securities Act 2007, Insurance Act 2003 of Nigeria, relevant National Insurance Commission (NAICOM) guidelines and circulars, the Banking's and Other Financial Institutions Act of Nigeria, and relevant Central Bank of Nigeria circulars to the extent that these laws are not in conflict with the requirement of IFRS.

39 Shareholding Structure/Free Float Status

	Direct/Indirect	% Unit	Direct/Indirect	% Unit
Directors	2020		2019	
MR.BIYI OTEGBEYE	789,328,879	11.84%	789,328,879	11.84%
MR. CLIEM BAIYE	1,000,000	0.01%	1,000,000	0.01%
DR. SAMMY OLANIYI	43,580,457	0.65%	44,955,457	0.67%
MR. KEHINDE OYADIRAN	206,250	0.00%	206,250	0.00%
ALEXANDER-REISSE CONSULTING LTD	633,531,250	9.50%	633,531,250	9.50%
SUB-TOTAL	1,467,646,836	22.01%	1,469,021,836	22.03%
FREE FLOAT	5,201,103,164	77.99%	5,199,728,164	77.97%
PAID UP SHARE CAPITAL	6,668,750,000	100.00%	6,668,750,000	100.00%

Declaration

Regency Alliance Insurance Plc with a free float percentage of 77.99% as at 31 December 2020, complied with The Exchange's free float requirements for companies listed on the Main Board.

40 Impact of COVID-19 Pandemic on the Financial Statement

Since December 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions.

The Management is still evaluating the COVID-19 virus and its impact on its business operations and has concluded that while it is reasonably possible that the virus could have a negative effect on the fair value of the Company's investments and results of operations, the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

41 Events After the end of the Reporting Year

No significant event that requires special disclosure occurred between the reporting date and the date when the financial statements were issued.