

CONTINENTAL REINSURANCE PLC
UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2016

Continental Reinsurance Plc
Unaudited Consolidated Financial Statements
For the period ended 30 September, 2016

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Continental Reinsurance Plc
Consolidated Statement of Profit or Loss and other Comprehensive Income
For the period ended 30 September, 2016

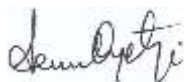
Note	GROUP		GROUP	
	JAN-SEPT 2016 =N='000	JAN-SEPT 2015 =N='000	JUL-SEPT 2016 =N='000	JUL-SEPT 2015 =N='000
Gross written Premium	17,513,825	15,109,917	5,589,010	4,040,640
Insurance premium revenue	1.1 18,119,845	14,714,955	6,310,260	3,898,272
Insurance premium ceded to retrocessionaires	1.2 (1,968,563)	(1,801,491)	(768,312)	(784,064)
Net insurance premium revenue	16,151,282	12,913,464	5,541,948	3,114,208
Insurance benefits				
Insurance claims and loss adjustment expenses	2.1 8,496,251	6,626,844	3,061,352	964,389
Insurance claims and loss adjustment expenses recoverable from retrocessionaire	2.1 (130,736)	(290,652)	14,133	(151,287)
Net insurance benefits and claims	8,365,516	6,336,192	3,075,486	813,102
Underwriting expenses	2.2 7,039,043	5,300,462	2,488,682	1,640,385
Insurance benefits and underwriting expenses	15,404,558	11,636,654	5,564,168	2,453,487
Underwriting profit	746,723	1,276,810	(22,220)	660,721
Net Interest income	3 910,425	800,358	359,271	243,706
Net gains on financial assets designated at fair value through profit or loss	4 11,805	19,176	(1,168)	(5,986)
Other income	5 150,957	499,733	61,364	279,592
Foreign exchange gain/(loss)	5.1 4,037,425	318,073	1,636,099	(81,544)
Income from investment in subsidiary	5.2 -	-	-	-
Administration expenses	6.1 (359,595)	(369,266)	(125,420)	(122,031)
Impairment of financial assets	6.2 (465,762)	(472,240)	115,581	(296,553)
Profit before taxation	5,031,978	2,072,644	2,023,508	677,905
Income tax expense	8 (1,280,671)	(535,027)	(519,899)	(174,207)
Profit after taxation	3,751,307	1,537,617	1,503,609	503,698
Profit for the year	3,751,307	1,537,617	1,503,609	503,698
Other comprehensive income:				
Other comprehensive income/(loss) to be reclassified to P & L in subsequent periods:				
Remeasurement gains on available for sale financial assets	7 (7,325)	-	(18,689)	-
Reclassification adjustments to gain on available for sale financial assets included in profit and loss	7 -	-	-	-
Exchange difference on translation of foreign operations		328,297		
Other comprehensive income/(loss) not to be reclassified to P & L in subsequent periods:				
Actuarial (loss)/gains on defined benefit plans	26 -			(153,397)
Income tax relating to component of other comprehensive income		14,573		
Other comprehensive income for the year, net of tax	(7,325)	342,870	(18,689)	(153,397)
Total Comprehensive Income for the year	3,743,981	1,880,487	1,484,920	350,301
Profit attributable to:				
Equity holders of the parent	3,605,752	1,477,585	1,503,609	503,698
Non-controlling interest	145,555	60,032	-	-
	3,751,307	1,537,617	1,503,609	503,698
Total comprehensive income attributable to:				
Equity holders of the parent	3,598,427	1,820,455	1,484,920	350,301
Non-controlling interest	145,555	60,032	-	-
	3,743,981	1,880,487	1,484,920	350,301
Earnings per share				
Basic (kobo)	10 36	15		

Continental Reinsurance Plc
Statement of Profit or Loss and other Comprehensive Income
For the period ended 30 September, 2016

Note	COMPANY		COMPANY	
	JAN-SEPT 2016 =N='000	JAN-SEPT 2015 =N='000	JUL-SEPT 2016 =N='000	JUL-SEPT 2015 =N='000
Gross written Premium	<u>13,365,853</u>	<u>11,750,666</u>	<u>3,798,739</u>	<u>3,026,904</u>
Insurance premium revenue	1.1 13,754,075	11,320,967	4,243,318	2,711,960
Insurance premium ceded to retrocessionaires	1.2 (1,624,252)	(1,330,835)	(627,582)	(514,533)
Net insurance premium revenue	<u>12,129,823</u>	<u>9,990,132</u>	<u>3,615,737</u>	<u>2,197,427</u>
Insurance benefits				
Insurance claims and loss adjustment expenses	2.1 6,701,739	5,237,118	2,243,783	625,276
Insurance claims and loss adjustment expenses recoverable from retrocessionaire	2.1 (122,517)	(290,652)	(32,899)	(151,287)
Net insurance benefits and claims	<u>6,579,222</u>	<u>4,946,466</u>	<u>2,210,884</u>	<u>473,989</u>
Underwriting expenses	2.2 5,431,267	4,128,431	1,822,127	1,213,691
Insurance benefits and underwriting expenses	<u>12,010,489</u>	<u>9,074,897</u>	<u>4,033,011</u>	<u>1,687,680</u>
Underwriting profit	119,334	915,235	(417,274)	509,747
Net Interest income	3 667,078	667,038	245,853	246,454
Net gains on financial assets designated at fair value through profit or loss	4 10,509	19,176	(1,340)	(5,986)
Other income	5 144,604	416,931	59,297	207,327
Foreign exchange gain/(loss)	5.1 4,175,095	300,607	1,741,729	(99,010)
Income from investment in subsidiary	5.2 -	-	-	-
Administration expenses	6.1 (264,460)	(299,917)	(91,280)	(111,801)
Impairment of financial assets	6.2 (393,765)	(419,749)	113,497	(266,336)
Profit before taxation	<u>4,458,395</u>	<u>1,599,321</u>	<u>1,650,482</u>	<u>480,395</u>
Income tax expense	8 (1,114,599)	(399,831)	(412,621)	(120,100)
Profit after taxation	<u>3,343,796</u>	<u>1,199,490</u>	<u>1,237,862</u>	<u>360,296</u>
Profit for the year	<u>3,343,796</u>	<u>1,199,490</u>	<u>1,237,862</u>	<u>360,296</u>
Other comprehensive income:				
Other comprehensive income/(loss) to be reclassified to P & L in subsequent periods:				
Remeasurement gains on available for sale financial assets	7 (2,418)	-	(13,782)	-
Reclassification adjustments to gain on available for sale financial assets included in profit and loss	7 -	-	-	-
Exchange difference on translation of foreign operations	-	-	-	-
Other comprehensive income/(loss) not to be reclassified to P & L in subsequent periods:				
Actuarial (loss)/gains on defined benefit plans	26 -	-	-	-
Income tax relating to component of other comprehensive income	-	11,937	-	-
Other comprehensive income for the year, net of tax	<u>(2,418)</u>	<u>11,937</u>	<u>(13,782)</u>	<u>-</u>
Total Comprehensive Income for the year	<u>3,341,378</u>	<u>1,211,427</u>	<u>1,224,080</u>	<u>360,296</u>
Profit attributable to:				
Equity holders of the parent	3,343,796	1,199,490	1,237,862	360,296
Non-controlling interest	-	-	-	-
	<u>3,343,796</u>	<u>1,199,490</u>	<u>1,237,862</u>	<u>360,296</u>
Total comprehensive income attributable to:				
Equity holders of the parent	3,341,378	1,211,427	1,224,080	360,296
Non-controlling interest	-	-	-	-
	<u>3,341,378</u>	<u>1,211,427</u>	<u>1,224,080</u>	<u>360,296</u>
Earnings per share				
Basic (kobo)	10 32	12		

Continental Reinsurance Plc
Consolidated Statement of Financial Position

As at 30 September 2016	Note	GROUP		COMPANY	
		30 September 2016 =N='000	31 December 2015 =N='000	30 September 2016 =N='000	31 December 2015 =N='000
Assets					
Cash and cash equivalents	11	8,756,571	7,702,575	5,699,148	5,792,358
Financial assets					-
-Financial asset designated as fair value	12	2,019,555	1,224,258	102,695	104,247
-Loans and other receivables	13	449,861	364,041	356,251	302,083
-Available-for-sale investments	14.1	2,218,903	2,194,682	2,158,720	2,150,894
-Held to maturity investments	14.2	6,883,774	3,894,558	6,100,836	3,438,340
Reinsurance receivables	15	11,593,331	7,258,399	8,954,545	5,793,094
Retrocession assets	16	1,092,139	727,581	418,218	396,648
Deferred acquisition costs	17	1,600,551	1,458,436	1,095,144	1,107,837
Investment in Subsidiary		-	-	1,649,571	1,649,571
Other assets	18	363,946	31,056	1,457,377	1,062,703
Investment properties	19	2,235,646	2,685,646	2,235,646	2,685,646
Intangible assets	20	7,445	-	7,445	-
Property, plant and equipment	21	1,176,487	1,127,498	1,059,882	1,048,051
Statutory deposits	22	1,000,000	1,000,000	1,000,000	1,000,000
Total assets		39,398,210	29,668,730	32,295,479	26,531,472
Liabilities					
Insurance contract liabilities	23	13,234,346	11,081,953	9,986,693	9,153,563
Reinsurance creditors	24	3,441,560	884,117	2,748,344	847,009
Other liabilities	25	2,518,547	1,092,154	1,904,415	1,318,129
Retirement benefit obligations	26	257,251	278,372	213,897	278,372
Current income tax	8	1,089,097	722,035	1,060,084	648,999
Deferred taxation	9	158,191	72,908	68,777	68,777
Total liabilities		20,698,991	14,131,539	15,982,207	12,314,849
Equity					
Share capital	27	5,186,372	5,186,372	5,186,372	5,186,372
Share premium	28	3,915,451	3,915,451	3,915,451	3,915,451
Contingency reserve	29	3,776,789	3,414,608	3,612,666	3,250,484
Retained earnings	30	3,819,607	1,820,765	3,418,231	1,681,345
Available-for-sale reserve	31	176,575	182,183	180,553	182,971
Foreign currency translation reserve		546,018	(116,756)		
Equity attributed to holder of parent		17,420,815	14,402,623	16,313,273	14,216,623
Non-controlling interest		1,278,405	1,134,568		
Total equity		18,699,219	15,537,191	16,313,272	14,216,623
Total Liabilities & equities		39,398,210	29,668,730	32,295,479	26,531,472



Dr. Olufemi Oyetunji
Group Managing Director
FRC/2013/NSA/00000000685



Mr. Musa Kolo
General Manager-Finance
FRC/2012/ICAN/00000000473

Continental Reinsurance Plc
Consolidated Statement of Changes in Equity
For the period ended 30 September, 2016

		Attributable to equity holders-Group							
Notes	Share capital	Share premium	Retained earnings	Contingency reserve	Available for sale reserve	Foreign Exchange Translation Reserve	Non-controlling interest	Total equity	
	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000	
	Balance at 1 January 2016	5,186,372	3,915,451	1,820,765	3,414,608	182,183	(116,756)	1,134,568	15,537,191
	Profit or loss for the period	-	-	3,605,752	-	-	-	145,555	3,751,307
	Transfer of contingency reserve	-	-	(362,181)	362,181	-	-	-	-
	Other comprehensive income	-	-	-	-	-	-	-	-
	Fair value of equity financial assets	7	-	-	-	(5,608)	-	(1,718)	(7,325)
	Foreign exchange translation reserve	-	-	-	-	-	662,774	-	662,774
	Total comprehensive income or loss	-	-	3,243,571	362,181	(5,608)	662,774	143,837	4,406,756
	Transaction with owners	-	-	-	-	-	-	-	-
	Dividend	25.1	-	(1,244,729)	-	-	-	-	(1,244,729)
	Total Transactions with owners	-	-	(1,244,729)	-	-	-	-	(1,244,729)
	At 30 September, 2016	5,186,372	3,915,451	3,819,607	3,776,789	176,575	546,018	1,278,405	18,699,219
	Balance at 1 January 2015	5,186,372	3,915,451	1,714,433	2,785,131	297,704	(101,723)	979,012	14,776,380
	At acquisition	-	-	-	-	-	-	-	-
	Change in shareholding	-	-	-	-	-	-	-	-
	Profit or loss for the year	-	-	1,477,585	-	-	-	60,032	1,537,617
	Transfer of contingency reserve	-	-	(288,165)	288,165	-	-	-	-
	Other comprehensive income	-	-	-	-	-	-	-	-
	Fair value of equity financial assets	-	-	-	-	(38,170)	-	-	(38,170)
	Foreign exchange translation reserve	-	-	-	-	-	17,589	-	17,589
	Total comprehensive income or loss	5,186,372	3,915,451	2,903,853	3,073,296	259,534	(84,134)	1,039,044	16,293,416
	Transaction with owners	-	-	-	-	-	-	-	-
	Dividend	-	-	(1,141,002)	-	-	-	-	(1,141,002)
	Total Transactions with owners	-	-	(1,141,002)	-	-	-	-	(1,141,002)
	At 30 September, 2015	5,186,372	3,915,451	1,762,851	3,073,296	259,534	(84,134)	1,039,044	15,152,414

Continental Reinsurance Plc
Statement of Changes in Equity
For the period ended 30 September, 2016

Attributable to equity holders-Company

Notes	Share capital	Share premium	Retained earnings	Contingency reserve	Available for sale reserve	Total equity
	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000
Balance at 1 January 2016	5,186,372	3,915,451	1,681,345	3,250,484	182,971	14,216,623
Profit or loss for the period	-	-	3,343,796	-	-	3,343,796
Transfer of contingency reserve	-	-	(362,182)	362,182	-	-
Other comprehensive income						
Fair value of equity financial assets	7	-	-	-	2,418	(2,418)
Foreign exchange translation reserve						-
Total comprehensive income or loss			2,981,615	362,182	(2,418)	3,341,378
Transaction with owners						
Dividend	25.1	-	(1,244,729)	-	-	(1,244,729)
Total Transactions with owners			(1,244,729)			(1,244,729)
At 31 September 30, 2016	5,186,372	3,915,451	3,418,231	3,612,666	180,553	16,313,272
Balance at 1 January 2015	5,186,372	3,915,451	1,526,328	2,705,666	292,842	13,626,659
Profit or loss for the year	-	-	1,199,490	-	-	1,199,490
Transfer of contingency reserve	-	-	(319,864)	319,864	-	-
Other comprehensive income						
Fair value of equity financial assets		-	-	-	(37,976)	(37,976)
Foreign exchange translation reserve						-
Total comprehensive income or loss			2,405,953	3,025,530	254,866	14,788,173
Transaction with owners						
Dividend		-	(1,141,002)	-	-	(1,141,002)
Total Transactions with owners			(1,141,002)			(1,141,002)
At 30 September 2015	5,186,372	3,915,451	1,264,951	3,025,530	254,866	13,647,171

Continental Reinsurance Plc
Statement of Cash flows
For the period ended 30 September, 2016

	Group		Company	
	30 Sept. 2016 N' 000	30 Sept. 2015 N' 000	30 Sept. 2016 N' 000	30 Sept. 2015 N' 000
Cash flows from operating activities				
Premium received from policy holders	11,332,523	8,526,544	9,810,637	7,165,163
Retrocession receipts in respect of claims	175,804	90,008	121,194	79,653
Acquisition costs paid	(4,149,081)	(2,538,683)	(3,969,498)	(2,188,520)
Retrocession premium paid	(1,775,552)	(984,428)	(1,567,000)	(863,533)
Employees benefit and other admin expenses paid	(2,429,551)	(1,494,865)	(1,978,881)	(1,067,761)
Other operating cash receipts/payments	4,760,817	410,125	4,029,248	328,100
Claims paid	(4,410,370)	(2,602,262)	(4,016,537)	(2,224,155)
Income taxes paid	(913,610)	(313,145)	(703,514)	(269,953)
Net cash flows (outflow)/inflow from operating activities	2,590,980	1,093,294	1,725,649	958,994
Cash flows from investing activities				
Purchase of property, plant and equipment	(222,867)	(55,890)	(140,468)	(55,890)
Purchase of intangible assets	(8,122)	-	(8,122)	-
Investment in subsidiary	-	-	-	-
Proceeds from disposal of property, plant and equipment	1,538	-	1,538	-
Purchase of investment securities	(777,358)	-	(751,957)	-
Proceeds on redemption /sales of investments	645,100	651,435	461,628	632,140
Purchase of investment property	-	-	-	-
Proceeds from sale of investment property	450,000	176,900	450,000	145,000
Rent Received	55,932	41,809	55,932	41,809
Interest received	861,571	498,451	688,923	418,866
Dividend received	37,414	102,870	36,688	102,870
Net cash generated/(used) in investing activities	1,043,207	1,415,575	794,161	1,284,795
Cash flows from financing activities				
Dividend expense	(592,065)	(15,380)	(592,065)	(15,380)
Net cash used in financing activities	(592,065)	(15,380)	(592,065)	(15,380)
Net increase in cash and cash equivalents	3,042,123	2,493,489	1,927,745	2,228,409
Cash and cash equivalents at start of year	7,962,050	5,878,360	6,019,005	4,337,192
Effect of exchange rate changes on cash and cash equivalents	58,974	0	58,974	0
Cash and cash equivalents at end of period	11,063,147	8,371,849	8,005,724	6,565,601
Cash and cash Equivalent	2016	2015	2015	2015
Balances held with other banks:	N' 000	N' 000	N' 000	N' 000
Cash in hand	436	339	151	242
- Current account and cash in hand	109,749	167,765	9,355	169,951
Domiciliary account	153,270	730,461	153,270	680,956
Balances held with foreign banks:	367,113	267,702	367,113	267,701
- Placements with banks and other financial institutions	8,126,003	5,509,480	5,169,259	3,750,649
Treasury bill	2,306,576	1,696,102	2,306,576	1,696,102
Cash and Cash Equivalent at end	<u>11,063,147</u>	<u>8,371,849</u>	<u>8,005,724</u>	<u>6,565,601</u>

Continental Reinsurance Plc

Notes to the Consolidated Financial Statements

	GROUP		COMPANY		GROUP		COMPANY	
	JAN-SEPT	JAN-SEPT	JAN-SEPT	JAN-SEPT	JUL-SEPT	JUL-SEPT	JUL-SEPT	JUL-SEPT
	2016	2015	2016	2015	2016	2015	2016	2015
1 Revenue								
1.1 Insurance premium revenue	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000
<i>Premium revenue arising from insurance contracts issued</i>								
Life insurance contracts								
– Gross Premium	2,064,212	1,879,750	1,939,732	1,779,609	451,585	319,638	414,366	298,648
– Change in life insurance contract liabilities	187,622	224,905	187,622	224,905	68,085	127,102	68,085	127,102
- Change in ceded unexpired risk reserve	(28,143)	-33,736	(28,143)	-33,736	(10,213)	(19,066)	(10,213)	(19,066)
Non life insurance contracts								
– Gross Premium	15,449,613	13,230,167	11,426,121	9,971,057	5,137,426	3,721,002	3,384,373	2,728,256
– Change in unearned premium provision	446,541	-586,131	228,744	-620,868	663,377	(250,404)	386,707	(422,980)
Total Premium revenue arising from insurance contracts issued	18,119,845	14,714,955	13,754,075	11,320,967	6,310,260	3,898,272	4,243,318	2,711,960
1.2 Insurance premium ceded to retrocessionaire								
<i>Premium revenue ceded to retrocessionaire on insurance contracts issued</i>								
Life insurance contracts	1,658,931	281,962	290,960	266,941	700,574	47,945	62,155	44,797
Non life insurance contracts	309,632	1,519,529	1,333,292	1,063,894	67,738	736,119	565,427	469,736
Total Premium revenue ceded to retrocessionaire on insurance contracts	1,968,563	1,801,491	1,624,252	1,330,835	768,312	784,064	627,582	514,533
Net insurance premium revenue	16,151,282	12,913,464	12,129,823	9,990,132	5,541,948	3,114,208	3,615,737	2,197,427
2 Insurance benefits and underwriting expenses								
2.1 Insurance claims and loss adjustment expenses								
Life insurance contracts	1,160,303	1,168,358	1,139,388	1,120,393	253,102	316,391	269,486	290,521
Non life insurance contracts	7,384,340	5,498,197	5,610,743	4,149,807	2,815,774	643,352	1,981,821	323,480
ceded outstanding claim reserve - Non Life	-	-	-	-	-	-	-	-
ceded outstanding claim reserve - Life	(48,391)	(39,711)	(48,391)	(33,082)	(7,524)	4,646	(7,524)	11,275
Total cost of policyholder benefits	8,496,251	6,626,844	6,701,739	5,237,118	3,061,352	964,389	2,243,783	625,276
Insurance claims and loss adjustment expenses recoverable from retrocessionaire	(130,736)	(290,652)	(122,517)	(290,652)	14,133	(151,287)	(32,899)	(151,287)
Net insurance benefits and claims	8,365,516	6,336,192	6,579,222	4,946,466	3,075,486	813,102	2,210,884	473,989
2.2 Underwriting expenses								
Costs incurred for the acquisition of insurance	4,632,369	3,516,423	3,632,112	2,725,810	1,638,152	1,026,909	1,191,067	739,215
Costs incurred for the maintenance of insurance contracts	560,508	377,963	350,079	264,170	156,383	101,460	78,956	93,487
Management expenses (See Note 6.1)	1,846,165	1,406,076	1,449,077	1,138,451	694,147	512,016	552,104	380,989
Total underwriting expenses	7,039,043	5,300,462	5,431,267	4,128,431	2,488,682	1,640,385	1,822,127	1,213,691
Total insurance benefits and underwriting expenses	15,404,558	11,636,654	12,010,489	9,074,897	5,564,168	2,453,487	4,033,011	1,687,680
3 Net Interest income								
Cash and bank balances interest income	339,914	236,441	214,105	178,673	124,316	51,569	61,058	72,362
Statutory deposits interest income	84,632	85,345	84,632	85,345	25,875	(24,305)	25,875	33,202
Held-to-maturity and loans and receivables interest income	485,878	478,572	368,341	403,020	209,080	216,442	158,920	140,890
Net Interest income	910,425	800,358	667,078	667,038	359,271	243,706	245,853	246,454

Continental Reinsurance Plc

Notes to the Consolidated Financial Statements - Continued

	GROUP		COMPANY		GROUP		COMPANY	
	JAN-SEPT 2016 =N='000	JAN-SEPT 2015 =N='000	JAN-SEPT 2016 =N='000	JAN-SEPT 2015 =N='000	JUL-SEPT 2016 =N='000	JUL-SEPT 2015 =N='000	JUL-SEPT 2016 =N='000	JUL-SEPT 2015 =N='000
4 Net fair value gains on assets at fair value t								
Net fair value gains/ (losses) on financial assets designated at fair value through profit	11,805	19,176	10,509	19,176	(1,168)	(5,986)	(1,340)	(5,986)
Fair value gains on investment property	-	0	-	0	-	-	-	-
Total	11,805	19,176	10,509	19,176	(1,168)	(5,986)	(1,340)	(5,986)
5 Other income								
Available-for-sale								
- Dividends	37,414	233,145	36,688	231,257	22,614	129,902	22,300	128,387
- Gain on disposal of available-for-sale securities:								
Equity	-	18,844	-	18,844	-	18,844	-	18,844
Bond	27,779	-	27,779	-	-	-	-	-
Income on investment property	61,242	81,308	61,242	81,309	29,513	20,285	29,513	20,286
- Gain/(Loss) on disposal of investment prope	-	53,600	-	53,600	-	39,067	-	39,067
-(Loss)/gain on disposal of property, plant anc	1,439	1,725	1,439	1,725	17	1,725	17	1,725
Other income	23,083	111,111	17,455	30,196	9,221	84,158	7,468	13,407
Total	150,957	499,733	144,604	416,931	61,364	279,592	59,297	207,327
5.1 Foreign exchange gain/(loss)								
Foreign exchange gain/(loss)	4,037,425	318,073	4,175,095	300,607	1,636,099	(81,544)	1,741,729	(99,010)
Total	4,037,425	318,073	4,175,095	300,607	1,636,099	(81,544)	1,741,729	(99,010)
Breakdown of foreign exchange gain/(loss)								
5.1a								
Investment assets	1,744,986	156,231	1,744,986	156,231	804,229	(40,053)	905,206	(40,053)
Bank balances	320,544	150,733	320,544	138,020	115,082	(38,643)	799,692	(51,356)
Reinsurance receivables	1,971,895	11,109	2,109,565	6,357	716,788	(2,848)	36,831	(7,601)
Total	4,037,425	318,073	4,175,095	300,607	1,636,099	(81,544)	1,741,729	(99,010)
Less gain on impaired reinsurance receivables	-	-	-	-	-	-	-	-
Total	4,037,425	318,073	4,175,095	300,607	1,636,099	(81,544)	1,741,729	(99,010)
5.2 Income from investment in Subsidiary								
- Dividend received	-	-	-	-	-	-	-	0
Total	-	-	-	-	-	-	-	-
6 Operating expenses								
6.1 Management and administration expenses								
Management expenses	1,846,165	1,406,076	1,449,077	1,138,451	694,147	512,016	552,104	380,989
Administration expenses	359,595	369,266	264,460	299,917	125,420	122,031	91,280	111,801
Total	2,205,761	1,775,342	1,713,537	1,438,368	819,567	634,047	643,384	492,790
<i>Management and administration expenses comprises the following:</i>								
Depreciation and amortisation	100,428	79,099	57,784	56,859	37,134	36,052	20,800	23,529
Auditor's remuneration	12,676	30,478	9,563	19,355	413	2,991	-	585
Employee benefits expenses (a)	1,232,476	761,279	877,441	601,793	660,466	345,131	349,180	219,896
Other operating expenses	860,181	904,486	768,749.13	760,361	121,554	249,873	273,404	248,780
Total management and administrative expense	2,205,761	1,775,342	1,713,537	1,438,368	819,567	634,047	643,384	492,790
<i>(a) Employee benefit expense</i>								
Wages and salaries (local)	633,925	560,762	581,120	409,383	258,038	279,628	241,208	162,500
Wages and salaries (other regions)	569,899	158,794	267,669	158,795	403,572	50,111	101,342	50,112
Pension	-	0	-	0	-	-	-	-
Defined Benefit Staff Gratuity Plan	-	5,504	-	0	-	5,504	-	-
Defined Contributory Plan	28,652	36,219	28,652	33,615	(1,145)	9,888	6,630	7,284
Total	1,232,476	761,279	877,441	601,793	660,466	345,131	349,180	219,896

Continental Reinsurance Plc

Notes to the Consolidated Financial Statements - Continued

	GROUP		COMPANY		GROUP		COMPANY	
	JAN-SEPT 2016 =N='000	JAN-SEPT 2015 =N='000	JAN-SEPT 2016 =N='000	JAN-SEPT 2015 =N='000	JUL-SEPT 2016 =N='000	JUL-SEPT 2015 =N='000	JUL-SEPT 2016 =N='000	JUL-SEPT 2015 =N='000
6 Other operating expenses (cont'd)								
6.2 Impairment of financial assets								
Reinsurance receivables	465,762	472,240	393,765	419,749	(115,581)	296,553	(113,497)	266,336
Retrocessionaire's share of receivables	-	-	-	-	-	-	-	-
	<u>465,762</u>	<u>472,240</u>	<u>393,765</u>	<u>419,749</u>	<u>(115,581)</u>	<u>296,553</u>	<u>(113,497)</u>	<u>266,336</u>
7 Net unrealised gain/(loss) on financial assets								
Unrealised gain/(loss) on financial asset - Available-for-sale								
- Equity instruments	(7,325)	0	(2,418)	0	(18,689)	0	(13,782)	0
- Debt Instruments	-	0	-	0	-	0	-	0
Total	<u>(7,325)</u>	<u>-</u>	<u>(2,418)</u>	<u>-</u>	<u>(18,689)</u>	<u>-</u>	<u>(13,782)</u>	<u>-</u>
Reclassification adjustments to gains included in	-	0	-	0	-	-	-	0
Income tax relating to component of other com	-	-	-	-	-	-	-	-
Other comprehensive income for the year, net	<u>(7,325)</u>	<u>-</u>	<u>(2,418)</u>	<u>-</u>	<u>(18,689)</u>	<u>-</u>	<u>(13,782)</u>	<u>-</u>
8 Taxation								
Per statement of comprehensive income:								
Income tax based on profit for the year	1,280,671.46	535,027	1,114,598.82	399,831	519,899	174,207	412,621	120,100
Education tax	-	0	-	0	-	-	-	-
Back duty charge prior year	-	0	-	0	-	-	-	-
	<u>1,280,671</u>	<u>535,027</u>	<u>1,114,599</u>	<u>399,831</u>	<u>519,899</u>	<u>174,207</u>	<u>412,621</u>	<u>120,100</u>
Deferred taxation (Note 9)	-	-	-	-	-	-	-	-
	<u>1,280,671</u>	<u>535,027</u>	<u>1,114,599</u>	<u>399,831</u>	<u>519,899</u>	<u>174,207</u>	<u>412,621</u>	<u>120,100</u>
Per statement of financial position:								
At 1 January	722,035	458,813	648,999	391,277				
Based on profit for the year	1,280,671	717,991	1,114,599	542,027				
Payments during the year	(913,610)	(454,769)	(703,515)	(284,305)				
	<u>1,089,097</u>	<u>722,035</u>	<u>1,060,084</u>	<u>648,999</u>				

Continental Reinsurance Plc
Notes to the Consolidated Financial Statements

9	Deferred taxation Deferred income tax (assets)/liabilities are attributable to the following items:	GROUP		COMPANY	
		30-Sep 2016 =N='000	31-Dec 2015 =N='000	30-Sep 2016 =N='000	31-Dec 2015 =N='000
	Deferred tax liabilities				
	Balance b/f	72,908	64,113	68,777	45,039
	Recognised in profit and loss				
	Property plants and equipment	-	(4,813)	-	4,203
	Investment property	-	14,711	-	14,711
	Employee benefits	-	44,916	-	44,916
	Total recognised in profit and loss	-	54,814	-	63,830
	Recognised in other comprehensive income				
	Employee benefit	-	(46,019)	-	(40,092)
	Available for sale financial assets	85,283	-	0	-
		85,283	(46,019)	(0)	(40,092)
	Net	158,191	72,908	68,777	68,777

10 Earnings per share

Basic earnings per share amounts is calculated by dividing the net profit for the year attributable to ordinary share holders by the weighted average number of ordinary shares outstanding at the reporting date.

The following reflects the income and share data used in the basic earnings per share computations:	GROUP		COMPANY	
	30-Sep 2016 =N='000	31-Dec 2015 =N='000	30-Sep 2016 =N='000	31-Dec 2015 =N='000
Net profit attributable to ordinary shareholders	3,751,307	2,142,788	3,343,796	1,934,387
Weighted average number of ordinary shares in issue as at year end ('000)	10,372,744	10,372,744	10,372,744	10,372,744
Basis earnings per ordinary share (kobo)	36	21	32	19

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

11	Cash and cash equivalents	GROUP		COMPANY	
		30-Sep 2016 =N='000	31-Dec 2015 =N='000	30-Sep 2016 =N='000	31-Dec 2015 =N='000
	Cash in hand	436	448	151	267
	Balances held with local banks:				
	- Current account	109,749	488,333	9,355	179,700
	- Domiciliary account	153,270	114,401	153,270	114,401
	Balances held with foreign banks	367,113	414,428	367,113	414,428
	Placements with banks and other financial institutions	8,126,003	6,684,965	5,169,259	5,083,562
		8,756,571	7,702,575	5,699,148	5,792,358

Placements with banks and other financial institutions are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company. All placements are subject to

an average variable interest rates.

The carrying amounts disclosed above reasonably approximate fair value at the reporting date.

Continental Reinsurance Plc

Notes to the Consolidated Financial Statements - Continued

12	Financial assets designated at fair value through profit or loss	GROUP		COMPANY	
		30-Sep 2016 =N='000	31-Dec 2015 =N='000	30-Sep 2016	31-Dec 2015 =N='000
	Managed Funds				
	External Portfolio Management	2,019,555	1,224,258	102,695	104,247
		<u>2,019,555</u>	<u>1,224,258</u>	<u>102,695</u>	<u>104,247</u>
13	Loans and other receivables	GROUP		COMPANY	
		30-Sep 2016 =N='000	31-Dec 2015 =N='000	30-Sep 2016	31-Dec 2015 =N='000
	Staff Loans and advances	449,861	364,041	356,251	302,083
	Other advances	375,491	375,491	375,491	375,491
	Impairment on other advances	(375,491)	(375,491)	(375,491)	(375,491)
	Total Loans and other receivables	<u>449,861</u>	<u>364,041</u>	<u>356,251</u>	<u>302,083</u>
14	Investment Securities	GROUP		COMPANY	
		30-Sep 2016 =N='000	31-Dec 2015 =N='000	30-Sep 2016	31-Dec 2015 =N='000
	Analysis of investment securities				
	Equity	1,932,932	1,944,109	1,911,834	1,925,253
	Debt	7,169,745	4,145,131	6,347,722	3,663,981
		<u>9,102,677</u>	<u>6,089,240</u>	<u>8,259,556</u>	<u>5,589,234</u>
	Analysis by class				
14.1	Available-for-sale:				
	Equity instruments	1,932,932	1,944,109	1,911,834	1,925,253
	Debt instruments	285,971	250,573	246,886	225,641
	Total available-for-sale	<u>2,218,903</u>	<u>2,194,682</u>	<u>2,158,720</u>	<u>2,150,894</u>
14.2	Held-to-maturity				
	Debt instruments	6,883,774	3,894,558	6,100,836	3,438,340
	Total Investment securities	<u>9,102,677</u>	<u>6,089,240</u>	<u>8,259,556</u>	<u>5,589,234</u>
	Equity Instruments				
	Securities at Available-for-sale - Fair value				
	Quoted	928,205	1,027,724	928,205	819,780
	Unquoted	1,004,727	1,105,982	983,630	1,105,472
	Total equity instruments	<u>1,932,932</u>	<u>2,133,706</u>	<u>1,911,834</u>	<u>1,925,252</u>

These equities instruments are measured at fair value and classified as available-for-sale

Continental Reinsurance Plc

Notes to the Consolidated Financial Statements - Continued

<i>Debt Instruments</i>	30-Sep 2016 =N='000	31-Dec 2015 =N='000	30-Sep 2016	31-Dec 2015 =N='000
<i>Securities at Available-for-sale -Fair</i>				
Bonds	285,971	250,573	246,886	225,641
	<u>285,971</u>	<u>250,573</u>	<u>246,886</u>	<u>225,641</u>
<i>Securities at held-to-maturity - amortised</i>				
Listed	4,162,553	2,006,411	3,448,177	1,550,193
Unlisted	2,721,221	1,888,147	2,652,659	1,888,147
	<u>6,883,774</u>	<u>3,894,558</u>	<u>6,100,836</u>	<u>3,438,340</u>
<i>Total debt instruments</i>	<u>7,169,745</u>	<u>4,145,131</u>	<u>6,347,722</u>	<u>3,663,981</u>

None of these investment securities have been pledged to third party as collateral.

	GROUP		COMPANY	
	30-Sep 2016 =N='000	31-Dec 2015 =N='000	30-Sep 2016	31-Dec 2015 =N='000
15 Reinsurance receivables				
Due from ceding companies	10,248,797	5,902,411	8,009,082	4,876,486
Due from ceding companies (Pipeline)	2,520,513	2,569,966	2,095,215	2,095,207
Premium reserves retained by ceding companies	536,077	44,365	422,611	-
	<u>13,305,387</u>	<u>8,516,742</u>	<u>10,526,909</u>	<u>6,971,693</u>
Impairment on reinsurance receivables(Note 1)	(1,712,055)	(1,258,343)	(1,572,364)	(1,178,599)
	<u>11,593,331</u>	<u>7,258,399</u>	<u>8,954,545</u>	<u>5,793,094</u>
15.1 Reconciliation of impairment on reinsurance receivables				
At 1 January	1,258,343	2,268,053	1,178,599	2,230,263
Write off during the year	-	(1,501,765)	-	(1,448,058)
Charge for the year	485,291	492,055	393,765	396,394
Recovery during the year	(31,579)	-	(0)	-
	<u>1,712,055</u>	<u>1,258,343</u>	<u>1,572,364</u>	<u>1,178,599</u>
15.1a Breakdown of charge for the year				
impairment on gross receivables	485,291	492,055	393,765	396,394
reversal of exchange gain on impaired reinsurance receivables	-	-	-	-
Net charge to income statement	<u>485,291</u>	<u>492,055</u>	<u>393,765</u>	<u>396,394</u>

Continental Reinsurance Plc

Notes to the Consolidated Financial Statements - Continued

16 Retrocession Assets

Retrocessionaires' share of claims recoverable	613,778	374,745	113,411	112,088
Retrocessionaires' share of reserve for outstanding claims	263,991	135,150	79,779	79,779
Retrocession share of unearned premium reserve	(56,136)	-	(28,143)	-
Retrocessionaires' share of life insurance contract liabilities	270,507	217,686	253,172	204,781
Total retrocession assets	<u>1,092,139</u>	<u>727,581</u>	<u>418,218</u>	<u>396,648</u>

The Company conducted an impairment review of the reinsurance assets but no impairment loss resulted from this exercise. The carrying amounts disclosed above approximate fair value at the reporting date.

17 Deferred acquisition costs

	30-Sep 2016 =N='000	31-Dec 2015 =N='000	30-Sep 2016 =N='000	31-Dec 2015 =N='000
At 1 January	1,458,436	1,759,685	1,107,837	1,383,416
Net deferral during the year	142,115	3,708,844 (4,010,093)	(12,693)	3,689,205 (3,964,784)
	<u>1,600,551</u>	<u>1,458,436</u>	<u>1,095,144</u>	<u>1,107,837</u>

18 Other Assets

	GROUP		COMPANY	
	30-Sep 2016 =N='000	31-Dec 2015 =N='000	30-Sep 2016 =N='000	31-Dec 2015 =N='000
Prepayments	107,979	58,279	67,673	50,599
Intercompany balances	-	-	1,237,844	1,077,242
Deposit for shares (Note 18 a)	11,000	-	11,000	-
Proposed head office W.I.P	186,090	-	186,090	-
Other	244,669	158,569	140,563	120,654
	<u>549,738</u>	<u>216,848</u>	<u>1,643,169</u>	<u>1,248,495</u>
Impairment on others	(185,792)	(185,792)	(185,792)	(185,792)
	<u>363,946</u>	<u>31,056</u>	<u>1,457,377</u>	<u>1,062,703</u>

18a Prepayments

Office rent	34,226	27,832	31,049	13,253
Staff upfront	49,320	-	28,890	-
Other prepaid services	24,433	30,447	7,734	37,346
	<u>107,979</u>	<u>58,279</u>	<u>67,673</u>	<u>50,599</u>
18b Intercompany balances				
Payable to related parties on retro	-		921,394	816,962
Payable to related parties on reinsurance conti	-		316,450	260,280
	<u>-</u>	<u>-</u>	<u>1,237,844</u>	<u>1,077,242</u>
18c Others				
Interest receivables	134,205	5,816	134,205	2,816
WHT recoverable	4,168	4,168	4,168	4,168
Sundry receivables	106,296	148,585	2,189	113,670
	<u>244,669</u>	<u>158,569</u>	<u>140,563</u>	<u>120,654</u>

Continental Reinsurance Plc

Notes to the Consolidated Financial Statements - Continued

	GROUP		COMPANY	
	30-Sep 2016 =N='000	31-Dec 2015 =N='000	30-Sep 2016 =N='000	31-Dec 2015 =N='000
18.1 Investment in Subsidiary				
Continental Reinsurance Limited, Nairobi Kenya			949,797	949,797
Continental Reinsurance Limited, Gaborone, Botswana			699,774	699,774
			<u>1,649,571</u>	<u>1,649,571</u>
19 Investment Properties	30-Sep 2016 =N='000	31-Dec 2015 =N='000	30-Sep 2016 =N='000	31-Dec 2015 =N='000
Opening	2,685,646	2,926,956	2,685,646	2,926,956
Fair value adjustments	-	147,107	-	147,107
Additions	-	-	-	-
Disposal during the year	(450,000)	(388,417)	(450,000)	(388,417)
Closing	<u>2,235,646</u>	<u>2,685,646</u>	<u>2,235,646</u>	<u>2,685,646</u>
20 Intangible assets	Group	Company		
	Computer software =N='000	Computer software =N='000		
Cost:				
At 1 January 2016	59,063	59,063		
Cost capitalised	8,122	8,122		
At 30 September 2016	<u>67,185</u>	<u>67,185</u>		
Accumulated amortisation and impairment:				
At 1 January 2016	59,063	59,063		
Amortisation for the year	677	677		
At 30 September 2016	<u>59,740</u>	<u>59,740</u>		

NBV At 30 September 2016

<u>7,445</u>	<u>7,445</u>
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NBV At 31 December 2015

<u>-</u>	<u>-</u>
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Continental Reinsurance Plc

Notes to the Consolidated Financial Statements - Continued

Group							
21 Property, plant and equipment	Freehold property =N='000	Motor vehicles =N='000	Furniture and fittings =N='000	Plant & equipment =N='000	Office partitioning =N='000	Computer equipment =N='000	Total =N='000
Cost/Valuation:							
At 1 January 2016	891,986	271,007	179,724	-	80,006	93,061	1,515,784
Additions	51,434	147,772	18,573	-	-	5,088	222,867
Disposals	-	(3,350)	(68)	-	-	(1,123)	(4,541)
Reclassification	(74,028)	-	-	-	-	-	(74,028)
At 30 September 2016	869,392	415,429	198,229	-	80,006	97,026	1,660,081
Accumulated depreciation:							
At 1 January 2016	-	146,010	109,203	-	59,676	73,397	388,286
Charge for the year	-	72,897	17,008	-	4,698	5,148	99,751
Disposal	-	(3,350)	(68)	-	-	(1,025)	(4,443)
Reclassification	-	-	-	-	-	-	-
At 30 September 2016	-	215,557	126,143	-	64,374	77,521	483,594
NBV At 30 September 2016	869,392	199,872	72,086	-	15,632	19,505	1,176,487
NBV At 31 December 2015	891,986	124,997	70,522	-	20,330	19,663	1,127,498
Company							
21 Property, plant and equipment	Freehold property =N='000	Motor vehicles =N='000	Furniture and fittings =N='000	Plant & equipment =N='000	Office partitioning =N='000	Computer equipment =N='000	Total =N='000
Cost/Valuation:							
At 1 January 2016	891,485	203,630	127,802	-	70,601	75,766	1,369,284
Additions	51,434	71,976	13,993	-	-	3,065	140,468
Disposals	-	(3,350)	(68)	-	-	(1,123)	(4,541)
Reclassification	(74,028)	-	-	-	-	-	(74,028)
At 30 September 2016	868,891	272,256	141,727	-	70,601	77,708	1,431,183
Accumulated depreciation:							
At 1 January 2016	-	115,783	85,155	-	57,835	62,460	321,233
Charge for the year	-	36,302	12,157	-	3,574	2,478	54,511
Disposal	-	(3,350)	(68)	-	-	(1,025)	(4,443)
Reclassification	-	-	-	-	-	-	-
At 30 September 2016	-	148,735	97,245	-	61,409	63,913	371,302
NBV At 30 September 2016	868,891	123,521	44,482	-	9,192	13,795	1,059,882
NBV At 31 December 2015	891,485	87,847	42,647	-	12,766	13,306	1,048,051

Continental Reinsurance Plc

Notes to the Consolidated Financial Statements -Continued

22 Statutory deposits	GROUP		COMPANY	
	30 September 2016 =N='000	31 December 2015 =N='000	30 September 2016 =N='000	31 December 2015 =N='000
	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Statutory deposit represents the amount deposited with the Central Bank of Nigeria in accordance with section 9(1) and section 10(3) of Insurance Act 2003. This is restricted cash as management does not have access to the balances in its day to day activities. Statutory deposits are measured at cost.				
23 Insurance contract liabilities	30 September 2016 =N='000	31 December 2015 =N='000	30 September 2016 =N='000	31 December 2015 =N='000
Reserve for Unearned Premium (Note 23.1)	5,208,354	4,912,295	3,455,884	3,684,628
Reserve for Outstanding Claims (Note 23.2)	6,239,289	4,647,288	5,030,619	4,103,731
	<u>11,447,643</u>	<u>9,559,583</u>	<u>8,486,503</u>	<u>7,788,359</u>
Life (Note 23.3)	1,786,704	1,522,370	1,500,190	1,365,204
Total insurance liabilities	<u>13,234,346</u>	<u>11,081,953</u>	<u>9,986,693</u>	<u>9,153,563</u>
Total retrocessionaire's share of insurance liabilities (Note 16)	(1,092,139)	(727,581)	(418,218)	(396,648)
Net insurance contracts	<u>12,142,207</u>	<u>10,354,372</u>	<u>9,568,475</u>	<u>8,756,915</u>
23.1 Reserve for Unearned Premium				
At 1 January	4,912,295	5,979,095	3,684,628	4,615,879
Increase in the year	11,898,646	16,885,837	11,426,121	12,700,035
Release of unearned premium during the year	(11,602,587)	(17,952,637)	(11,654,865)	(13,631,286)
	<u>5,208,354</u>	<u>4,912,295</u>	<u>3,455,884</u>	<u>3,684,628</u>
23.2 Reserve for Outstanding Claims				
At 1 January	4,647,288	3,553,180	4,103,731	3,263,740
Claims incurred in the current accident year	7,535,150	7,543,202	5,610,743	5,656,836
Claims paid during the year	(5,943,149)	(6,449,094)	(4,683,855)	(4,816,845)
	<u>6,239,289</u>	<u>4,647,288</u>	<u>5,030,619</u>	<u>4,103,731</u>
23.3 Insurance liabilities on life policy holders				
At 1 January	1,522,370	1,252,418	1,365,204	1,124,687
(Decrease)/Increase in retrocessionaire's share	-	65,513	-	36,078
Changes in life policy contracts	264,334	204,439	134,986	204,439
	<u>1,786,704</u>	<u>1,522,370</u>	<u>1,500,190</u>	<u>1,365,204</u>
24 Reinsurance creditors	30 September 2016 =N='000	31 December 2015 =N='000	30 September 2016 =N='000	31 December 2015 =N='000
Due to retrocessionaires	752,608	60,276	117,528	60,276
Due to ceding companies	2,688,951	823,840	2,630,816	786,733
	<u>3,441,560</u>	<u>884,117</u>	<u>2,748,344</u>	<u>847,009</u>

This represents the amount payable to insurance and reinsurance companies

Continental Reinsurance Plc

Notes to the Consolidated Financial Statements -Continued

25 Other liabilities

Rent received in advance	23,295	77,104	23,295	28,605
Accrued expenses	166,811	377,124	102,303	362,983
Dividend payable (Note 25.1)	1,241,451	588,786	1,241,451	588,786
Information technology development levy	16,074	41,225	16,074	41,225
Others	1,070,918	7,915	71,884	5,451
Intercompany Balance	-	-	449,409	291,079
	<u>2,518,547</u>	<u>1,092,154</u>	<u>1,904,415</u>	<u>1,318,129</u>
		377,124		362,983

25.1 Dividends paid and proposed

At 1 January	588,786	36,384	588,786	36,384
Declared during the year	1,244,729	1,141,002	1,244,729	1,141,002
Paid during the year	(592,065)	(588,600)	(592,065)	(588,600)
	<u>1,241,451</u>	<u>588,786</u>	<u>1,241,451</u>	<u>588,786</u>

25.2 Others;

Staff bonus	64,377	-	64,377	-
Sundry creditors	487,697	-	-	-
PAYE and other statutory liabilities	518,844	7,915	7,507	5,451
	<u>1,070,918</u>	<u>7,915</u>	<u>71,884</u>	<u>5,451</u>

25.3 Intercompany balance;

Receivables from related parties on retro	-	-	307,461	197,934
Receivables from related parties on reinsurance contract	-	-	141,948	93,145
	-	-	-	-
	<u>-</u>	<u>-</u>	<u>449,409</u>	<u>291,079</u>

26 Retirement benefit obligations

Define contribution scheme

In accordance with the provisions of the Pensions Act 2004, AS AMENDED 2014 the Company and its staff commenced a contributory pension scheme in January 2005. The contribution by employees and the Company are 8% and 10% respectively of the employees' basic salary, housing and transport allowances. The contribution made and transferred to the pension fund administrator during the period are as follows;

	30 September 2016 =N='000	31 December 2015 =N='000	30 September 2016 =N='000	31 December 2015 =N='000
Balance at start of period	67	-	67	-
Provision during the period		40,670		40,670
Transfer to PFA		(40,603)		(40,603)
	<u>67</u>	<u>67</u>	<u>67</u>	<u>67</u>

Defined benefit staff gratuity scheme

The company operates a defined benefit staff gratuity plan where qualifying employees receive a lump sum payment based on the number of years served after an initial qualifying period of five years and gross salary on date of retirement.