

Annual
Report
2017

MAXIMISING **MUTUAL** POSSIBILITIES

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◆ About the Company

Corporate Information

Africa Prudential Plc is a leading share registration and investor services firm, and is ranked No.1 in terms of automation and innovation among all corporate registrars in Nigeria.

We have a very strong passion for transforming the African continent through innovative solutions, superior investor relations, and business support services. We are in business to maximise mutual possibilities.

Milestones

- Over 4 decades of cumulative experience in share registration business in Nigeria.
- 75 clientele with over 3 million shareholder base. Our IT platform has capacity for 10 million shareholder base.
- We grew our clientele base from 17 to 75 within the space of 7 years.
- Africa Prudential Plc is the only Registrar firm listed on the Nigeria Stock Exchange (NSE); listed on January 11, 2013 with close to 300,000 shareholder base.
- Consistently paid dividend to our shareholders in our 6 years of listing on the Nigeria Stock Exchange.
- We are the most capitalized Registrar firm in Nigeria with a total share capital of N1 billion.
- Robust Internal Control mechanism and Corporate Governance structure that supports operations.
- Currently up to 4 different cost-saving products for your use.
- Developed the first online share portal in Nigeria in 2008.
- Acquired UAC Registrars in 2013, the biggest conglomerate Registrar in Nigeria.
- MOU with Cooperative Federation of Nigeria...
- Appointed as Consultant to the International Cooperative Alliance, Africa Region for continental wide adoption of one of its signature proprietary business solutions – EasyCoop software.
- Won International Quality Crown Award (London, 2013).
- Double PEARL awards winner—Best Profit Margin Ratio and Best Corporate Governance (Nigeria, 2015).
- Best Registrar Firm in West Africa - 2017, Africa-Canada Trade Alliance, West Africa Innovation and Excellence Awards. Robust Internal Control mechanism and Corporate Governance structure that supports operations.
- Launched Personal Registrar – USSD *4018#. The first of its kind in registrars business in Nigeria.

Our brand

The New Africa Prudential Visual Identity...

Our new logo describes who we are:

◆ About the Company cont'd

- The Red symbolises our strength and competence.
- The Grey symbolizes our, maturity, and experience in the share registration business and investor services.
- The parallel stripes and perfectly square edges are expressions of our integrity, professionalism, and consistency. The stripes indicate that we exist as an organization to serve our customers and will always stand for excellence.
- Double Line: Stresses the intensity of our resilience, optimism, energy, and aggression to capture the market.
- The Pointer-directions: That it points at four directions, connotes the universality of our services, unbounded by geographic space or time.
- The interlace describes our innovative and enterprising approach to business.

Directors:

Chief (Mrs.) Eniola Fadayomi, <i>MFR, FIoD</i>	Chairman
Peter Ashade	Managing Director/CEO
Samuel Nwanze	Non-Executive Director
Peter Elumelu	Non-Executive Director
Emmanuel Nnorom	Non-Executive Director
Ammuna Lawan Ali	Non-Executive Director (Independent)

Company Secretary: Joseph Jibunoh, Esq.

Registered Office: 220B, Ikorodu Road
Palmgrove
Lagos.

Auditors: Deloitte & Touche
Chartered Accountants
Civic Towers
Plot GA 1, Ozumba Mbadiwe Avenue
Victoria Island, Lagos.

Bankers: United Bank for Africa Plc

RC Number: 649007

◆ About the Company cont'd

Capital base	N1,000,000,000.00
Date Listed	January 11, 2013
Email Address	cfc@africaprudential.com
Website	www.africaprudential.com
Branch Offices	<p>Abuja Infinity House (2nd Floor), 11 Kaura Namoda Street, Off Faskari Crescent, Area 3, Garki, Abuja. Tel: 09-2900873</p>
Port Harcourt	<p>Oklen Suite Building (2nd Floor) No. 1A, Evo Road, GRA Phase 2. Tel: 084-303457</p>

BUSINESS PHILOSOPHY

Our Purpose

"Transforming the African continent through innovative solutions, superior investor relations and business support services."

Core Values

Excellence
 Delivering in an outstanding manner, consistently. Excellence is a mantra embedded in the heart of every employee. We go several steps beyond the norm to deliver measurable value to our stakeholders.

Enterprise

Having the willingness and determination to do whatever it takes to get the job done. In a competitive business environment, what sets us apart is our individual and collective responsibility to take ownership of our deliverables and lead innovative initiatives.

Execution

A burning desire to always see things through to completion in a timely, efficient and effective manner. We believe in hard work and seeing through ideas from conception all through to achieving excellent results.

◆ Board of Directors



◆ **Chief (Mrs.) Eniola Fadayomi**, *MFR, FloD*
Chairman

Chief (Mrs.) Eniola Fadayomi, *MFR, FloD*

Chairman

Chief (Mrs.) Fadayomi holds a LL.B Hons from the University of Lagos, and was called to Nigerian Bar in 1972. Her professional experience spans several years in both the Public and Private Sectors. She was the Attorney General and Commissioner for Justice of Lagos State at a time; the first Commissioner for Women Affairs & Poverty Alleviation, as well as the Commissioner for Establishment, Training & Pensions at different times in the State.

In the Private Sector, she is the Principal Partner at Eniola Fadayomi & Co., and was the Legal Adviser to First Bank of Nigeria, Chairman Board of Directors, Afribank Nigeria Plc. She currently serves on several boards, both in the Public and Private Sectors. She was appointed to the Board of Africa Prudential Plc on April 17, 2012



◆ **Peter Ashade**
Managing Director/CEO

Peter Ashade, Managing Director/CEO

Peter is an astute investment banker with close to 3 decades' cognate experience in Nigeria's money and capital market.

He joined UBA Registrars Ltd (now Africa Prudential Plc) in 2006 as Managing Director/CEO and led the transformation of the business from a subsidiary of UBA Plc to the only listed Registrars' company on the Nigerian Stock Exchange achieving over 8000% growth in profitability within 8 years. He championed disruptive innovation in the registrars' business in Nigeria pioneering many e-products and successfully implemented a major diversification strategy for the business.

Prior to joining Africa Prudential Plc, Peter was the founding CEO of Great Africa Registrars Limited (Now Meristem Registrars & probate Services Limited), Assistant Registrar at First Registrars & Investors Services Ltd and Account Manager at Union Bank Plc.

◆ Board of Directors cont'd

Peter has diverse academic and professional background:

- MBA, Marketing
- MSc, Finance
- Fellow, Institute of Chartered Accountants of Nigeria
- Fellow, Chartered Institute of Bankers
- Fellow, Institute of Capital Market Registrars
- Associate, Chartered Institute of Taxation of Nigeria
- Associate, Institute of Directors

He is an alumnus of the prestigious Lagos Business School (CEP, LBS).

He is currently: Treasurer, Institute of Capital Market Registrars (ICMR)

Vice President 1, Chartered Institute of Bankers of Nigeria (CIBN), Lagos.

He was appointed as Managing Director of Africa Prudential Plc on June 2006



◆ **Samuel Nwanze**
Non-Executive Director

Samuel Nwanze

Non-Executive Director

Samuel Nwanze holds a M.Sc. Degree in Finance and Management from Cranfield School of Management, United Kingdom. He is the Director, Finance and Investments at Heirs Holdings Limited, where he is responsible for the administration and management of the group's overall financial activities and investment programs.

Prior to joining Heirs Holdings, Samuel served as Group Treasurer with Bank PHB Plc, Lagos, Nigeria. He was responsible for the overall management of Treasury for the Bank PHB Group (including five banks and several non-bank subsidiaries). He led the restructuring of the trading desk, dealing in financial markets: Money Markets, Bonds, Treasury Bills, Currencies, Bankers' Acceptance and Commercial Papers, as well as liquidity and capital management. Before taking the role at Bank PHB, he served as the Head of Financial Performance Management and Budgets in UBA Plc.

He has also worked on a number of projects and start-ups including Nigeria's first credit bureau, an insurance company, group shared services model, and the acquisition and set-up of various banks in Africa, as well as other projects in the US, UK and India. His other key distinctions include the prestigious annual award, bestowed by the Association of Corporate Treasurers (ACT) of the United Kingdom.

He was appointed to the Board of Africa Prudential Plc on April 17, 2012

◆ Board of Directors cont'd



◆ **Peter J. Elumelu**
Non-Executive Director

Peter J. Elumelu

Non-Executive Director

Hon. Elumelu is an astute business man cum politician with track records spanning over 27 years. He has amassed considerable wealth of knowledge and experience in the public, academic, political, and private sectors. He holds a Bachelor of Science Degree in Business Administration from Federal University of Technology (FUTO), Owerri, and M.Sc. in Financial Management Technology from Rivers State University of Science & Technology, Port-Harcourt. He is also an Associate, Institute of Directors (AloD).

Peter is not a stranger to Board Management and corporate governance. His success in the business world speaks volume. He is the Chairman/Chief Executive of Pet Jibson & Company Limited, Pet Jibson Construction Company Company Limited, and Peton Engineering Company Limited with head offices in Port-Harcourt, Rivers State. He was Chairman, Board of Directors, Delta State Urban Water-Board, Asaba. He successfully managed and executed various laudable projects during his tenure. He was appointed to the Board of Africa Prudential Plc on February 14, 2013



◆ **Ammuna Lawan Ali**
Non-Executive Director (Independent)

Ammuna Lawan Ali

Non-Executive Director (Independent)

Ammuna holds a BA (Hon.) Degree and M.Sc. Degree in Public Admin. She is a retired Federal Permanent Secretary, who commenced her civil service career as a Planning Officer in the Borno State Ministry of Lands and Survey, Maiduguri. She rose to the position of Permanent Secretary, and in that capacity, served in the State Ministries of Education, Women Affairs, Commerce, Industries and Tourism.

She later moved to the Federal Civil Service as Director, and then the Ministries of Women Affairs, Social Development and Finance. She was later appointed a Federal Permanent Secretary and served in various Ministries, including those of Commerce, Petroleum Resources, Transportation, Works, Environment, Housing and Urban Development, and briefly in the Office of Head of the Civil Service of the Federation, and Ministry of Information and Communications.

She is a recipient of National Honours (OON), and a member of the National Institute for Policy and Strategic Studies (NIPSS) Kuru, among many others.

She was appointed to the Board of Africa Prudential Plc on April 17, 2012

◆ Board of Directors cont'd



◆ **Emmanuel N. Nnorom**
Non-Executive Director

Emmanuel N. Nnorom

Non-Executive Director

Emmanuel N. Nnorom is the CEO of Heirs Holdings. Prior to joining the Heirs Holdings Group, served as CEO of Transnational Corporation of Nigeria Plc, overseeing the Transcorp businesses, including Transcorp Power, Transcorp Hilton, Transcorp Hotel, Calabar and Transcorp Energy.

Prior to Transcorp, Emmanuel had held senior positions at Heirs Holdings and had served as an Executive Director at UBA and Managing Director of UBA Africa, overseeing the Group's African subsidiaries and executing corporate strategy in 18 African countries. Other senior roles within UBA included Group COO UBA, followed by his appointment as UBA's Group CFO, with responsibility for Finance and Risk. Emmanuel is qualified as a chartered accountant, and brings over 3 decades of professional experience in the corporate and financial sectors, working with publicly listed companies. He is an alumnus of Oxford University's Templeton College, and a prize winner and Fellow of the Institute of Chartered Accountants of Nigeria.

He was appointed to the Board on October 10, 2017

◆ Management



Peter Ashade, Managing Director/CEO

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Prior to joining Africa Prudential Plc, Peter was the founding CEO of Great Africa Registrars Limited (Now Meristem Registrars & probate Services Limited), Assistant Registrar at First Registrars & Investors Services Ltd and Account Manager at Union Bank Plc.

Peter has diverse academic and professional background:

- MBA, Marketing
- MSc, Finance
- Fellow, Institute of Chartered Accountants of Nigeria
- Fellow, Chartered Institute of Bankers
- Fellow, Institute of Capital Market Registrars
- Associate, Chartered Institute of Taxation of Nigeria
- Associate, Institute of Directors

He is an alumnus of the prestigious Lagos Business School (CEP, LBS).

He is currently: Treasurer, Institute of Capital Market Registrars (ICMR)

Vice President 1, Chartered Institute of Bankers of Nigeria (CIBN), Lagos.



Catherine Nwosu, Chief Operations Officer

Catherine majors in Banking and Finance and also holds a degree in Management Science from University of Education, Winneba, Ghana. She equally has a Masters' degree in Business Administration (MBA Marketing and Management bias).

Catherine is an investment banker of repute with over 21 years' experience in Share Register Administration. She is a tested member of professional bodies, which include among others, Fellow of Institute of Capital Market Registrars (FCMR), a member of the Chartered Institute of Administration of Nigeria (MCIA), Associate, Certified Pension Institute of Nigeria (ACPIN), Institute of cost management, Nigeria (ACMI).

◆ Management cont'd



Joseph Jibunoh, Company Secretary/Legal Adviser

Joseph is a versatile Corporate Counsel with over two decades multi-sectoral experiences, garnered from general law practice, commercial and investment banking, insurance, mortgage finance, real estate, oil and gas and the capital market sectors.

He holds a Bachelor of Laws (LL. B Hons) degree from the University of Lagos and a B.L from the Nigerian Law School. He is a member of the Nigerian Bar Association, Chartered Institute of Taxation, World Future Society and Associate membership of the Chartered Institute of Arbitrators Nigeria (ACI Arb). Joseph has attended numerous Executive Education training courses in investment banking, commercial legal advisory, bond insurance underwriting, insurance claims management, corporate strategy, public –private partnerships, alternative dispute resolutions, credit administration and human resources management. He is an alumni of Lagos Business School (EMP) Class on Corporate Strategy and Blue Ocean Strategy. Before joining Africa Prudential Plc, he was Company Secretary/Legal Adviser of Northbridge Energy Ltd.



Dominic Ogar, Chief Information Officer

Dominic is an accomplished professional with over 15 years of cognate experience in Management Information Systems at Senior Management Executive level.

He holds the expert level certification in IT Infrastructure Library (ITIL) and certifications in several technologies including Microsoft, Oracle, and Hewlett-Packard.

Drawing from his strong pedigree for collaborative approach to project management, he has led deployment of IT solutions within the Sub-Saharan Africa.

Before joining Africa Prudential Plc, among others, he led the team which defined and harmonised ITIL processes across the entire business network of Computer Warehouse Group, including all its offices across Africa (Nigeria, Ghana and Uganda); also designed control mechanisms to ensure they stay within specification. He implemented group wide ITIL service delivery and management process across same geographical region.

Dominic is a global thought leader on IT Infrastructure Library as best practice for service management. He joined the management team of Africa Prudential Plc in 2016.

◆ Management cont'd



Olufemi Adenuga, Chief Finance Officer

Olufemi is an Accountant with diverse professional experience and background. He holds a Higher National Diploma (HND) in Accountancy from Federal Polytechnic Offa, Kwara State. He is also an Associate Member of the Institute of Chartered Accountant of Nigeria (ACA) and Institute of Capital Market Registrars (ACMR).

Olufemi has over 12 years post qualification experience in the Nigerian financial and manufacturing industries, including the capital market. He joined the management team of Africa Prudential Plc in 2009.



Patrick B. Ukanah, Head, Operations

Patrick's client-friendly disposition reflects an array of experience in investment banking which spans over 21 years.

He holds a Bachelor of Science degree (HONS) in Business Administration from University of Abuja, and an M.Sc in Corporate Governance from Leeds Beckett University (formerly Leeds Metropolitan University), United Kingdom. His membership of professional bodies include among others: Chartered Institute of Bankers of Nigeria (CIBN), Associate, Institute of Capital Market Registrars (ACMR), and Nigerian Institute of Management (NIM).

In his Capacity as Head, Operations, his oversight spans Customer Service, Verification, Reconciliation, as well as Abuja and Port-Harcourt branch offices.



Omoniyi Edward, Head, Human Capital Management

Omoniyi holds a B.Sc. in Chemical Engineering from the University of Lagos and a Master's degree in Human Resource Management from the Manchester Metropolitan University Business School, UK where she graduated with a distinction.

She is a seasoned HR Professional with key skills in resourcing, organisational design, learning and development, reward management, performance management, HR Administration and Employee relations. She had worked with Zenith Bank for many years as HR generalist across Africa before joining Africa Prudential Registrars Plc.

She is an Associate member of Chartered Institute of Personnel Development (CIPD), UK and Chartered Institute of Personnel Management (CIPM), Nigeria.

◆ Management cont'd



David Ubaka, Head, Audit & Control

David is a Chartered Accountant with a wealth of experience spanning over 21 years. He holds a B.Sc. in Accounting from University of Lagos, Akoka, and a Fellow of the Institute of Chartered Accountants of Nigeria (FCA).

David started his accounting career with Arthur Young & Osindero Chartered Accountants. He then moved on to play key roles at various financial services companies, including Deputy Head, Internal Audit, Control & Compliance at UBA Insurance Ltd. He was equally a team member of UBA Plc Audit group from 2007. He joined Africa Prudential Registrars Plc as Head, Audit and Control in 2014.

He has attended various training courses spanning major corporate strata, as it relates to Finance, Accounts, Investment, Banking Operations, Internal Control, Internal Audit, and Compliance.



Opeyemi O. Onifade, Head, Strategy & Business Transformation

Opeyemi has amassed nearly a decade investment banking experience. Before joining Africa Prudential Registrars Plc he had worked extensively across the print and electronic media industry, with capital market bias. He is an Associate Registered Practitioner of Advertising (arpa).

He majors in Mass Communication. He is an Associate Registered Practitioner of Advertising. He had held forth at the Business Development department and latter at the Marketing and Strategic Business Development with impressive results.



Bridget Bayo-Ajayi (Head, Business Development & Products.)

Bridget is a proven share registration professional with over 14 year's cognate experience in customer service, business development, relationship management, and financial operations. She holds a HND in Business Administration and Management from Federal Polytechnic Offa, Kwara State, and an MBA from National Open University of Nigeria. She is an Associate Member of the Institute of Capital Market Registrars (ICMR).

Bridget has also attended various training courses including personal effectiveness, capital market operations, and social networking for executives. Before joining Africa Prudential Registrars Plc in 2014, she had worked with various top range registrar companies where she held senior positions.

◆ Chairman's Statement

Distinguished shareholders, Board of Directors, ladies and gentlemen, it is with immense pleasure that I welcome you to the Annual General Meeting of our company, Africa Prudential Plc. I hereby present to you, the company's audited annual report and financial statements for the fiscal year ended 31 December 2017 which have been prepared under the International Financial Reporting Standards (IFRS).

Positive Result



THE GLOBAL ECONOMY IN 2017

The global economy strengthened up in 2017 on the back of expanded aggregate demand, recovery in commodity prices and supportive fiscal policies in most economies. The American economy grew in the first year of President Trump's inauguration owing to an improving labor market, relative low inflation and strengthening of the Dollar because of contractionary monetary policy of the Federal Reserve Bank.

Britain triggered Article 50 of the European Union Treaty to commence Brexit negotiations and despite that, the Euro area recorded the highest economic growth compared to other regions of the world in the year 2017 on the back of accommodative monetary policy, solid job gains and resilient global demand. The UK economy also grew in 2017 albeit at a slower pace compared to the Eurozone's. The growth was driven by the resilience of its service and the industrial sectors.

the company continued with aggressive marketing of its bouquet of e-products, such as *Easycoop*, *E-record*, *USSD* and *VAR* both in Nigeria and other African countries.

THE DOMESTIC ECONOMY

The Nigerian economy exited recession by Q2 of 2017 after 5 consecutive quarters of contractions. The recovery was driven largely by growth in international crude oil prices which traded at all time high of US\$52.4 per Barrel by close of December 31, 2017 and growth of the agricultural, manufacturing and trade sectors. Inflation dropped by 282 basic points from 18.72% in January to 15.9% in November 2017. The exchange rate also stabilized with the Naira exchanging with US Dollar at average of N360/USD.

CAPITAL MARKET

The Nigerian capital market witnessed gradual recovery from its bearish trend which persisted for the first 6 months of 2017 with investors on the Nigerian Stock Exchange (NSE) gaining around N4.3 Trillion by end of 2017 as capitalization grew by 47%. This was influenced by improved half year reports of some major stocks and increased foreign portfolio investment. All throughout the year, there was no new public offer for subscription. But in a show of positive sign of gradual recovery towards the last quarter of 2017, the market witnessed a respectable number of Rights Issues which were all remarkably successful.

REVIEW OF OPERATIONS

The company has continued to improve on the quality of its customer service delivery in registrar operations, through deployment of the most sophisticated business process software application in the shares registration industry, otherwise known as **Greenpole**. This was developed through in-house expertise of the Information Technology Department of the company. The Shareholders of our client's companies have continued

The company has continued to improve on the quality of its customer service delivery in registrar operations, through deployment of the most sophisticated business process software application in the share registration industry, otherwise known as **Greenpole.**

to receive premium service that is second to none in the industry. The company's state of the art virtual portal has made it possible for shareholders to access their share investment information, through log in access on their telephone handsets and computers within the comfort of their homes and offices, without having to physically visit our offices.

To deepen its income base, outside registrar operations and investment incomes, the company continued with aggressive marketing of its bouquet of e-products, such as *Easycoop*, *E-record*, *USSD* and *VAR* both in Nigeria and other African countries. *Easycoop* is a business solution developed to assist cooperative societies and unions to seamlessly manage their accounts and operations while *USSD* is a business solution developed for use by investors to access their share investment information. The product is a *USSD* service which enables shareholders of our client companies to have access to their investment information with us by simply dialing a dedicated *USSD* code. Once dialed, the investor can access their personal shareholding information in our system. It is one of the innovative ways Africa Prudential Plc contributes to improving ease of access to shareholder information while boosting investors' confidence in the market.

◆ Chairman's Statement cont'd



E-Record is used by schools for data management and record keeping while VAR is used for mass circulation of documents such as audited report and accounts for public quoted companies, which otherwise would be printed and distributed to shareholders at huge cost to the companies.

The good news about these array of e- products, is that, apart from contributing to the bottom line in terms of income, they are helping our client companies and their shareholders to add value to their operations in terms of cost reduction, time management and ensuring accuracy of their data output.

The company recorded a turnover of N3,365,012,000, a growth of 38% over the previous fiscal financial year and a Profit Before Tax of N2,066,894,000 which represents an increase of 43% over the previous year.

FINANCIAL PERFORMANCE

Despite the challenging operating environment in 2017, your company ended the year with an impressive performance. The company recorded a turnover of N3,365,012,000, a growth of 38% over the previous fiscal financial year and a Profit Before Tax of N2,066,894,000 which represent an increase of 43% over the previous year.

DIVIDEND

As a result of the impressive financial performance recorded in 2017 and in line with our dividend policy, the Board is pleased to recommend for your approval, a dividend of 40 Kobo per ordinary share of 50 Kobo.

BOARD CHANGES

During the year under review, the Board appointed Mr Emmanuel Nnorom as a Non- Executive Director to fill in a vacant position in the Board. Mr Nnorom has a rich pedigree of experience in the corporate world, having previously served as Chief Operating Officer (COO) of UBA Plc, President Managing Director of Transcorp Plc and currently the Group Managing Director of the Heirs Holdings Ltd. Indeed, the appointment, Mr Nnorom as a Non-Executive Director of Africa Prudential Plc is like a home coming because, he has previously served as a Director and was also the pioneer Chairman of the company.

Along with other Directors retiring from the board and eligible for re-election, Mr. Nnorom's appointment would be presented for approval at this meeting

OUTLOOK FOR 2018

The Nigerian economy is expected to perform better in 2018 with oil prices expected to rise above the government Budget benchmark of US\$45. It is expected that at some point in the year, there would be a cut in interest rate leading to increase in aggregate demand and increase in credit to the private sector, as government reduces domestic borrowing.

The bullish trend in the capital market is expected to continue as both foreign and local investors' confidence improve while manufacturing, oil and gas sectors are also expected to perform better. Indicators are that inflation rate will be on a downward spiral.

The positive impact of the end of economic recession in 2017 will be fully manifest in 2018 as the level of Foreign Direct Investment is expected to increase due to appreciation of the Naira against the US Dollar and stability in the foreign exchange market. The N8.6 Trillion Budget proposed by the Federal Government is expected to be passed into law early in 2018 by the National Assembly and its passage and implementation will expectedly boost massive spending and reflation of the economy.

Going by the successful Rights Issues of a respectable number of quoted companies, it is expected that the primary market for initial public offers and offers for subscription will gather momentum. With the Federal Government sustaining its policy reforms and benefits from investment in infrastructure, we expect the economy to maintain its GDP growth rate of 2.1% in 2018 (as forecasted by the IMF) and the Central Bank of Nigeria to maintain policies that will ensure stability of the Naira and keep inflation within a single digit for the benefit of the real sectors of the economy.

With the relentless determination of the Federal Government to improve Nigeria's rating on the international Ease of Doing Business Index to facilitate inflow of foreign investments, the outlook for new registrar mandates from companies going public is very bright. We are optimistic that your company will rightfully position itself in 2018 to maximize all the business opportunities that will arise from the budget implementation by seeking appointment as registrars from those companies that would be seeking public listing on the Nigeria Stock Exchange.

APPRECIATION

Distinguished ladies and gentlemen, let me use this opportunity to express the gratitude of the Board of Directors to the Management and staff of the company for their dedication in achieving the corporate objective of the company in the year under review. I must also appreciate our client – companies and their shareholders for their unflinching loyalty and continued patronage and assure them of our commitment to serve them even better.

Distinguished ladies and gentlemen, I thank you most sincerely for your attention.



Chief (Mrs) Eniola Fadayomi, MFR, FIOD

Chairman

FRC/2013/IODN/00000002718

◆ CEO'S Report

Dear Esteemed shareholders,

We started the year 2017 in anticipation of the enormous challenges that lie ahead and the need for strategic repositioning of our business for competitiveness, viability and profitability. The year 2017 was indeed eventful for us and I am glad to report that some giant strides were taken in the course of the year.

We've
got
great
stories
to tell.



The global economy outperformed expectations in 2017 with an output growth of 3% from the 2.4% growth recorded in 2016 on the back of recovery in commodity prices, increased investment spending, increased demand, largely accommodative monetary policies and increased global trade. The developed economies recorded an average aggregate growth of 2.3% while average growth in emerging market and developing economies (EMDEs) stood at 4.3% in 2017. Nigeria, South Africa, Brazil, Russia also exited recession in 2017.

The increase in international crude oil price and restoration of peace to the restive Niger Delta Region impacted positively on the Nigerian economy as the economy recorded its first growth after 5 consecutive quarters of contraction and marking the country's exit from recession. The recovery was driven largely by impressive performance in the oil sector, agricultural sector, manufacturing sector and trade. While the government's policy on agriculture coupled with the CBN's Anchor Borrowers' Programme aided growth in the Agricultural sector, the increase in the international crude oil prices led to significant increase in the country's foreign exchange reserve, increased liquidity and relative stability in the foreign exchange market. The easy accessibility of foreign exchange for importation of critical inputs aided output growth and increased trade in the country. The worsening inflationary problem in the country also improved as headline inflation reduce by 335 basis points from 18.72% in January to 15.37% in December 2017.

Africa prudential Plc won the award of Best Registrars Company in West Africa (2017) by the West Africa Innovation Award.



While efforts by the government to diversify the country's economy away from reliance on oil is gaining momentum as tax revenue increased significantly in 2017, the need to improve the country's business environment through the formulation of business-friendly policies and infrastructure development to attract both local and foreign investors is critical to sustainable growth.

The Nigerian Capital Market

The Nigerian Bourse also recovered from its bearish run with investors gaining around N4.39trn in 2017 as capitalization grew by 47.7%. The increased liquidity in the country's foreign exchange market also boosted investors' confidence with a net foreign investment inflow of N336.94bn on the Nigerian Stock Exchange for the year. Total

I am happy to report that the change of Name from Africa Prudential Registrars Plc to Africa Prudential Plc was duly completed in 2017 and we have commenced implementation of our diversification strategy.

transaction volume also increased by N1.031trn from N1.511trn in 2016 to N2.542trn in 2017. The market is expected to perform better in 2018 due to expectation of rate drop, improvement in investors' confidence and increase in public spending as election year approaches.

Regulatory Environment

The Securities and Exchange Commission (SEC) has directed the stoppage of dividend warrant issuance effective 1st January 2018. While warrants issued on or before 31st December 2017 remain valid for the 6 months active windows, registrars will cease from issuance of dividend warrants both for outstanding dividend claims and warrants revalidation. Furthermore, SEC also announced the extension of free e-dividend mandate registration window to 28th February

2018. Consequently, e-dividend mandate enrolment after 28th February 2018 will attract a fee.

Furthermore, the Securities and Exchange Commission also hinted on plans to commence enforcement of electronic transmission of annual report and the pilot scheme commenced in 2017. This, the commission said was to ensure all shareholders get their annual reports early in order to contribute meaningfully at meetings while also being cost-efficient to the companies. Even though annual reports will not be completely circulated electronically, company Secretaries are to ensure hard copies of annual reports are sent to shareholders' associations for those who are unable to access the electronic annual report. Worthy of note is the fact that Africa Prudential Plc commenced virtual transmission of annual reports to shareholders of our client companies in 2015.

In line with the Commission's directive on mandatory consolidation of multiple shareholding accounts, the commission further extended the forbearance window for multiple accounts consolidation to 31 March 2018 to enable shareholders with such accounts in the same company to consolidate the accounts. The commission restated that all shareholdings' accounts not consolidated after deadline period shall be transferred, on trust, to the Capital Market Development Fund.

SEC has also mandated all investors to key into the Direct Cash Settlement (DCS) initiative effective 1 September 2017. The DCS initiative allows proceeds of shares sold to settle directly into an investor's account as against through the broker's account. While an investor is at liberty to opt out of the direct cash settlement system, DCS will aid improved

liquidity in the capital market while also enhancing investors' confidence.

These regulatory changes are in line with the implementation of the Capital Market Masterplan which among other things aims to improve investors' confidence in the market while expanding the depth and robustness of the market to support sustainable growth.

Highlights of 2017

In 2017, we emphasized the need for diversification of our business portfolio to achieve long term sustainability and viability of our business which necessitated the change of name that was approved at the last Annual General Meeting. I am happy to report that the change of Name from Africa Prudential Registrars Plc to Africa Prudential Plc was duly completed in 2017 and we have commenced implementation of our diversification strategy. Worthy of note is the fact that the new Africa Prudential Plc is still a strong player in the registrars' business and still intends on remaining a leading registrar firm in Nigeria and grow to become a leader in Africa in the near future. Notable activities and achievements recorded both within and outside the registrars' business in 2017 include:



**SUCCESSFULLY
DIVERSIFICATION
OF BUSINESS LINES:**

In line with our business diversification drive, the new Africa Prudential Plc has so far evolved 4 business lines. We will continue to leverage technology to develop and enhance our revenue lines in order to diversify our income base for long term sustainability.



**WON BEST REGISTRARS
COMPANY IN WEST
AFRICA AWARD
(2017):**

As highlighted above, our business diversification plan does not imply our exit from the registrars' business as we will continue to embark of value-adding product development and process re-engineering in the registrars' space to offer great service experience to our clients and keep us ahead of competition. It is in recognition of this effort that Africa prudential Plc won the award of Best Registrars Company in West Africa (2017) by the West Africa Innovation Award. The West Africa Innovation Award celebrates outstanding innovation, brands and personalities in 8 West Africa Countries.

◆ CEO'S Report cont'd



**APPOINTMENT AS
CONSULTANT
DEVELOPMENT PARTNER
TO THE INTERNATIONAL
COOPERATIVE ALLIANCE,
AFRICA (ICA):**

Our voyage into the cooperative landscape through our EasyCoop Cooperative Management Solution is beginning to yield results as Africa Prudential Plc was appointed as Consultant Development Partner to the International Cooperative Alliance Africa, the coordinating body for cooperative activities on the continent. This is also a confirmation of the quality of service we are offering in the cooperative landscape.



**CLOSING GONG
CEREMONY
AT NSE**

As part of the roll out plan for our new name and corporate identity, Africa Prudential Plc was at the Nigerian Stock Exchange for the closing gong ceremony on 17th July 2017 to unveil are new identity to the market.

Our new corporate identity is:


Africa Prudential


**STAKEHOLDERS
FORUM**

To promote our new brand identity and create awareness on the innovative service and product offerings of the new Africa Prudential Plc in the industry, we conveyed our stakeholders Forum on 20th October 2017. The forum was themed **"Leveraging Opportunities in an Evolving Capital Market, the changing role of Registrars"** The hugely successful forum also featured participation of key industry stakeholders to share ideas about the emerging registrars' business.



**NEW MANDATES
WON**

A total of 18 mandates were won in 2017. 12 mandates were won by our registrar business and 6 mandates were won by our Cooperative business. We will continue to deliver exceptional service through continuous product improvement, product development and process re-engineering to ensure we deliver on service promise to clients while working assiduously towards growing our clientele.

Human Capital development

We value our people as our most valuable asset and a critical factor in the achievement of the organizations' strategic targets. Hence, we ensure our staff are well trained and reasonably motivated to deliver both physically and mentally on their responsibilities. The results of our human development effort significantly aided our performance in 2017. In 2018, we will improve on our human development effort in order to promote the professional and self-fulfilment of our staff for optimal performance in their various roles.

Financial Performance

In line with our commitment to offer increasing returns to our esteemed shareholders while safeguarding their investment, I am happy to inform you that our dear company posted an impressive performance for the year ended 31st December 2017. Turnover for the year 2017 stood at N3,365.02mn from N2,447.71mn recorded in 2016 indicating a 37.48% increase, operating expense grew by 29.58% from N1,001.78mn in 2016 to N1,298.12mn in 2017, profit before tax grew by 42.95% from N1,445.94mn recorded in 2016 to N2,066.9bn in 2017 while profit after tax grew by 68.25% from N1,019.17mn in 2016 to N1,714.78mn in 2017.

	31 Dec, 2017 N'mn	31 Dec, 2016 N'mn	Growth (%)
Turnover	3,365.02	2,447.71	37.48
Operating expenses	(1,298.12)	(1,001.78)	29.58
Profit before taxation	2,066.9	1,445.94	42.95
Taxation	(352.12)	(426.76)	-17.49
Profit after taxation	1,714.78	1,019.17	68.25
ROA(%)	7.82%	6.06%	29.04
ROE(%)	24.71	22.40	10.34

We remain committed to building a profitable and sustainable business to reward our shareholders today and in the future.

Africa Prudential Shares Performance Africa Prudential Shares "AFRIPRUD" gained 38.9% in 2017 after closing N4.21 on 29th December 2017 from its opening price of N3.03 on 3rd January 2017. A total of 491,628,410 units of AFRIPRUD shares was traded during the course of the year valued at N1,539,286,485.90.

Outlook for 2018

While the global economy is expected to sustain its growth momentum in 2018, however, it is expected to be influenced by the effect of the tax reform in the US, rate normalization in the US, the impact of Middle East crises on crude oil prices, impacts of Brexit on trade, tension in the Korean Peninsula, and political developments in Germany.

The outlook for the Nigerian economy appears better as the growth momentum is expected to persist barring unforeseen collapse in the international oil prices and escalation of the pockets of security challenges in the country.

◆ CEO'S Report cont'd

In 2018, we will intensify effort to build on the progress so far recorded in our business diversification drive by pursuing relentless innovation in product development and process improvement effort, offering exceptional customer experience to our client and leveraging technology for improved productivity and efficiency.


Appreciation

While we appreciate the invaluable support of our esteemed shareholders, we remain resolute in our commitment to protecting and increasing our shareholders' wealth.

I will like to appreciate the entire Management and staff of Africa Prudential plc for their unwavering support and relentless effort in 2017. For without them, the successes recorded last year would have been impossible.

In conclusion, I also appreciate the support of our diligent Board of Directors for their leadership and support through the year. We are counting on them for another extraordinary performance in 2018.

Thank you.



Peter Ashade

Managing Director/CEO

FRC/2013/ICAN/00000002719

 **Africa Prudential**

◆ RESULT AT A GLANCE

Statement of Financial Position	31-Dec-17	31-Dec-16	Change	
Assets	N'000	N'000	N'000	%
Cash and cash equivalents	9,192,490	4,666,989	4,525,501	97
Financial assets (Available For Sale)	4,440,443	3,116,156	1,324,287	42
Financial assets (held to maturity)	7,554,522	8,136,794	(582,272)	(7)
Trade and other receivables	257,107	313,771	(56,664)	(18)
Inventory	16,578	15,710	868	6
Other assets	72,070	96,760	(80,182)	(83)
Property, plant and equipment	223,683	202,269	(185,691)	(92)
Intangible asset	77,921	17,242	(664)	(4)
Goodwill	98,693	255,989	(239,411)	(94)
Total assets	21,933,507	16,821,680	5,111,827	30
Liabilities				
Customers' deposits	10,792,264	11,742,697	(950,433)	(8)
Creditors and accruals	330,913	382,031	(51,118)	(13)
Taxation	224,407	144,856	79,551	-
Deferred tax liability	34,110	1,322	32,788	2,480
Current Liabilities	11,381,694	12,270,906	(889,212)	(7)
Loan	3,612,328	-	-	-
Total Liabilities	14,994,022	12,270,906	2,723,116	22
Shareholders' equity				
Share capital	1,000,000	1,000,000	-	-
Share premium	624,446	624,446	-	-
Retained earnings	4,886,652	3,771,874	1,114,778	30
Other reserves	428,387	(845,546)	1,273,933	(151)
Total equity	6,939,485	4,550,774	2,388,711	52
Total equity and liabilities	21,933,507	16,821,680	5,111,827	30
Statement of Comprehensive Income				
Registrars Fee Income	935,434	994,394	(58,960)	-6
Net Investment Income	2,380,382	1,424,109	956,273	67
Other Income	49,196	29,214	19,982	68
Total Revenue	3,365,012	2,447,717	917,295	37
Impairment loss on financial assets	(157,296)	(147,460)	(9,836)	7
Personnel expenses	(327,144)	(353,413)	26,269	-7
Operating expenses	(630,849)	(455,492)	(175,357)	38
Depreciation and amortization	(52,126)	(45,416)	(6,710)	15
Finance Charges	(130,703)	-	(130,703)	-
Total expenses	(1,298,118)	(1,001,781)	(296,337)	30
Profit before tax	2,066,894	1,445,936	620,958	43
Income tax expense	(352,116)	(426,763)	191,840	-45
Profit after tax	1,714,778	1,019,173	695,605	68
Other Comprehensive Income				
Fair value loss on quoted equity	169,335	29,741	139,594	469
Fair value gain on unquoted equity	1,104,598	(213,108)	1,317,706	-618
Other comprehensive income, net of income tax	1,273,933	(183,367)	1,090,566	-595
Total comprehensive income	2,988,711	835,806	2,152,905	258
Earning per share- Basic (Kobo)	86	51	35	69



INTRODUCTION

Africa Prudential Plc holds good governance as one of its core values and confirms its commitment to the implementation of effective Corporate Governance principles in its business operations.

The Board is of the opinion that the Company has in all material respects, complied with the provisions of the SEC Code and its own Governance Charter during the 2017 financial year.

The Board of Directors of Africa Prudential Plc has the overall responsibility for ensuring that the highest standards of Corporate Governance are maintained and adhered to by every employee of the Company.

The Board of Directors carries out its responsibilities through its standing Committees. These are the Board Audit and Governance Committee and the Board Finance and Investment Committee.

1. The Board

1.1 General

The Board is responsible for developing the Company's strategy and ensuring that its available assets are utilized towards the attainment of its set strategy and plans. The Board performs supervisory oversight over management activities making certain that the affairs of the Company are conducted in a manner that increases the value of shareholders' investments and is also beneficial to all other stakeholders of the Company.

As at 31 December 2017, the Board comprised a Non-Executive Chairman, An Executive Managing Director/CEO and four other Non-Executive Directors including an Independent Director. The Board members are professionals and business persons with vast experience and credible track records who all have the requisite integrity, skills and experience to bring independent judgment to bear on Board deliberations and discussions.

The Directors attend regular trainings on Corporate Governance and related issues. In addition, the Company Secretary provides advice to the Board on Corporate Governance best practices from time to time.

1.2 Chairman and CEO Positions

Responsibilities at the top level are well defined and the Company has separated the roles of the Managing Director/CEO and Chairman. The Chairman is not involved in the day-to day operations of the Company and is not a member of any committee of the Board.

1.3 Non-Executive Directors

The Non-Executive Board members possess strong knowledge of the Company's business and usually contribute actively at Board meetings.

1.4 Board Changes

During the year under review, Mr. Emmanuel Nnorom was appointed to the Board as a Non-executive director effective 10 October 2017. He is the CEO of Heirs Holding Ltd. His appointment will be presented to the members at General Meeting for approval.

1.5 Proceedings and frequency of meetings

The Board meets at least once in every quarter or as frequently as the Board's attention may be required on any situation which may arise. Sufficient notices with clear agenda & reports are usually given prior to convening such meetings.

In addition to the board meetings, the Board held a Board & Management Strategy Session on 30 June & 1 July, 2017.

1.6 Board Meeting Attendance

KEY:

- P** = Present
AWA = Absent with Apology
NA = Not Applicable

A total of six (6) Board Meetings were held in the 2017 Financial Year. The table below shows Directors' attendance at the meetings.

S/N	Members	21/2/17	20/4/17	18/7/17	19/10/17	30/10/17	6/12/17
1.	Chief (Mrs) Eniola Fadayomi	P	P	P	P	P	P
2.	Mr. Peter Ashade	P	P	P	P	P	P
3.	Ammuna Lawan Ali	P	P	P	P	P	P
4.	Mr. Samuel Nwanze	P	P	P	P	P	P
5.	Mr. Emmanuel Nnorom	NA	NA	NA	P	P	P
6.	Mr. Peter Elumelu	P	P	P	P	P	P

1.7 Board Committees

1.7.1 Board Audit & Governance Committee

The Board Audit & Governance Committee is responsible for ensuring that an effective system of internal and financial control are in place and also provides oversight on governance related matters.

The Committee is currently constituted as follows:

- | | |
|------------------------|---------------------------------|
| 1. Mr. Peter Elumelu | Chairman/Non-Executive Director |
| 2. Mr. Samuel Nwanze | Member/ Non-Executive Director |
| 3. Ammuna Lawan Ali | Member/ Independent Director |
| 4. Mr. Emmanuel Nnorom | Member/Non-Executive Director |

Its Terms of Reference include ensuring an effective system of financial and internal control are in place; evaluating the independence and performance of the External Auditor; reviewing the audited financial statements with the Management and the External Auditor before its presentation to the Board; approving human resources related policies; ensuring proper composition, training and evaluation of board members.

The Committee met four (4) times in the year under review. The table below shows Directors' attendance at the meetings.

S/N	Members	20/2/2017	19/4/2017	17/7/2017	18/10/2017
1.	Mr. Peter Elumelu	P	P	P	P
2.	Mr. Samuel Nwanze	P	P	P	P
3.	Ammuna Lawan Ali	P	P	P	P
4.	Mr. Emmanuel Nnorom	NA	NA	NA	P

1.7.1 Board Finance and Investment Committee

The Board Finance and Investment Committee is responsible for strategic planning, periodic budgeting and performance monitoring, supervision of assets, investment matters and providing oversight on risk matters, financial matters and performance of the Company.

The Committee is currently constituted as follows:

- | | | |
|----|---------------------|---------------------------------|
| 1. | Mr. Samuel Nwanze | Chairman/Non-Executive Director |
| 2. | Mr. Peter Ashade | Member/Managing Director |
| 3. | Mr. Peter Elumelu | Member/ Non-Executive Director |
| 4. | Mr. Emmanuel Nnorom | Member/ Non-Executive Director |

The Committee met five (5) times in the year under review. The table below shows Directors' attendance at the meetings.

S/N	Members	21/2/2017	19/4/2017	18/7/2017	18/10/2017	30/10/2017
1.	Mr. Samuel Nwanze	P	P	P	P	P
2.	Mr. Peter Ashade	P	P	P	P	P
3.	Mr. Peter Elumelu	P	P	P	P	P
4.	Mr. Emmanuel Nnorom	NA	NA	NA	P	P

1. The Statutory Audit Committee

The Statutory Audit Committee was set up in accordance with the provisions of the Companies and Allied Matters Act, CAP 20, 2004. It consists of a combination of Non – Executive Directors and Ordinary shareholders elected at the Annual General Meeting. Its terms of reference include the monitoring of processes designed to ensure compliance by the Company in all respects with legal and regulatory requirements, including disclosure, controls and procedures and the impact (or potential impact) of development thereto. It evaluates annually, the independence and performance of the External Auditors. The Committee also reviews with Management and the External Auditors the annual audited financial statement before its submission to the Board.

The Committee is currently constituted with 6 (Six) members as follows:

- | | | |
|----|-----------------------|-------------------------|
| 1. | Mr. Nonso Okpala | Chairman/shareholder |
| 2. | Alhaji Kabiru Tambari | Shareholder |
| 3. | Mr. Tajudeen Adeshina | Shareholder |
| 4. | Mr. Samuel Nwanze | Non- Executive Director |
| 5. | Mr. Peter Elumelu | Non- Executive Director |
| 6. | Ammuna Lawan Ali | Non- Executive Director |

The Committee met four (4) times in the year under review. The table below shows Members' attendance at the meetings.

S/N	Members	20/2/2017	19/4/2017	17/7/2017	18/10/2017
1.	Mr. Nonso Okpala	P	P	P	AWA
2.	Mr. Tajudeen Adeshina	P	P	P	P
3.	Alhaji Kabiru Tambari	P	P	P	P
4.	Mr. Samuel Nwanze	P	P	P	P
5.	Mr. Peter Elumelu	P	P	P	P
6.	Ammuna Lawan Ali	P	P	P	P

1. Accountability, Audit and Control

3.1 Financial reporting

The Directors make themselves accountable to shareholders through regular publication of the Company's financial performance and annual reports.

The Board is mindful of its responsibilities and is satisfied that in the preparation of its financial report it has presented a balanced assessment of the Company's position and prospects in accordance with its obligation under the Code of Corporate Governance.

Deloitte & Touche acted as external auditors to the Company during the 2017 financial year.

3.2 Control Environment

The Company has consistently improved its internal control system to ensure effective management of risks. The Directors review the effectiveness of the system of internal control through regular reports and reviews at Board and Audit & Governance Committee Meetings.

The Board has continued to place emphasis on risk management as an essential tool for achieving the Company's objectives. Towards this end, it has ensured that the Company has in place robust risk management policies and mechanisms to ensure the identification of risks and effective controls.

The Board approves the annual budget for the Company and ensures that a robust budgetary process is operated with adequate authorization levels put in place to regulate capital expenditure.

4 The Company Secretary

The Company Secretary ensures adequate dissemination of information among Board members and between the Board and the Management of the Company. In furtherance of Board and Committee meetings, the Company Secretary undertakes the preparation of the necessary papers and other documents requisite for the success in deliberations. The Company Secretary is responsible for the induction of new Directors and the provision of ongoing training for the Non-Executive Directors.

The Office of the Company Secretary ensures that the Company complies with the relevant regulatory laws including the Investment and Securities Act, the Securities and Exchange Commission (SEC) Rules and Regulations, the Securities and Exchange Commission (SEC) Code of Corporate Governance, the Companies and Allied Matters Act and the Nigeria Stock Exchange Rules and Regulations.

The procedure for the appointment and removal of the Company Secretary is a matter for the Board.

5 Shareholders

The Company ensures the existence of adequate interaction among the Shareholders, the Management and the Board of the Company. The Company's General Meetings provide Shareholders the platform to contribute to the administration of the Company. The Annual General Meetings (AGMs) are held in accessible locations and are open to Shareholders or their proxies. The AGMs are conducted in a manner that facilitates Shareholders' participation in accordance with relevant regulatory and statutory requirements.

The Company encourages Shareholders to attend these meetings by ensuring that notices of meetings and other information required by Shareholders to make informed decisions are dispatched in a timely manner. The office of the Company Secretary additionally affords Shareholders channels of communication to the Board and the Management of the Company.

It is the responsibility of the Shareholders to approve the appointment of Directors and to grant other approvals that are required by law or the Articles of Association of the Company.

The Shareholders through its representatives on the Statutory Audit Committee in line with section 359 of the CAMA and the SEC Code also assume responsibility for the integrity of the Company's audited accounts.

6. Guidelines for Trading in the Company's Securities

General Rule

Except in exceptional circumstances, all Key personnel (Directors and all Staff) must not deal in securities of the Company during the following "Closed Periods".

- (a) The period from 15 days immediately preceding the announcement to the Nigerian Stock Exchange of the Company's annual results; and 24 hours after the release has been made;
- (b) The period from 15 days immediately preceding the announcement to the Nigerian Stock Exchange of the Company's half year results; and 24 hours after the release has been made;
- (c) The period from 15 days immediately preceding the announcement to the Nigerian Stock Exchange of each of the Company's quarterly results; and 24 hours after the release has been made;
- (d) A period of two trading days before and 24 hours after any other Nigerian Stock Exchange announcement by the Company; and

- (e) Such other periods as the Board may from time to time by notice in writing designate as a closed period- for example, a period commencing when the Company is considering a significant acquisition or disposal under an incomplete proposal and expiring two trading days after details of the final proposal are announced to the Nigerian Stock Exchange or the proposal is abandoned.

More information on the guidelines for trading in the Company's Securities are contained in our Securities Trading Policy available on our website: <https://africaprudential.com/investors/securities-trading/>

7. Africa Prudential Plc Complaint Management Policy

- In accordance with the Securities and Exchange Commission rules (SEC Rules) relating to Complaint Management Framework of the Nigerian Capital Market (The Framework) of February 16, 2015 and the Nigerian Stock Exchange directive, every listed company is required to establish a clearly defined complaints management policy to handle and resolve complaints within the scope of the Framework
- It is pursuant to the above mentioned SEC rule and NSE Directive that Africa Prudential Plc has formulated a Complaints Management Policy.
- This policy is designed to effectively and efficiently handle and resolve complaints in a fair, impartial, timely and objective manner.
- All complaints should be addressed as follows:

The Company Secretary

Africa Prudential Plc
220b, Ikorodu Road
Palmgrove
Lagos

Email: cfc@africaprudential.com

The policy is available on the Company's website (www.africaprudential.com)

◆ Responsibility and Sustainability



At Africa Prudential Plc, we are committed to running our business in a socially responsible and environmentally friendly manner. We are encouraged and committed to continuously improve our sustainability practices in our day to day business.

At the core, the Company continues to strive to build a sustainable business that will continue to meet its societal & environmental responsibilities by managing its direct and indirect operational impact as it contributes towards sustainable and responsible growth.

Social and Environmental Impact

We are building on sustainable practices aimed at reducing the Company's carbon impact arising from its operations. We are optimizing energy consumption and water conservation

We have continued in our efforts to reduce the use of paper in our general operations. The use of emails, tele-conferencing, portals, shared folders and other channels is encouraged as work tools for members of staff. Information to shareholders are usually sent electronically via emails, text messages and phone calls.

We have greatly improved our efforts in ensuring that Shareholders bank accounts are credited with their dividends through the EDMMS portal. We work with NIBSS and the banks to ensure e-dividend mandate forms are processed speedily on the e-dividend portal.

◆ Responsibility and Sustainability cont'd

Following a publication by the Securities and Exchange Commission in the course of the year, Companies are now permitted to forward electronic copies of Annual reports to shareholders who have indicated their willingness to receive them. This would greatly reduce the cost of printing hard copy annual reports and enhance faster communication.

We understand that a sustainable business is one that continues to manage its direct and indirect operational impact on its stakeholders in order to achieve responsible growth and in our bid to continuously develop time-saving and cost effective ways of accessing shareholding information by our customers, we have introduced a USSD code, ***4018#** tagged "Personal Registrar".

The USSD code, ***4018#**, enables shareholders to perform multitudes of tasks including, but not limited to, checking their outstanding dividends, shareholding balance, bank mandates e.t.c from the comfort of their homes, work places or leisure. With the code, shareholders can also check their postal and email addresses from their mobile phones. This emphasizes the Company's drive to persistently pursue exceptional service experience and it is borne out of its culture of excellence and persistent determination to improving investors' confidence in the Capital market.

Human Rights

This is quite important especially as it ensures that the best human resources are attracted and retained and as well as for sustainable development. At Africa Prudential Plc, we respect both human and labour rights in our business operations. We understand that social equity refers to a fair and equitable distribution of economic and environmental costs and benefits, and the ability to participate in decision-making processes; and this is thoroughly integrated into our working conditions, both internally (as it affects our staff) and externally.

The Company is careful not to engage in transactions that harbour human rights risks, such as child labour, human trafficking and was well as all forms of discrimination, including gender and religion.

Health and Safety

The Company maintains business premises and work environments that guarantee the safety and health of its employees and other stakeholders. The Company's rules and practices in this regard are reviewed and tested regularly.

Safety regulations are in place within the Company's premises and employees are regularly informed of the regulations. The Company ensures that visitors undergo security checks and frisking before gaining access into its offices. The Company undertakes annual wellness checks for its employees to ensure they are in perfect health as human capital is vital for our sustainability going forward.

◆ Responsibility and Sustainability cont'd

The Company also undertakes fire drills every quarter for all staff and this is done in order to ensure that they are kept abreast of steps to take in the event of an actual fire outbreak.

Community Support /Economic Empowerment

The Company in its quest to contribute to the improvement of life in its operating environment, encourages entrepreneurship by making yearly donations to the Tony Elumelu Foundation, Africa's largest business incubator which launched the TEF Entrepreneurship Programme. The TEF Entrepreneurship programme is comprised of a 10 year \$100 million commitment to train, mentor and fund 10,000 entrepreneurs across all 54 African countries.

Corporate Governance on environmental and social life

is a vital part of our commitment to sustainable practices as a public company. We strive to achieve a high level of corporate governance; it is essentially balancing the interest of all our stakeholders. We note that it is not sufficient for a company to be only profitable but to also strive to demonstrate a global standard practice of corporate governance. Typically, the Board is charged with overseeing corporate governance practices.

One of the tenets of corporate governance is ensuring that there are clear lines of responsibility, authority and accountability and making sure appropriate responsibilities and measures are in place.

In Africa Prudential Plc, the implementation of the Company's Sustainability Principles will continue to remain a work in progress – progress at ensuring that the sustainability culture is indoctrinated in the Company, as we remain committed to operating our business in an economically viable, socially responsible and environmentally friendly manner.

Corporate Social Responsibility Report

Africa Prudential Plc's Corporate Social Responsibility (CSR) programme is run on its behalf by her Technical Partner, Tony Elumelu Foundation (TEF). In view of this, the company donated the sum of N32.6 million to TEF during the course of the year in furtherance of its CSR objectives.

Among other projects and engagements in 2017, the flagship programme of the CSR is an Entrepreneurship Development Programme (EDP) that identifies, trains, mentors and provides seed capital of up to \$10,000 to 1,000 African entrepreneurs each year, for 10 years. It is currently in its fourth year, having 3,000 recipients so far with applications for the fourth year recently closed. Partnering with the TEF on the CSR project affords Africa Prudential opportunity to be part of something very impactful across Africa.

One thousand (1,000) African Entrepreneurs were selected for the 2017 TEF Entrepreneurship Programme to join 2,000 alumni from the 2015 and 2016 rounds. The

◆ Responsibility and Sustainability cont'd

myriads of applications allowed incredible insight and access into Africa's most connected and aware entrepreneurs; individuals who collectively, have the potential to catalyze Africa's economic transformation.

A diverse group of emerging business leaders were selected—over 93,000 African entrepreneurs in 106 countries around the world applied, more than 100% growth in the number of applications received in 2016 (45,000); and 300% growth over the number received in 2015 (20,000).

The 2017 demography report was released at the end of Q1. The report is a comprehensive review of the pipeline of talented entrepreneurs that the TEF is building across the continent. Based on the data gathered from the tens of thousands of applications received, the TEF conducts crucial research and advocacy to improve the enabling environment for start-ups and entrepreneurs in Africa.

The TEF hosted Africa's Largest Gathering of Entrepreneurs at the 3rd Annual TEF Forum in October. More than 1,300 participants from 54 African countries—making it the most diverse and inclusive gathering of African entrepreneurs on the continent—were in attendance.

Speakers at the event discussed topics that educated, empowered and inspired the entrepreneurs, addressing the key stages needed to successfully launch and manage a business.

Prof. Yemi Osinbajo, Vice President, Federal Republic of Nigeria was the Distinguished Guest. Other speakers include HE Aminu Bello Masari, Governor, Katsina, Nigeria; HE Abdul'aziz Abubakar Yari, Governor, Zamfara, Nigeria; Mr. Lionel Zinsou, Former Prime Minister, Republic of Benin; Oba Otudeko, Chairman, Honeywell Group; and Alhaji Aliko Dangote, Chairman, Dangote Group. Insights were also delivered by Mr. Wale Ayeni, Senior Investment Officer, International Finance Corporation; Stephen Tio Kauma, Director Human Resources, Afrexim Bank; Andre Hue, Deputy Country Director, Agence Française de Développement, among others.

In addition to the successes recorded in the Entrepreneurship programme, the TEF also, in the course of the year participated at the World Economic Forum (WEF), Davos, Switzerland; Wall Street Journal's Investing in Africa's conference, London; World Economic Forum on Africa, Durban, South Africa; Global Corporate Venture Symposium, London; Europe Development Days Conference, Brussels, Belgium. Others are Young African Leaders Initiative (YALI) Summit, Washington, DC; 17th International Economic Forum on Africa 2017, Paris; She Trades workshop for Women Entrepreneurs, Accra, Ghana; 6th EU-Africa Business Forum, Abidjan, Côte d'Ivoire; XL Africa Policy Workshop, Cape Town, South Africa; and Annual Africa Forum, Sharm El Sheikh, Egypt.

The Directors are pleased to present their report on the affairs of the Company, together with the Audited Financial Statements for the year ended 31 December 2017.

LEGAL FORM AND PRINCIPAL ACTIVITIES

Africa Prudential Plc was originally incorporated as UBA Registrars Ltd in March 2006. The Company subsequently changed its name to Africa Prudential Registrars Plc in August 2011 and was listed on the Nigerian Stock Exchange in January 2013. To expand its business portfolio, the Company acquired UAC Registrars Ltd in June 2013.

Again, the Company changed its name to Africa Prudential Plc following a special resolution passed by the Members in General Meeting on 28 March 2017 to enhance its market competitiveness and diversified business interests.

Africa Prudential Plc (formerly Africa Prudential Registrars Plc) carries on the business of share registrar and investor relation service in accordance with its Memorandum and Articles of Association. As part of its strategy to remain No 1 in terms of automation and innovation, the Company continues to develop unique softwares to aid the administration of Cooperative Societies in Nigeria and other business solutions.

RESULTS FOR THE YEAR

The following is the summary of the performance of the Company during the year under review as compared with the previous year:

	31 December, 2017 N'000	31 December, 2016 N'000
Gross Earnings	3,365,012	2,447,717
Operating Expenses	(1,298,118)	(1,001,781)
Profit Before Taxation	2,066,894	1,445,936
Taxation	(352,116)	(426,763)
Profit After Taxation	1,714,778	1,019,173
Declared Dividend	(800,000)	(600,000)

DIVIDEND

The Directors recommend to the Shareholders, the payment of a gross dividend of N 800 million that is 40 Kobo per share payable to Shareholders on the Company's Register of Members as at March 12, 2018. The dividend is subject to the deduction of appropriate withholding tax. If members at the Annual General Meeting approve this recommendation, the appropriation of the profit as at the end of the financial year would be as follows:

	N'000
Proposed Dividend	800,000

DIRECTORS

Record of Directors' Attendance at Meetings

Pursuant to Section 258(2) of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the records of Director's attendance at Board meetings during the year under review will be available for inspection at the Annual General Meeting.

Resignation

No Director resigned during the year under review.

Appointment

Mr. Emmanuel N. Nnorom was appointed to the Board of Directors on 10 October 2017. He is the CEO of Heirs Holding Ltd. His appointment was approved by the Securities and Exchange Commission and shall be presented to the Members for approval at the Annual General Meeting.

Directors Interests in Contracts

None of the Directors has notified the Company for the purpose of Section 277 of the Companies and Allied Matters Act of any declarable interest in Contracts in which the Company is involved.

Directors and Their Interests in the Shares of the Company.

Directors' interests in the issued share capital of the Company as recorded in the Register of Members and/or as notified by the Directors in compliance with Sections 275 and 276 of the Companies and Allied Matters Act, CAP C20, LFN 2004 and the Listing Requirements of the Nigerian Stock Exchange were as follows:

NAME	31 DECEMBER, 2017		31 DECEMBER, 2016	
	DIRECT HOLDING	INDIRECT HOLDING	DIRECT HOLDING	INDIRECT HOLDING
CHIEF (MRS) ENIOLA FADAYOMI	4,006,060	NIL	4,006,060	NIL
MR. PETER ASHADE	730,764	NIL	553,864	NIL
MR. SAM NWANZE	83,009	NIL	83,009	NIL
MR. PETER ELUMELU	13,891	NIL	13,891	NIL
MR. EMMANUEL NNOROM	903,970	7,179,339	903,970	7,179,339
AMMUNA LAWAN ALI	NIL	NIL	NIL	NIL

◆ Directors' Report cont'd

The details of indirect holding of Directors in the issued share capital of the Company is as below:

S/N	NAME	COMPANY	INDIRECT HOLDING	TOTAL INDIRECT HOLDING
1.	EMMANUEL NNOROM	VINE FOODS LIMITED	7,179,339	7,179,339

Alternate Directorship

There was no alternate directorship during the year under review.

The issues and fully paid up share capital of the Company is N1,000,000,000 (One Billion Naira) divided into 2,000,000,000 (Two billion) Ordinary shares of N0.50k each.

S/N	PARTICULARS OF SHAREHOLDER	NUMBER OF SHARES	PERCENTAGE % OF SHAREHOLDING
1	INTERNATIONAL EQUITY CAPITAL	493,396,080	24.67
2	HEIRS HOLDINGS LTD.	256,238,449	12.81

SHAREHOLDING ANALYSIS

S/N	CATEGORY OF SHAREHOLDER	NUMBER OF SHAREHOLDERS	NUMBER OF SHARES HELD	% OF TOTAL
1	INDIVIDUALS	258,970	610,337,652	30.52
2	INSTITUTIONAL INVESTORS			
	i) Banks			
	ii) Insurance	5,365	1,327,118,919	66.35
	iii) Pension Funds			
	iv) Other Managed Funds			
	v) Other Corporate Entities			
3	GOVERNMENT	-	-	-
4	FOREIGN SHAREHOLDERS			
	i) Direct Foreign Investors	8	62,543,249	3.13
	ii) Portfolio Investor			
	TOTAL	264,343	2,000,000,000	100

ANALYSIS OF SHAREHOLDINGS

The details of shareholding of the Company as at 31 December 2017 is as stated below;

Range	No. of Holders	Holders	Holders cum.	Units	Units	Units Cum.
1 - 1,000	232,305	88%	232,395	44,861,200	2%	44,861,200
1,001 - 5,000	23,104	9%	255,409	48,985,022	2%	93,846,222
5,001 - 10,000	3,655	1%	259,064	26,090,412	1%	119,936,634
10,001 - 50,000	3,496	1%	262,560	75,844,240	4%	195,780,874
50,001 - 100,000	691	0%	263,251	51,085,562	3%	246,866,436
100,001 - 500,000	770	0%	264,021	166,421,404	8%	413,287,840
500,001 - 1,000,000	153	0%	264,174	114,168,120	6%	527,455,960
1,000,001 - Above	169	0%	264,343	1,472,544,040	74%	2,000,000,000
Grand Total	264,343	100%		2,000,000,000	100%	

CORPORATE GOVERNANCE

The Board of Directors of the Company is well aware of the Code of Corporate Governance issued by the Securities and Exchange Commission in the administration of the Company and is ensuring that the Company consistently complies with it.

In furtherance of the Board's commitment to strong Corporate Governance, the Company successfully concluded the process and was awarded a corporate governance rating from the Nigerian Stock Exchange (NSE) in January 2018 under the Corporate Governance Rating System (CGRS) in partnership with the Convention on Business Integrity (CBI). Consequently, the Company has satisfied one of the criteria required to be listed on the Premium Board of the NSE.

COMPLAINT MANAGEMENT FRAMEWORK

The Company has a Complaint Management Policy and Framework in place in accordance with the SEC directives on resolution of complaints. This policy has also been uploaded on the Company's website for public access.

INSIDER TRADING AND PRICE SENSITIVE INFORMATION

The Company has in place a Securities Trading Policy which prohibits the directors and employees from trading on the Company's shares during periods they are in possession of price sensitive information. The Company was in compliance with the Securities Trading Policy during the year under review.

APPOINTMENT OF COMPANY SECRETARY

Following the resignation of Miss Oyindamola Oyeduntan effective August 31, 2017 and after due deliberation, Mr. Joseph Jibunoh was appointed Company Secretary effective September 1, 2017"

ACQUISITION OF OWN SHARES

The Company did not purchase any of its own shares during the year.

HUMAN RESOURCES

The Company makes it a paramount objective to hire individuals based on standards of merit and competence. Also, the Company upholds a sound culture of providing continued development and training for its Staff to address knowledge gaps and provide new skill sets along the Company's lines of responsibilities. Annually, trainings are identified for staff and followed through in accordance with an approved training plan meant to ensure that this objective is achieved. The Company encourages easy interaction between Management and other staff of the Company so as to foster an atmosphere of warmth at work and also to kindle the necessary synergy required for the Company's success.

EMPLOYMENT OF DISABLED PERSONS

The Company operates a non-discriminatory policy on recruitment. Applications by disabled persons are always fully considered bearing in mind the respective aptitudes and abilities of the applicants concerned.

During the year under review, there was no disabled person in the Company's employment.

HEALTH, SAFETY AND WELFARE OF EMPLOYEES

The Company approaches Health, Safety and Welfare issues affecting Staff with every sense of seriousness and therefore maintains an insurance health care scheme with Avon, a Health Maintenance Organization (HMO), licensed by the National Health Insurance Scheme (NHIS) to provide health insurance to employees in the private sector. Through this arrangement, each employee, their respective spouses, and dependents below the age of eighteen (18) years are entitled to medical treatments in well-equipped, qualitative network of hospitals under the scheme.

Safety regulations are in place within the Company's premises and employees are regularly informed of the regulations.

There are contributory retirement benefit schemes for both management and employees of the Company in conformity with the Pensions Reform Act 2004.

EMPLOYEES' INVOLVEMENT AND TRAINING

The Company has an effective employer/employee communication system aimed at enhancing industrial harmony. Employees are kept fully informed as much as practicable of the Company's activities which particularly affect them as employees and are also

encouraged to communicate any information useful to management through use of suggestion boxes and other channels. Regular training programmes are usually arranged for employees locally and where applicable, overseas for the improvement of skills and enhancement of career prospects.

POST BALANCE SHEET EVENTS

There were no post balance sheet events which could have a material effect on the financial position of the Company as at 31 December, 2017 and results attributable to equity holders.

FIXED ASSETS

In the opinion of the Directors, the market value of the Company's fixed assets is not less than as shown in the Balance Sheet.

AUDITORS

The Auditors, Messrs Deloitte & Touche shall be retiring from office as the Company's Auditors in accordance with Section 357 (2) of the Companies and Allied Matters Act, CAP C20, LFN 2004. Thus, we shall be seeking your approval to appoint new Auditors and to fix their remuneration at the Annual General Meeting.

A handwritten signature in black ink, appearing to read 'Joseph Jibunoh', with a small capital letter 'D' to its right.

JOSEPH JIBUNOH
Company Secretary
FRC/2018/NBA/00000017719
220B Ikorodu Road, Palmgrove
Lagos.

◆ Statement of Directors' Responsibilities

In accordance with the provisions of sections 334 and 335 of the Companies and Allied Matters Act, Cap C20, Laws of the Federation of Nigeria, 2004 ("**CAMA**"), the Directors are responsible for the preparation of the financial statements, which give a true and fair view of the state of affairs of the Company and of the profit or loss for the year ended 31 December 2017, and in so doing they ensure that:

- Proper accounting records are maintained;
- Applicable accounting standards are followed;
- Suitable accounting policies are adopted and consistently applied;
- Judgments and estimates made are reasonable and prudent;
- The going concern basis is used, unless it is inappropriate to presume that the Company will continue in business; and
- Internal control procedures are instituted which as far as reasonably possible, safeguard the assets of the Company and prevent and detect fraud and other irregularities.

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 International Financial Reporting Standards (IFRS) and the requirements of CAMA.


The Directors are of the opinion that the 2017 audited financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit or loss. The Directors 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 internal financial control.

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least twelve (12) months from the date of these financial statements.

Signed on behalf of the Directors by:



Peter Ashade
Managing Director/CEO
FRC/2013/ICAN/00000002719



Chief (Mrs.) Eniola Fadayomi FIOD, MFR
Chairman
FRC/2013/IODN/00000002718

◆ Report of the Statutory Audit Committee To Members Of Africa Prudential Plc

In compliance with section 359 (6) of the Companies and Allied Matters Act Cap C20 LFN 2004 ("CAMA"), we the members of the Statutory Audit Committee of Africa Prudential Plc ("the Company") hereby report as follows:

- The Audit Committee met in exercise of its statutory responsibilities in accordance with section 359(6) of CAMA;
- We have examined the auditors' report including the financial statements for the year ended 31 December 2017;
- We have also deliberated with the external auditors, reviewed their findings and recommendations and confirm that the auditors' report for this period is consistent with our review; and
- We are satisfied that the accounting and reporting policies of the Company are in accordance with legal requirements and meet ethical standards.



Nonso Okpala
Chairman, Audit Committee
20 February 2018

Members of the Statutory Audit Committee are as follows;

Mr. Nonso Okpala	-	Chairman
Mr. Adeshina Tajudeen	-	Member
Mr. Kabiru A. Tambari	-	Member
Mr. Samuel Nwanze	-	Member
Mrs. Ammuna Lawan Ali	-	Member
Mr. Peter Elumelu	-	Member

January 24, 2018

REPORT OF THE EXTERNAL CONSULTANTS ON THE PERFORMANCE OF THE BOARD OF DIRECTORS OF AFRICA PRUDENTIAL PLC. FOR THE YEAR ENDED 31 DECEMBER 2017

DCSL Corporate Services Limited was engaged by Africa Prudential Plc. to undertake an appraisal of its Board of Directors, for the year-ended 31st December 2017. Our appraisal entailed a review of the Company's corporate and statutory documents, the Minutes of Board and Committee meetings, policies in place and other ancillary documents made available to us. We also administered Questionnaires, Board and Peer Review Surveys to the Directors.

The crux of the review was to ascertain the level of the Board's compliance with corporate governance practices, with particular reference to the provisions of the Securities and Exchange Commission (SEC) Code of Corporate Governance 2011 (SEC Code) and international best practices, and covered the following seven key corporate governance themes:

1. Board Structure and Composition
2. Strategy and Planning
3. Board Operations and Effectiveness
4. Measuring and Monitoring of Performance
5. Risk Management and Compliance
6. Corporate Citizenship; and
7. Transparency and Disclosure.

The Board has the responsibility for putting in place adequate corporate governance structures and practices in the Company and the formulation of policies that will ensure the Company carries on its business in accordance with its Articles and Memorandum of Association as well as in conformity with applicable laws, codes and regulations to guarantee the Company's sustainability. As Consultants, our responsibility is to draw conclusions on the effectiveness of these structures, policies and processes based on our review of the Board's activities and performance during the year ended 31 December 2017.

Subsequent to the conclusion of the evaluation exercise, we confirm that the Board substantially complied with the provisions of the SEC Code of Corporate Governance and that the activities of the Board and the Company are to a large extent in compliance with corporate governance best practice. In our opinion, the Board has displayed substantial commitment to enhancing the Company's growth, developing and monitoring the Company's strategies and achieving improvement in its performance.

The Board has significantly improved in the execution of its oversight function with respect to the management of the Company's risks and underwent the recommended risk management training to further enhance its ability to successfully steer the business in spite of the difficult economic realities.

The commendable 100% attendance recorded by Directors at the Board meetings held during the period also shows the dedication and genuine interest of the Board in the Company's affairs and overall success.

We have brought to the attention of the Board those areas that require improvement and are satisfied that the Board has taken due note of these.

Yours faithfully,

For: DCSL Corporate Services LtdBisi Adeyemi
Managing Director**Directors:** ● Abel Ajayi (Chairman) ● Obi Ogbечи ● Adeniyi Obe ● Adebisi Adeyemi (Managing Director)
DCSL Corporate Services Limited

◆ Independent Auditor's Report

To the Shareholders of Africa Prudential Plc
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Africa Prudential Plc** which comprise the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flow for the year then ended, and the notes to the financial statements including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of **Africa Prudential Plc** as at 31 December, 2017 and the financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards, the Companies and Allied Matters Act Cap C20 LFN 2004 and the Financial Reporting Council of Nigeria Act, 2011.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the **Africa Prudential Plc** in accordance with the Institute of Chartered Accountants of Nigeria (ICAN) Professional Code of Conduct and Guide for Accountants and other independence requirements applicable to performing audits of financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the ICAN Code and in accordance with other ethical requirements applicable to performing audits in Nigeria. The ICAN Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters below relate to the audit of the financial statements.

◆ Independent Auditor's Report cont'd

Key Audit Matter
How the matter was addressed in the audit
Impairment of goodwill

As disclosed in note 18, impairment losses on goodwill for the year amounted N157 million, whilst the carrying value of goodwill is N98.7 million. IAS 36 requires that intangible assets with an indefinite useful life such as goodwill be tested annually for impairment rather than amortized. Significant judgment is required by the management in assessing the impairment of goodwill, which is determined with reference to the value in use, based on the cash flow forecast for each cash generating unit.

The assumptions with the most significant impact on the cash flow forecast were:

- The growth rate, which is highly subjective since it is based on the directors' experience and expectations rather than observable market data.

The discount rate, which is based on the weighted average cost of capital. The calculation of the weighted average cost of capital is highly complex.

In evaluating the impairment of goodwill, we reviewed the value in use calculations prepared by the directors, with a particular focus on the growth rate and discount rate. We performed various procedures, including the following:

- Engaging our internal valuation specialists to assist with:
 - a. Critically evaluating whether the model used by directors to calculate the value in use of the individual Cash Generating Units complies with the requirements of IAS 36 Impairment of Assets.
 - b. Validating the assumptions used to calculate the discount rates and recalculating these rates.
- Analysing the future projected cash flows used in the models to determine whether they are reasonable and supportable given the current macroeconomic climate and expected future performance of the Cash Generating Unit.
- Subjecting the key assumptions to sensitivity analyses.

Key Audit Matter

How the matter was addressed in the audit

Impairment of goodwill

- Comparing the projected cash flows, including the assumptions relating to revenue growth rates and operating margins, against historical performance to test the accuracy of director's projections.

We noted that the discount rates and growth rate used in the calculation of the value in use by the Directors were appropriate. We considered the goodwill impairment disclosures to be appropriate.

Key Audit Matter

How the matter was addressed in the audit

Fair valuation of unquoted equities

The company has significant investments in unquoted equities which are measured at fair value based on level 3 fair value hierarchy. Level 3 fair value hierarchy involves the use of techniques which relies on inputs with significant effect on the recorded fair value that are not based on observable market data (unobservable inputs and assumptions) This may materially misstate the recorded fair value of assets measured within these levels.

In evaluating the valuation of unquoted equities, we evaluated valuation technique adopted by the directors. The directors had opted for the use of the Residual Income method which is one of the variants of the recommended income based techniques for determining fair value estimates of unquoted equity investments. We focused on the cash flow projections adopted by the directors and its cost of equity measurement for each unquoted equity. We performed various procedures such as:

◆ Independent Auditor's Report cont'd

Key Audit Matter	How the matter was addressed in the audit
<p>Fair valuation of unquoted equities</p> <p>Level 3 fair value hierarchy requires a lot of judgment from directors, giving rise to the risk of bias in estimates and assumption such that the reported value of these investments may not reflect a fair value. As disclosed in Note 12a, unquoted equities have been valued at N4.1 billion after recognizing fair value gains of N1.1 billion (note 27)</p>	<ul style="list-style-type: none"> • Testing of inputs into the cash flow forecast against historical performance and in comparison to the budgets and plans of each entity in which the investments were acquired • Comparing the projected cash flows, including the assumptions relating to revenue growth rates and operating margins, against historical performance to test the accuracy of management's projections • Engaging our internal valuation specialist to assist with the testing of the cost of equity calculation. • Performing sensitivity analyses on the growth rates and discount rates to evaluate the extent of impact on the value in use and the appropriateness of the director's disclosures. <p>We consider the valuation method adopted by the directors to be appropriate. The cash flow projections were also found to be modest while the measurement of cost of equity for each investment were found to be appropriate. In conclusion, we considered the fair valuation of unquoted equities to be appropriate.</p>

Other Information

The directors are responsible for the other information. The other information comprises the Chairman's Statement, CEO's Report, Directors' Report, Corporate Governance Report and Sustainability Report which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act CAP C20 LFN 2004, Financial Reporting Council Act, 2011 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be

◆ Independent Auditor's Report cont'd

communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the benefits derivable by the public from such communication.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to continue as a going concern.

◆ Independent Auditor's Report cont'd

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the company's financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

We also provide the those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

In accordance with the Sixth Schedule of the Companies and Allied Matters Act CAP C20 LFN 2004 we expressly state that:

- i) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii) The Company has kept proper books of account, so far as appears from our examination of those books.
- iii) The Company's statement of financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor report is Michael Daudu FCA.



For: Deloitte & Touche
Chartered Accountants
Lagos, Nigeria
22 February, 2018

Engagement Partner:
Michael Daudu, FCA
FRC/2013/ICAN/0000000845



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- If your mobile number is not registered on our database, go to our website and download the Data Update Form or call **0708 060 6431 - 5**.

Once we receive your executed form, and its processed; you are good to go with ***4018#**

Africa Prudential Plc

HEAD OFFICE: 2208, Ikorodu Road, Palmgrove, Lagos. Tel: 0708 060 6400

ABUJA: Infinity House (2nd Floor), 11 Kaura Namoda Street, Off Faskari Crescent, Area 3, Garki, Abuja. Tel: 09-2900873

PORT-HARCOURT: Oklen Suite Building (2nd Floor), No. 1A, Eva Road, GRA Phase 2. Tel: 084-303457

E-MAIL: cfc@aficaprudential.com | www.aficaprudential.com | @afiprud





◆ Financial Report

◆ Statement Of Profit Or Loss And Other Comprehensive Income

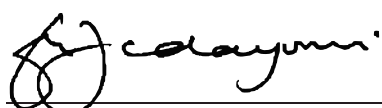
	Note	31-Dec-17 N'000	31-Dec-16 N'000
Registrars fee income	5	935,434	994,394
Net interest income	5b	2,380,382	1,424,109
Gross earnings		3,315,816	2,418,503
Other income	6	49,196	29,214
Impairment loss on financial assets	7	(157,296)	(147,460)
Personnel expenses	8	(327,144)	(353,413)
Other operating expenses	9	(630,849)	(455,492)
Depreciation and amortization	16&17	(52,126)	(45,416)
Finance charges	10	(130,703)	-
Profit before tax		2,066,894	1,445,936
Income tax expense	22a	(352,116)	(426,763)
Profit after tax		1,714,778	1,019,173
Other Comprehensive Income, net of income tax			
<i>Items that will not be reclassified subsequently to profit or loss:</i>		-	-
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Fair value gain on quoted equity	27	169,335	29,741
Fair value gain/(loss) on unquoted equity	27	1,104,598	(213,108)
Other comprehensive income, net of income tax		1,273,933	(183,367)
Total comprehensive income		2,988,711	835,806
Basic earnings per share (kobo)	28	86	51

◆ Statement Of Financial Position

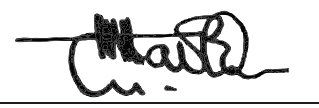
As At 31 December, 2017

	Note	31-Dec-17 N'000	31-Dec-16 N'000
Assets			
Cash and cash equivalents	11	9,192,490	4,666,989
Financial assets (Available For Sale)	12a	4,440,443	3,116,156
Financial assets (held to maturity)	12b	7,554,522	8,136,794
Trade and other receivables	13	257,107	313,771
Inventory	14	16,578	15,710
Other assets	15	72,070	96,760
Property, plant and equipment	16	223,683	202,269
Intangible asset	17	77,921	17,242
Goodwill	18	98,693	255,989
		21,933,507	16,821,680
Liabilities			
Customers' deposits	19	10,792,264	11,742,697
Creditors and accruals	20	330,913	382,031
Taxation	22c	224,407	144,856
Deferred tax liability	22b	34,110	1,322
Current liabilities		11,381,694	12,270,906
Loan	23	3,612,328	-
Total liabilities		14,994,022	12,270,906
Shareholders' equity			
Share capital	24	1,000,000	1,000,000
Share premium	25	624,446	624,446
Retained earnings	26	4,886,652	3,771,874
Other reserves	27	428,387	(845,546)
Total equity		6,939,485	4,550,774
Total equity and liabilities		21,933,507	16,821,680

The financial statements were approved by the Board of Directors on 21 February 2018 and signed on its behalf by:



Chief (Mrs) Eniola Fadayomi FIOD MFR
Chairman
FRC/2013/IODN/00000002718



Peter Ashade
Managing Director
FRC/2013/ICAN/00000002719



Olufemi Adenuga
Chief Financial Officer
FRC/2013/ICAN/00000002720

◆ Statement Of Cash Flows

		31-Dec-17 N'000	31-Dec-16 N'000
Cash flows from operating activities			
Profit after tax		1,714,778	1,019,173
Adjustments to reconcile net cash provided:			
Depreciation	16	42,143	41,252
Amortization	17	9,983	4,164
Impairment loss on receivables	7	157,296	147,460
Income tax expense	22	352,116	426,763
Withholding tax credit utilized	22c	(40,438)	(16,182)
Assets written off		-	2,291
		2,235,878	1,624,921
Changes in assets and liabilities:			
(Increase)/Decrease in inventory		(868)	421
Decrease/(Increase) in other assets		24,689	(18,814)
Decrease/(Increase) in trade and other receivables		56,663	(127,805)
Decrease in customer deposits		(950,432)	(798,438)
Increase/(Decrease) in creditors and accruals		3,561,210	(170,848)
Net cash from operations		4,927,140	509,437
Tax paid	22c	(199,339)	(254,764)
Net cash generated from operating activities		4,727,801	254,673
Cash flows from investing activities			
Purchase of property, plant & equipment	16	(63,557)	(88,811)
Acquisition of financial assets		(1,694,035)	(2,811,147)
Disposal of financial assets		2,225,953	-
Acquisition of intangible asset	17	(70,662)	(9,872)
Net cash generated/(used in) investing activities		397,699	(2,909,830)
Cash flow from financing activities			
Dividend paid	26	(600,000)	(860,000)
Net cash flow used in financing activities		(600,000)	(860,000)
Net increase/(decrease) in cash and cash equivalents		4,525,501	(3,515,157)
Cash and cash equivalents at 1 January		4,666,989	8,182,146
Cash and cash equivalents at 31 December	11	9,192,490	4,666,989

◆ Statement Of Changes In Equity

As At 31 December 2017

31 December 2017

	Other Reserves N'000	Share Premium N'000	Share capital N'000	Retained earnings N'000	Total equity N'000
Balance, beginning of the year	(845,546)	624,446	1,000,000	3,771,874	4,550,774
Profit for the year	-	-	-	1,714,778	1,714,778
Other comprehensive income for the year, net of income tax	1,273,933	-	-	-	1,273,933
Dividend paid (2016 Final)	-	-	-	(600,000)	(600,000)
Balance, end of the year	428,387	624,446	1,000,000	4,886,652	6,939,485

31 DECEMBER 2016

	Other Reserves N'000	Share Premium N'000	Share capital N'000	Retained earnings N'000	Total equity N'000
Balance, beginning of the year	(662,179)	624,446	1,000,000	3,612,701	4,574,968
Profit for the year	-	-	-	1,019,173	1,019,173
Other comprehensive income for the year	(183,367)	-	-	-	(183,367)
Dividend paid (2015 FY final)	-	-	-	(860,000)	(860,000)
Balance, end of the year	(845,546)	624,446	1,000,000	3,771,874	4,550,774

◆ Notes to the Financial Statements

1 Corporate information

Africa Prudential Plc. (formerly UBA Registrars Ltd) was incorporated as a private limited liability company on 23rd March 2006 to take over the registrar services formally operated as a department by its former parent - UBA Global Market Limited. The company was listed on 17 January, 2013.

The company renders share registration services to both public and private companies. The company's registered office address is 220B, Ikorodu Road, Palmgrove, Lagos Nigeria.

2. Significant accounting policies

Accounting convention

The financial statements have been prepared on a historical cost basis, except for financial assets held to maturity carried at amortized cost and financial assets classified as available for sale carried at fair value.

3 Basis of preparation

3.1 Basis of measurement

The financial statements are prepared according to uniform accounting policies and valuation principles. The financial statements of the Company are based on the principle of the historical cost of acquisition, construction or production, with the exception of the items reflected at fair value.

3.2 Statement of Compliance

The financial report of Africa Prudential Plc has been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by Financial Reporting Council of Nigeria for the financial year starting from 1 January 2014. The financial statements comply with the requirement of Companies and Allied Matters Act CAP C20 LFN 2004.

3.3 Financial period

These financial statements cover the financial year from 1 January to 31 December 2017, with comparative figures for the financial year from 1 January to 31 December 2016.

3.4 The use of critical judgements and accounting estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, incomes and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

◆ Notes to the Financial Statements cont'd

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment are disclosed.

Changes in accounting policies or measurement principles in light of new or revised standards are applied retrospectively, except as otherwise provided in the respective standard. The statement of profit or loss and other comprehensive income for the previous year and the opening statement of financial position for that year are adjusted as if the new accounting policies and/or measurement principles had always been applied.

3.5 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the entity will be able to meet its financial obligations as at when they fall due

There are no significant financial obligations that will impact on the entity's resources which will affect the going concern of the entity.

Management is satisfied that the entity has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis has been adopted in preparing the financial statements

3.6 Revenue recognition

Fees and commission income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate. Other fees and commission income, including account servicing fees, investment management and other fiduciary activity fees, sales commission, placement fees and syndication fees, are recognised as the related services are performed.

Other fees and commission expenses relates mainly to transaction and service fees, which are expensed as the services are received.

3.7 Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

◆ Notes to the Financial Statements cont'd

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.8 Financial instruments

3.8.1 Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as, fair value through profit or loss (FVTPL), available for sale (AFS), loans and receivables and held to maturity investments as appropriate. The company determines the classification of its financial assets at initial recognition. Financial assets are recognized initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The classification depends on the purpose for which the investments were acquired or originated.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the company commits to purchase or sell the asset.

The company's financial assets include cash and cash equivalents, fixed deposits, treasury bills, government bonds, trade and other receivables and loans.

3.8.2 Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

a. Financial assets at fair value through profit and loss

This category comprises two sub-categories: financial assets classified as held for trading, and financial assets designated by the company as fair value through profit or loss upon initial recognition. A financial asset is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Financial assets held for trading consist of debt instruments and equity instruments, as well as financial assets with embedded derivatives. Financial instruments included in this category are recognised initially at fair value; transaction costs are taken directly to the income statement. The instruments are

◆ Notes to the Financial Statements cont'd

derecognised when the rights to receive cash flows have expired or the company has transferred substantially all the risks and rewards of ownership and the transfer qualifies for derecognising.

Financial assets carried at fair value through profit/loss are recognised in the statement of financial position as 'Financial assets designated at fair value'. Fair value changes relating to financial assets designated at fair value through profit or loss are recognised in the income statement

b. Loans and other receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These investments are initially recognized at cost, being the fair value of the consideration paid for the acquisition of the investment. All transaction costs directly attributable to the acquisition are also included in the cost of the investment. After initial measurement, loans and receivables are measured at amortized cost, using the Effective Interest Rate, less allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the Effective Interest Rate. The Effective Interest Rate amortization is included in interest income in the income statement.

c. Held to maturity financial assets

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the company has the intention and ability to hold until maturity. After initial measurement, held to maturity financial assets are measured at amortized cost, using the Effective Interest Rate, less impairment. The Effective Interest Rate amortization is included in 'investment income' in the income statement. Gains and losses are recognized in the income statement when the investments are derecognized or impaired, as well as through the amortization process.

d Available-for-sale financial assets

Available-for-sale investments are financial assets that are intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices or that are not classified as loans and receivables, held to maturity investments or financial assets at fair value through profit or loss. Available-for-sale financial assets are initially recognised at fair value, which is the cash consideration including any transaction costs, and measured subsequently at fair value with gains and losses being recognised in the statement of comprehensive income, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognised. If an available-for-sale financial asset is determined to be impaired, the cumulative gain or loss previously recognised in the statement of comprehensive income is recognised in the income statement. However, interest is calculated using the effective interest method, and foreign currency gains and losses on monetary assets classified as available for sale are recognised in the income statement. Dividends on available-for-sale equity instruments are recognised in the income statement in 'Dividend income' when the company's right to receive payment is established.

◆ Notes to the Financial Statements cont'd

e Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

The excess of the cost of acquisition over the value of the share of the identifiable net assets is recorded as goodwill. If the cost of acquisition is less than the value of the net assets of the subsidiary acquired, the difference is recognized directly in the statement of profit or loss.

For the purposes of impairment testing, goodwill is allocated to each of APR PLC's cash-generating units (or Company of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in the consolidated statement of profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.9 Derecognition of financial assets

A financial asset (or, when applicable, a part of a financial asset or part of a Company of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired or
- The company retains the right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - The company has transferred substantially all the risks and rewards of the asset or
 - The company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its right to receive cash flows from an asset or has entered into a pass through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the company's continuing involvement in the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

◆ Notes to the Financial Statements cont'd

In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

3.10 Impairment of financial assets

Assets carried at amortised cost

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or Company of financial assets is impaired. A financial asset or a Company of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the assets (a 'loss event'), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or Company of financial assets that can be reliably estimated.

The following factors are considered in assessing objective evidence of impairment:

- (i) Whether the client company is more than 90 days past due;
- (ii) The entity consents to a restructuring of the obligation, resulting in a diminished financial obligation, demonstrated by a material forgiveness of debt or postponement of scheduled payments; or
- (iii) There is an observable data indicating that there is a measurable decrease in the estimated future cash flows of a Company of financial assets, although the decrease cannot yet be identified with specific individual financial assets.

The entity first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant.

If the entity determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a Company of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised, are not included in a collective assessment of impairment.

Subsequent to initial recognition, the fair values are re-measured at each reporting date. All gains and losses arising from changes therein are recognised in profit or loss in 'net trading income' for trading assets.

Interest earned and dividends received while holding trading assets at fair value through profit or loss are included in net trading income. Trading assets are not reclassified subsequent to their initial recognition.

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the

◆ Notes to the Financial Statements cont'd

financial asset, the estimated future cash flows of the investment have been affected.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include APR PLC's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through

◆ Notes to the Financial Statements cont'd

profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been

3.11 Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand, unrestricted balances held with the Central Bank and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the entity in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

3.12 Property and equipment

(i) Recognition and measurement

Items of property and equipment are carried at cost less accumulated depreciation and impairment losses. The cost of Property, Plant and Equipment includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(ii) Subsequent costs

The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the entity and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

◆ Notes to the Financial Statements cont'd

The estimated useful lives for the current and comparative period are as follows:

Leasehold improvements	Over the shorter of the useful life of item or lease period
Leasehold land	Over the unexpired lease term
Buildings	40 years
Computer equipment	5 years
Furniture, fittings and equipment	5 years
Motor vehicles	5 years
Capital work - in - progress	Not depreciated

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

(iv) De-recognition

An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

3.13 Intangible assets

Software

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

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

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

3.14 Provisions

A provision is recognised if, as a result of a past event, the entity 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. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

◆ Notes to the Financial Statements cont'd

3.15 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average principle and include expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and selling expenses.

3.16 Employee benefits

Post-employment benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are recognized as an expense in the statement of Profit or Loss when they are due. The contribution payable to a defined contribution plan is in proportion to the services rendered to the entity by the employees and is recorded as an expense under "Personnel expenses". Unpaid contributions are recorded as liability.

3.17 Share capital and reserves

Ordinary Share Capital: The ordinary share capital of the entity is classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity net of any tax effects.

3.18 Earnings per share

The entity presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the entity by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4 Application of new and revised international financial reporting standards (IFRSs)

4.1 New and revised IFRSs that are not mandatorily effective (but allow early application) for the year ended 31 December 2017

Below is a list of new and revised IFRSs that are not yet mandatorily effective (but allow early application) for the year ending 31 December 2017:

- i IFRS 9 Financial Instruments;
- ii. IFRS 15 Revenue from Contracts with Customers;
- iii. IFRS 16 Leases
- iv. Amendments to IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses
- v Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions

◆ Notes to the Financial Statements cont'd

- vi. Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture;
- vii. Amendments to IAS 40 Transfers of Investment Property;
- viii. Annual Improvements to IFRS Standards 2014-2016 Cycle; and
- ix. IFRIC 22 Foreign Currency Transactions and Advance Consideration.
- x. The IASB has also issued Amendments to IFRS 4 'Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts', which is effective for annual periods beginning on or after 1 January 2018.

IFRS 9 Financial Instruments

(Effective for annual periods beginning on or after 1 January 2018)

In July 2014, the IASB finalised the reform of financial instruments accounting and issued IFRS 9 (as revised in 2014), which contains the requirements for a) the classification and measurement of financial assets and financial liabilities, b) impairment methodology, and c) general hedge accounting. IFRS 9 (as revised in 2014) will supersede IAS 39 Financial Instruments: Recognition and Measurement upon its effective date.

Phase 1: Classification and measurement of financial assets and financial liabilities

With respect to the classification and measurement, the number of categories of financial assets under IFRS 9 has been reduced; all recognised financial assets that are currently within the scope of IAS 39 will be subsequently measured at either amortised cost or fair value under IFRS 9. Specifically:

a debt instrument that (i) is held within a business model whose objective is to collect the contractual cash flows and (ii) has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding must be measured at amortised cost (net of any write down for impairment), unless the asset is designated at fair value through profit or loss (FVTPL) under the fair value option.

a debt instrument that (i) is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets and (ii) has contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, must be measured at FVTOCI, unless the asset is designated at FVTPL under the fair value option.

all other debt instruments must be measured at FVTPL.

all equity investments are to be measured in the statement of financial position at fair value, with gains and losses recognised in profit or loss except that if an equity investment is not held for trading, an irrevocable election can be made at initial recognition to measure the investment at FVTOCI, with dividend income recognised in profit or loss.

IFRS 9 also contains requirements for the classification and measurement of financial liabilities and derecognition requirements. One major change from IAS 39 relates to the presentation of changes in the fair value of a financial liability designated as at FVTPL attributable to changes in the credit

◆ Notes to the Financial Statements cont'd

risk of that liability. Under IFRS 9, such changes are presented in other comprehensive income, unless the presentation of the effect of the change in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as FVTPL is presented in profit or loss.

Phase 2: Impairment methodology

The impairment model under IFRS 9 reflects expected credit losses, as opposed to incurred credit losses under IAS 39. Under the impairment approach in IFRS 9, it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, an entity always accounts for expected credit losses and changes in those expected credit losses. The amount of expected credit losses should be updated at each reporting date to reflect changes in credit risk since initial recognition.

Phase 3: Hedge accounting

The general hedge accounting requirements of IFRS 9 retain the three types of hedge accounting mechanisms in IAS 39. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify as hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is no longer required. Far more disclosure requirements about an entity's risk management activities have been introduced.

The work on macro hedging by the IASB is still at a preliminary stage - a discussion paper was issued in April 2014 to gather preliminary views and direction from constituents with a comment period which ended on 17 October 2014. The project is under deliberation at the time of writing.

Transitional provisions

IFRS 9 (as revised in 2014) is effective for annual periods beginning on or after 1 January 2018 with earlier application permitted. If an entity elects to apply IFRS 9 early, it must apply all of the requirements in IFRS 9 at the same time, except for those relating to:

1. the presentation of fair value gains and losses attributable to changes in the credit risk of financial liabilities designated as at FVTPL, the requirements for which an entity may early apply without applying the other requirements in IFRS 9; and
2. hedge accounting, for which an entity may choose to continue to apply the hedge accounting requirements of IAS 39 instead of the requirements of IFRS 9.

An entity may early apply the earlier versions of IFRS 9 instead of the 2014 version if the entity's date of initial application of IFRS 9 is before 1 February 2015. The date of initial application is the beginning of the reporting period when an entity first applies the requirements of IFRS 9.

◆ Notes to the Financial Statements cont'd

IFRS 9 contains specific transitional provisions for i) classification and measurement of financial assets; ii) impairment of financial assets; and iii) hedge accounting.

IFRS 9 Impact Assessment

The Company does not expect a significant impact on its balance sheet or equity on applying the classification and measurement requirements of IFRS 9. Detailed below are management's assertions with respect to its financial assets:

It expects to continue measuring at fair value all financial assets currently held at fair value. This comprises of investment in listed equities. Unquoted equities currently held as available-for-sale (AFS) will continue to be measured at fair value through OCI. Federal government bonds, treasury bills and commercial papers currently carried as Held-To-Maturity (HTM) will also continue to be measured at amortized cost.

Debt instruments measured at FVTOCI, have interest recognised in profit or loss using the effective interest rate, they are also within the scope of IFRS 9's impairment requirements. Investments in equity instruments designated at FVTOCI which are not in scope of IFRS 9's impairment requirements and for which only dividend income is recognised in profit or loss with all other gains and losses recognised in other comprehensive income without reclassification on derecognition.

IFRS 15 Revenue from Contracts with Customers

(Effective for annual periods beginning on or after 1 January 2018)

IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. It will supersede the following revenue Standards and Interpretations upon its effective date:

- IAS 18 Revenue;
- IAS 11 Construction Contracts;
- IFRIC 13 Customer Loyalty Programmes;
- IFRIC 15 Agreements for the Construction of Real Estate;
- IFRIC 18 Transfers of Assets from Customers; and
- SIC 31 Revenue-Barter Transactions Involving Advertising Services.

As suggested by the title of the new revenue Standard, IFRS 15 will only cover revenue arising from contracts with customers. Under IFRS 15, a customer of an entity is a party that has contracted with the entity to obtain goods or services that are an output of the entity's ordinary activities in exchange for consideration.

Unlike the scope of IAS 18, the recognition and measurement of interest income and dividend income from debt and equity investments are no longer within the scope of IFRS 15. Instead, they are within the scope of IAS 39 Financial Instruments: Recognition and Measurement (or IFRS 9 Financial Instruments, if IFRS 9 is early adopted).

◆ Notes to the Financial Statements cont'd

As mentioned above, the new revenue Standard has a single model to deal with revenue from contracts with customers. Its core principle is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The new revenue Standard introduces a 5-step approach to revenue recognition and measurement:

Step 1: Identify the contract with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Far more prescriptive guidance has been introduced by the new revenue Standard:

- Whether or not a contract (or a combination of contracts) contains more than one promised good or service, and if so, when and how the promised goods or services should be unbundled.

Whether the transaction price allocated to each performance obligation should be recognised as revenue over time or at a point in time. Under IFRS 15, an entity recognises revenue when a performance obligation is satisfied, which is when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Unlike IAS 18, the new Standard does not include separate guidance for 'sales of goods' and 'provision of services'; rather, the new Standard requires entities to assess whether revenue should be recognised over time or a particular point in time regardless of whether revenue relates to 'sales of goods' or 'provision of services'.

- When the transaction price includes a variable consideration element, how it will affect the amount and timing of revenue to be recognised. The concept of variable consideration is broad; a transaction price is considered variable due to discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties and contingency arrangements. The new Standard introduces a high hurdle for variable consideration to be recognised as revenue – that is, only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.
- When costs incurred to obtain a contract and costs to fulfil a contract can be recognised as an asset.

The directors do not anticipate that the application of IFRS 15 will have significant impact on the financial performance of the company

IFRS 16 Leases

IFRS 16 Leases was issued, it specifies how an IFRS reporter will recognize, measure, present and

◆ Notes to the Financial Statements cont'd

disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

Effective date of this standard is 1 January 2019

Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions (Effective for annual periods beginning on or after 1 January 2018)

The amendments clarify the following:

1. In estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions should follow the same approach as for equity-settled share-based payments.
2. Where tax law or regulation requires an entity to withhold a specified number of equity instruments equal to the monetary value of the employee's tax obligation to meet the employee's tax liability which is then remitted to the tax authority (typically in cash), i.e. the share-based payment arrangement has a 'net settlement feature', such an arrangement should be classified as equity-settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature.
3. A modification of a share-based payment that changes the transaction from cash-settled to equity-settled should be accounted for as follows:
 - (i) the original liability is derecognised;
 - (ii) the equity-settled share-based payment is recognised at the modification date fair value of the equity instrument granted to the extent that services have been rendered up to the modification date; and
 - (iii) any difference between the carrying amount of the liability at the modification date and the amount recognised in equity should be recognised in profit or loss immediately.

The amendments are effective for annual reporting periods beginning on or after 1 January 2018 with earlier application permitted.

Amendments to IAS 40 Transfers of Investment Property

The amendments clarify that a transfer to, or from, investment property necessitates an assessment of whether a property meets, or has ceased to meet, the definition of investment property, supported by observable evidence that a change in use has occurred. The amendments further clarify that the situations listed in IAS 40 are not exhaustive and that a change in use is possible for properties under construction (i.e. a change in use is not limited to completed properties).

◆ Notes to the Financial Statements cont'd

The amendments are effective for annual periods beginning on or after 1 January 2018 with earlier application permitted. Entities can apply the amendments either retrospectively (if this is possible without the use of hindsight) or prospectively. Specific transition provisions apply.

Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions

IFRS 2 was amended to clarify the standard in relation to the accounting for cash-settled share-based payment transactions that include a performance condition, the classification of share-based payment transactions with net settlement features, and the accounting for modifications of share based payment transactions from cash-settled to equity-settled.

Effective date is 1 January 2018.

The directors of the company do not anticipate that the application of these standards may have impact on the company's financial statements.

Annual Improvements to IFRSs 2014 – 2016 Cycle

The Annual Improvements include amendments to a number of IFRSs, which have been summarised below. The package also includes amendments to IFRS 12 Disclosure of Interests in Other Entities, which is effective for annual periods beginning on or after 1 January 2017 (see details below).

Standard	Subject of Amendment	Details
IFRS 1 International Financial Reporting Standards	Deletion of short-term exemptions for first-time adopters	The amendments delete certain short-term exemptions in IFRS 1 because the reporting period to which the exemptions applied have already passed. As such, these exemptions are no longer applicable.
IAS 28 Investments in Associates and Joint Ventures	Measuring an associate or joint venture at fair value	<p>The amendments clarify that the option for a venture capital organisation and other similar entities to measure investments in associates and joint ventures at FVTPL is available separately for each associate or joint venture, and that election should be made at initial recognition of the associate or joint venture.</p> <p>In respect of the option for an entity that is not an investment entity (IE) to retain the fair value measurement applied by its associates and joint ventures that are IEs when applying the equity method, the amendments make a similar clarification that this choice is available for each IE associate or IE joint venture.</p> <p>The amendments apply retrospectively with earlier application permitted.</p>

◆ Notes to the Financial Statements cont'd

IFRIC 22 Foreign Currency Transactions and Advance Consideration

IFRIC 22 addresses how to determine the 'date of transaction' for the purpose of determining the exchange rate to use on initial recognition of an asset, expense or income, when consideration for that item has been paid or received in advance in a foreign currency which resulted in the recognition of a non-monetary asset or non-monetary liability (for example, a non-refundable deposit or deferred revenue).

The Interpretation specifies that the date of transaction is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance, the Interpretation requires an entity to determine the date of transaction for each payment or receipt of advance consideration.

The Interpretation is effective for annual periods beginning on or after 1 January 2018 with earlier application permitted. Entities can apply the Interpretation either retrospectively or prospectively. Specific transition provisions apply to prospective application.

4 Financial Risks Management

The entity has exposure to the following risks:

(a) Credit Risk

Credit risk is the risk of financial loss to the entity if a client company or a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the entity's receivables from client companies and investment securities.

The carrying amount of financial assets represents the maximum credit exposure. AP PLC's maximum exposure to credit risk at the reporting date was as follows:

Carrying Amount

	31-Dec-17 N'000	31-Dec-16 N'000
Trade and other receivables	257,107	313,771
Cash and cash equivalents	9,192,490	4,666,989
Financial assets - Held to maturity	7,554,522	8,136,794
Financial assets - Available for sale	4,440,443	3,116,156
	21,444,562	16,233,700

◆ Notes to the Financial Statements cont'd

(c) Liquidity Risk

Liquidity risk is the risk that AP PLC will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. AP PLC approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to AP PLC's reputation.

AP PLC uses activity based costing to cost its products and services, which assists in monitoring cash flow requirements and optimising its cash returns on investments. AP PLC aims to maintain the level of its cash and cash equivalents. AP PLC also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

(d) Market Risk

This is the risk that AP PLC's processes and operations may not keep up with industry developments and lead to a loss of patronage and clients. Mitigating the risk is the fact that Africa Prudential has been involved in a number of Research and Development initiatives in order to keep abreast of technological developments and business opportunities in its area of operation. Africa Prudential will continually research into ways of improving efficiency in its operations increase market share, enhance profitability and maximize returns to shareholders.

(e) Capital Management

AP PLC is focused on delivering value for its shareholders whilst ensuring AP PLC is able to continue effectively as a going concern. Value adding opportunities to grow the business are continually assessed, although strict and careful criteria are applied.

The Policies for managing capital are to increase shareholder value by maximising profits and cash. The policy is to set budgets and forecasts into the short and medium term that AP PLC ensures are achievable. The process for managing capital are regular reviews of financial data to ensure that AP PLC is tracking the targets set and to reforecast as necessary based on the most up to date information while maintaining a sustainable generation of free cash flow in operations to fund steady growth.

◆ Notes to the Financial Statements cont'd

5 Revenue	31-Dec-17 N'000	31-Dec-16 N'000
Fees Income (note 5a)	935,434	994,394
Net interest income (note 5b)	2,380,382	1,424,109
	3,315,816	2,418,503

5a Fees Income

Fees and commission income comprises fixed periodic administration fees, retainership fee, fees for managing corporate actions, fees for professional and IT services and fees earned on the administration of client funds which is value added tax inclusive. Administration fees are recognised evenly over the service period. Transaction based fees are recognised at the time of processing the related transactions. Revenues from corporate actions are recognised in line with the stage of completion and fees in relation to administration of client funds are recognised as they accrue.

	31-Dec-17 N'000	31-Dec-16 N'000
Register maintenance	173,003	165,597
Retainership fees	477,754	318,422
Fees from Corporate actions	263,556	508,598
Other fees	21,121	1,777
	935,434	994,394

5b Net interest income

Net interest income includes income from held to maturity investments such as treasury bills, term deposits, commercial paper, banker's acceptance and bonds.

	31-Dec-17 N'000	31-Dec-16 N'000
Interest income		
Interest on term deposit	775,677	493,347
interest on treasury bills	1,413,249	629,237
interest on bonds	191,456	301,525
	2,380,382	1,424,109

◆ Notes to the Financial Statements cont'd

6 Other income

This comprises income earned from investment in available for sale financial assets, search fees, photocopies and disposal of fixed assets.

	31-Dec-17 N'000	31-Dec-16 N'000
Dividend Income earned on available for sale financial assets	18,816	14,340
Interest income earned on staff loans	827	2,204
Write back of provision no longer required (Note 13a)	5,709	4,120
Others (aggregate of immaterial items)	23,844	8,550
	49,196	29,214

7 Impairment loss

Impairment loss on trade receivables	-	5,956
Impairment losses on goodwill	157,296	141,504
Net impairment loss	157,296	147,460

8 Personnel expenses

Wages and salaries	248,597	214,232
Contributions to defined contribution plans	9,513	8,155
Medical expenses	13,675	10,881
Other employee benefits	55,359	120,145
	327,144	353,413

9 Other operating expenses

Consultancy fees	142,502	141,989
AGM/EGM expenses	83,874	42,837
Assets written off	-	269
Directors fees and other emoluments	48,122	53,423
Audit fees	10,000	10,000
Training	9,062	4,249
Rents & utilities	36,977	36,832
Premises and equipment expenses	37,271	30,740
Corporate Social responsibility	28,919	32,587
Advert and business promotion	43,291	14,849
Annual dues and subscription	18,816	7,178
Internet and communication	53,793	25,374
Travel expenses	19,365	6,089
Legal and professional expenses	7,309	12,469
Insurance	4,462	4,092
Business and other entertainment	31,962	8,271
Bank charges	8,531	8,236
General administrative expenses	46,593	16,008
	630,849	455,492

◆ Notes to the Financial Statements cont'd

	31-Dec-17 N'000	31-Dec-16 N'000
10 Finance charges	130,703	-
11 Cash and cash equivalents		
Cash in hand	42	70
Current account with banks	529,827	564,029
Short term deposits	8,662,621	4,102,890
	9,192,490	4,666,989
11a Maturity profile of short term deposits		
At call	2,721,623	139,556
0 - 30 days	-	1,053,168
30 - 60 days	1,183,355	2,265,166
60 - 90 days	4,757,643	645,000
	8,662,621	4,102,890

Cash and short term deposit in the statement of financial position comprise cash at bank and in hand and short term deposit with an original maturity of three months or less. The fair value of cash and cash equivalents equates their carrying amount.

12 Financial assets		
12a Available for Sale		
Quoted equity	339,186	119,497
Unquoted equities	4,101,257	2,996,659
	4,440,443	3,116,156
12b Held to maturity		
Edo State Government Bond 2017	-	1,021,952
Bayelsa State Government Bond 2019	195,386	351,994
Local Contractor Bond 2017	-	1,047,393
Treasury Bills	7,359,136	5,715,455
	7,554,522	8,136,794

State Government Bonds of Edo and Bayelsa, Local contractor bonds and Treasury bills are held to maturity and accounted for at amortised cost.

◆ Notes to the Financial Statements cont'd

	31-Dec-17 N'000	31-Dec-16 N'000
13 Trade and other receivables		
Trade debtors	133,790	226,133
Withholding tax receivable	113,381	66,397
Staff Loans	14,933	31,946
	262,104	324,476
Allowances for doubtful accounts (note 13a)	(4,997)	(10,705)
At 31 December	257,107	313,771

Trade receivables are recognized and carried at original invoiced amount less an allowance for any uncollectable amount. An estimate of doubtful debt is made when collection of the full amount is no longer probable.

	31-Dec-17 N'000	31-Dec-16 N'000
13a Reconciliation of allowance accounts		
At 1 January	10,705	23,159
Less bad debts written off	-	(18,410)
(Write back)/addition to allowance for the year	(5,708)	5,956
At 31 December	4,997	10,705

14 Inventory		
Client stationery	16,578	15,710

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is valued using the most recent prices for the most recent purchases and includes expenditure incurred in acquiring the inventories.

	31-Dec-17 N'000	31-Dec-16 N'000
15 Other Assets		
Prepayments	70,499	43,319
Cash advance	1,571	1,422
Software development cost	-	52,019
	72,070	96,760

◆ Notes to the Financial Statements cont'd

16 Property, plant and equipment

	Building N'000	Computer equipment N'000	Motor vehicles N'000	Furniture fittings & equipment N'000	Total N'000
Cost					
At 1 January 2017	97,892	89,310	70,478	139,318	396,998
Additions	-	6,834	38,900	17,823	63,557
At 31 December 2017	97,892	96,144	109,378	157,141	460,555
Accumulated depreciation					
At 1 January 2017	9,661	63,673	46,330	75,065	194,729
Depreciation charge for the year	2,447	10,734	9,438	19,524	42,143
At 31 December 2017	12,108	74,407	55,768	94,589	236,872
Carrying amount					
At 31 December 2017	85,784	21,737	53,610	62,552	223,683
At 31 December 2016	88,231	25,637	24,148	64,253	202,269

	Company 31-Dec-17 N'000	Company 31-Dec-16 N'000
17 Intangible asset		
Cost		
At 1 January 2017	45,391	35,519
Additions in the year	70,662	9,872
At 31 December, 2017	116,053	45,391
Accumulated amortization		
At 1 January 2017	28,149	23,985
Amortization charge for the year	9,983	4,164
At 31 December 2017	38,132	28,149
Carrying amount At 31 December	77,921	17,242

Intangible assets represent Greenpole and Easycoop software developed and deployed during the year.

◆ Notes to the Financial Statements cont'd

18 Goodwill arising from business combination

Goodwill arising on the acquisition of UAC Registrars is carried at cost as established at the date of acquisition of the business (30 May, 2013) less accumulated impairment losses if any. In 2014, the company commenced the liquidation of the subsidiary to consolidate its operations. The liquidation process was concluded in October, 2015.

Goodwill on acquisition of the subsidiary is however still being carried in the books and tested for impairment annually as required by the standard. For the purpose of testing for impairment, goodwill was allocated to identifiable cash generating units on acquisition of the subsidiary and transferred to the company on liquidation. The recoverable amount of this cash-generating unit is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the directors covering a five-year, and a discount rate of 20% per annum. The recoverable amount was determined to be lower than the value in use, leading to an impairment charge of N157million for the current year.

	31-Dec-17 N'000	31-Dec-16 N'000
Carrying value of goodwill		
At January	255,989	397,493
Accumulated impairment losses	(157,296)	(141,504)
At 31 December	98,693	255,989

19 Customers' deposits

This represents dividend, return monies and other interests received from clients but yet to be claimed as follows:

	31-Dec-17 N'000	31-Dec-16 N'000
Customer deposits		
Public offers	1,302,930	4,557
Return money - public offers	462,523	462,723
Brokerage: ordinary shares	178,658	178,658
Dividend: ordinary shares	8,808,847	11,057,423
Interest: debentures	31,189	31,189
Bond Interest	1	1
Redemption preference shares	3,002	3,002
Redemption debentures	5,144	5,144
	10,792,264	11,742,697

◆ Notes to the Financial Statements cont'd

20	Creditors and accruals	31-Dec-17 N'000	31-Dec-16 N'000
	Accounts payable	323,383	305,849
	Accrued expenses	7,530	76,182
		330,913	382,031
21	Post-employment benefits		
	Defined contribution plan		
	Provision for the year	9,513	(8,155)
	Release to PFAs	(9,513)	8,155
		-	-

The staff pension provision is a defined contribution scheme where the employees and the company each contributes a minimum of 18% of total emolument to the pension scheme as required by the Pension Reform Act 2014. The company's contribution to the scheme is charged to the statement of profit and loss and other comprehensive income.

22 Income Taxes

Income tax expense for the year comprises current and deferred taxes

22a	Income tax expense	31-Dec-17 N'000	Company 31-Dec-16 N'000
	Income tax	180,000	133,678
	Education tax	13,110	11,178
	IT tax	-	(105)
	Under provision in prior years	126,218	229,522
		319,328	374,273
	Deferred tax charge	32,788	52,490
		352,116	426,763
22b	Deferred tax liability		
	At 1 January	1,322	(51,168)
	Arising during the year	32,788	52,490
	At 31 December	34,110	1,322
22c	Tax liability		
	At 1 January	144,856	41,529
	Income tax expense	319,328	374,273
	Withholding tax credit utilised	(40,438)	(16,182)
	Payment in the year	(199,339)	(254,764)
	At 31 December	224,407	144,856

22d The charge for income tax in these financial statement is based on the provisions of the Companies Income Tax Act CAP C21 LFN 2004 as amended and the Education Tax Act CAP E4 LFN 2004 and the Nigerian Information Technology Development Agency (NITDA) Act 2007.

◆ Notes to the Financial Statements cont'd

	31-Dec-17		31-Dec-16	
	N'000	%	N'000	%
Reconciliation of effective to statutory tax rate				
Profit before tax	2,066,894	100	1,445,936	100
Company income tax	180,000	9	133,678	9
IT tax	-	-	(105)	-
Education tax	13,110	1	11,178	1
Effective tax rate	2,260,004	10	1,590,687	10
Adjustments:				
Education tax	(13,110)	(1)	(11,178)	(1)
Effect of permanent differences	440,068	21	371,580	21
Statutory tax rate	2,686,962	30	1,951,089	30
23 Loan from commercial bank				
At 31 December	3,612,328		-	

This represents a N3.5billion loan facility from a commercial bank at an interest rate of 22% per annum for a period of twenty-four (24) months.

	31-Dec-17	31-Dec-16
	N'000	N'000
24 Share capital:		
Authorised:		
Two billion ordinary shares of 50k each	1,000,000	1,000,000
Issued and fully paid:		
Two billion ordinary shares of 50k each	1,000,000	1,000,000
25 Share premium		
At 31 December	624,446	624,446
26 Retained Earnings		
At 1 January	3,771,874	3,612,701
Dividend paid (2016 final)	(600,000)	(860,000)
Transfer from statement of profit or loss	1,714,778	1,019,173
At 31 December	4,886,652	3,771,874

◆ Notes to the Financial Statements cont'd

27 Other reserves	31-Dec-17 N'000	31-Dec-16 N'000
At 1 January	(845,546)	(662,179)
Fair value gain on quoted equity	169,335	29,741
Fair value gain/(loss) on unquoted equity	1,104,598	(213,108)
At 31 December	428,387	(845,546)

Other reserves represent the cumulative gains and losses arising on revaluation of available for sale asset that have been recognized in other comprehensive income

On 28 March 2017, total dividend 30 kobo per share (N600 million), was approved by shareholders to be paid to holders of fully paid ordinary shares in relation to the 2016 financial year.

In respect of the current year, The Directors are proposing a dividend of 40 kobo per share (total dividend of N800 million). This dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in the financial statements.

28 Basic earnings per ordinary share

Profit attributable to shareholders (N'000)	1,714,778	1,019,173
Number of ordinary share in issue ('000)	2,000,000	2,000,000
Earnings per share (kobo)	86	51

Basic Earnings Per Share is calculated by dividing the profit or loss attributable to ordinary shares of the company by the weighted average number of ordinary shares outstanding during the year.

There have been no transactions between the reporting date and the date of completion of these financial statements which will require restatement of the earnings per share calculation

29 Key management personnel

Key management personnel constitutes those individuals who have the authority and the responsibility for planning, directing and controlling the activities of Africa Prudential Plc, directly or indirectly.

The key management personnel of the company include all directors (executive and non-executive) and senior management. The summary of compensation of key management personnel for the year is as follows:

◆ Notes to the Financial Statements cont'd

	31-Dec-17 N'000	31-Dec-16 N'000
Emolument of directors		
Directors Fees & other emoluments		
Chairman	6,875	6,875
Other Directors	41,247	46,548
	48,122	53,423
<hr/>		
Fees	5,500	5,500
Other emoluments	42,622	47,923
	48,122	53,423
<hr/>		
i) The total number of Directors were:	6	5

Staff numbers and costs

ii) The number of persons employed (excluding directors) in the company during the year was as follows:

		31-Dec-17	31-Dec-16
N60,000	- N70,000	-	-
N200,001	- N400,000	-	-
N400,001	- N600,000	-	-
N600,001	- N800,000	13	15
N800,001	- N1,200,000	36	38
N1,200,001	- N2,000,000	9	12
N2,000,001	- N3,000,000	-	-
N3,000,001	- N5,000,000	17	15
N5,000,001	- N7,000,000	7	5
N7,000,001	- N8,000,000	-	-
N8,000,001	- N10,000,000	1	-
N10,000,001	- above	3	3
		86	88

	31-Dec-17 N'000	31-Dec-16 N'000
Salaries & wages	97,137	98,374
Defined contribution Plans	8,664	8,134
	105,801	106,508

◆ Notes to the Financial Statements cont'd

30 Contingent liabilities and commitments

The company in its ordinary course of business was not involved in any suit as at year end (31 December 2016: Nil). The directors of the company are not aware of any pending or threatened claims or litigations, which may be material to the financial statements. There were no other contingent liabilities requiring disclosure in these financial statements.

31 Capital commitments

The company had no capital commitments as at 31 December 2017 (31 December 2016: Nil)

32 Subsequent events

There were no events subsequent to the financial position date which require adjustment to or disclosures in the financial statements.

33 Contraventions

There were no infractions during the year (2016: Nil penalty was paid)

34 Financial Risk Management

34.1 Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

34.2 Foreign currency risk management

The Company does not undertake transactions denominated in foreign currencies in the ordinary course of its business. Consequently, exposures to exchange rate fluctuations may not arise.

34.3 Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Company takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks.

34.4 Interest rate sensitivity analysis

The Company is exposed to interest rate risk because entities in the Company invest funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate investments. Hedging activities are evaluated

◆ Notes to the Financial Statements cont'd

regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The sensitivity analyses below have been determined based on the exposure to interest rates for interest yielding financial instruments which were measured at fair value at the end of the reporting period. The fair values of financial assets classified as held-to-maturity would be impacted as shown below if yields were 1% higher or lower as at 31 December 2017

	Value as at 2017	1% higher	1% lower
Investment	N'000	N'000	N'000
Treasury bills	7,359,136	7,432,727	7,285,544
State Government bonds	195,386	197,340	193,433

Determination of fair value and fair value hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable input reflects market data obtained from independent sources; unobservable inputs reflect the Company's market assumptions. These two types of inputs have created the following fair value hierarchy. UBA Securities uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data (unobservable inputs).

The following table shows an analysis of the company's financial instruments recorded at fair value by level of the fair value hierarchy. This hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible.

The following table shows an analysis of the company's financial instruments recorded at fair value by level of the fair value hierarchy. This hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible.

2017	Level 1	Level 2	Level 3	Total
Financial assets				
Non-derivative financial instruments	339,186	-	4,101,257	4,440,442
2016	Level 1	Level 2	Level 3	Total
Financial assets held to maturity	119,497	-	2,996,659	3,116,156

◆ Notes to the Financial Statements cont'd

The fair value of held-to-maturity instruments is based on the quoted prices obtained from the relevant exchange.

For financial instruments for which the fair value approximates carrying value i.e. those instruments that are liquid or have a short-term maturity (less than three months), it is assumed that the carrying values approximate their fair value.

The fair value of held-to-maturity instruments is based on the quoted prices obtained from the relevant exchange.

For financial instruments for which the fair value approximates carrying value i.e. those instruments that are liquid or have a short-term maturity (less than three months), it is assumed that the carrying values approximate their fair value.

Fair valuation methods and assumptions

- (i) **Cash and balances with banks and amounts due from other financial institutions**
Cash and balances with banks represent cash held with banks, while amounts due from other financial institutions represent investments in term deposits with these institutions. The fair value of these balances is their carrying amounts.
- (ii) **Equity securities**
The fair value of quoted equity securities is determined by reference to quoted prices (unadjusted) in active markets for identical instruments. The fair value of unquoted equity securities is determined based on prices obtained from an observable market.
- (iii) **Treasury Bills**
Fair value of Treasury Bills is determined based on prices obtained from an observable market.
- (iv) **Trade and other account receivable**
These represent monetary assets which usually have a short recycle period and as such the fair values of these balances approximate their carrying amount.

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

(i) Management of risk

The Company's policy over credit risk is to minimize its exposure to counterparties with perceived higher risk of default by dealing only with counterparties meeting specific high standards. Credit risk is monitored on a monthly basis by the Finance and Management Service (FMS) unit in accordance with the policies and procedures in place. Principal policies set in place include:

◆ Notes to the Financial Statements cont'd

Establishing an appropriate credit risk management environment
 Maintaining an appropriate credit administration, measurement and monitoring processes, including strict adherence to the investment rules and regulations set by the Securities and Exchange Commission (SEC); and
 Establishing an appropriate approval limits for investment of certain types and tenors.
 Ensuring adequate control over risk.

(ii) Exposure to risk

The company's maximum credit risk exposure at the reporting date is represented by the respective carrying amounts of the relevant financial asset in the statement of financial position.

The Company is exposed to credit on its interest and trade receivable balances due from financial institutions and its client companies respectively. Most of the Company's revenue could be attributable to interest and trade receivable balances.

2017

Asset	<30 days	31-90 days	91-180 days	181-365 days	1-3 years	>3 years	Total
Placements	2,721,623,385	5,940,997,770	-	-	-	-	8,662,621,155
Treasury Bills	-	-	7,359,135,716	-	-	-	7,359,135,716
Equity (AFS)	-	-	-	-	4,440,442,924	-	4,440,442,924
Bonds (HTM)	-	-	-	-	195,386,445	-	195,386,445
Total	2,721,623,385	5,940,997,770	7,359,135,716	-	4,635,829,369	-	20,657,586,240

Liability	<30 days	31-90 days	91-180 days	181-365 days	1-3 years	>3 years	Total
Unclaimed Dividend	-	-	701,062,338	2,795,857,386	1,826,008,462	5,469,337,218	10,792,265,404
Other Liabilities	-	-	-	330,913,033	-	-	330,913,033
Total	-	-	701,062,338	3,126,770,419	1,826,008,462	5,469,337,218	11,123,178,437

Asset	<30 days	31-90 days	91-180 days	181-365 days	1-3 years	>3 years	Total
Financial Assets	2,721,623,385	5,940,997,770	7,359,135,716	-	4,635,829,370	-	20,657,586,241
Financial Liabilities	-	-	-	(3,126,770,419)	(1,826,008,462)	(5,469,337,218)	(10,422,116,099)
Gap	2,721,623,385	5,940,997,770	7,359,135,716	(3,126,770,419)	2,809,820,908	(5,469,337,218)	10,235,470,142

◆ Notes to the Financial Statements cont'd

Enterprise Risk Management

Enterprise Risk Management is a structured and disciplined approach to the management of risk in Africa Prudential and it aligns with the company's strategy, process, people, technology and knowledge for the purpose of evaluating and managing uncertainties that it faces while creating value. It enables the management to effectively take advantage of opportunities and deal with the associated threats and uncertainties, thus enhancing the capacity to create value.

At Africa Prudential, our enterprise risk management framework and methodology is based on and complies with the Committee of Sponsoring Organizations of the Treadway Commission (COSO) ERM framework. The focus of enterprise risk management in Africa Prudential is to ensure effective integration over time into organization processes so that risk management not only protects, but also creates value.

ENTERPRISE RISK MANAGEMENT OBJECTIVES IN AFRICA PRUDENTIAL PLC

Enterprise Risk Management (ERM), through the application of the framework's objectives, aids the achievement of the Company's strategic priorities and advances the management practices in the Company.

Specifically, the objectives of the ERM framework in Africa Prudential are:

Incorporate a consistent approach to enterprise risk management into the culture and strategic planning processes of the Company, supporting the setting of priorities and making of decisions at the institutional level, as well as at the business department levels.

Apply a consistent approach to risk response and control activities to support the Company's governance responsibilities for innovation and responsible risk-taking, policy development, programs and objectives. In all cases, appropriate measures will be put in place to address unfavourable impacts from risks and favourable benefits from opportunities.

Manage a transparent approach to risk through formal and informal communication and monitoring of all key risks, balancing the cost of managing the risk with the anticipated benefit. Risk management practices will be adapted to encompass best practices, specific circumstances and mandate.

RISK MANAGEMENT GOVERNANCE

The Company adopts a three-level-of-defence governance framework. This is in a bid to create and promote a culture that emphasizes effective operational management and adherence to operating controls.

◆ Notes to the Financial Statements cont'd

1st Line of defence: In Africa Prudential the 1st line of defence is handled by front-line and mid-line managers who have day-to-day ownership and responsibility of managing risk through business and policy frameworks set by the second line of defence.

2nd Line of defence: The Enterprise Risk Management function within Africa Prudential has overall responsibility for the second line of defence. The function reports to the Board through the Finance & Investment Committee.

3rd Line of defence: The Audit function provides independent assurance on the effectiveness of the first and second lines of defence in the management of enterprise risks across the organization and reports to the Board through the Statutory Audit Committee and Audit & Governance Committee.

REPUTATIONAL RISK MANAGEMENT

Africa Prudential believes that a comprehensive Risk Management strategy will help protect the company by preventing events that damage it. The company understands that reputational risk poses a special threat to financial institutions because the nature of our business requires the confidence of customers, creditors and regulators.

We will continue to monitor and manage risks to our reputation as the risks are intangible and cannot be meaningfully measured or supported by risk capital.

The Company has dedicated credit standards, policies and procedures to control and monitor intrinsic and concentration risks through all credit levels of selections, administration and control. Some of these policies include ensuring that all investment entered are of low medium duration; thus, minimizing the risk of default.

Liquidity Risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's reputation.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short-, medium- and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities

Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personal, technology and infrastructure, and from external factors other than credit, market and liquidity risk s such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviours. Operational risk arises from the entire Company operations. Management of the Company's operational risk is centred around its processes, people, system and

◆ Notes to the Financial Statements cont'd

external events. The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity. The primary responsibility for the development and implementation of control to address operational risk is assigned to senior management within each business unit. The Company's internal control & compliance unit are responsible for ensuring compliance with established procedural and operational standards.

Capital risk management

The Company manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of its capital structure.

The capital structure of the company consists of cash and cash equivalents and equity attributable to its equity holders, comprising issued capital, reserves and retained earnings as disclosed in the notes.

The company is not subject to any externally imposed capital requirements.

The company's Board and management review the capital structure. As part of this review, they consider the cost of capital and the risks associated with each class of capital.

Equity includes all capital and reserves of the company that are managed as capital.

	2017	2016
	N'000	N'000
Tier 1 Capital		
- Share Capital	1,000,000	1,000,000
- Retained Earnings	4,886,652	3,771,874
- Share Premium	624,446	624,446
Total qualifying for Tier 1 Capital	5,511,098	5,396,320
Tier 2 Capital		
Fair Value Reserve	428,387	(845,546)
Other borrowings	3,612,328	-
Total qualifying for Tier 2 Capital	4,040,715	(845,546)
Total Regulatory Capital	9,551,803	4,550,774

Capital allocation

The allocation of capital between specific operations and activities is, to a large extent, driven by optimization of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily upon the regulatory capital, but in some cases the regulatory requirements do not reflect fully the varying degree of risk associated with different activities. In such cases the capital requirements may be flexed to reflect differing risk profiles, subject to the overall level of capital to support a particular operation or activity not falling below the minimum required for regulatory purposes. The process of allocating capital to specific operations and activities is undertaken independently of those responsible for the operation by the Board of Directors or a sub-committee as appropriate.

◆ Statement of Value Added

	31-Dec-17		31-Dec-16	
	N'000	%	N'000	%
Total earnings	3,365,012		2,447,717	
Bought in material and services	(630,849)		(455,492)	
Impairment losses	(157,296)		(147,460)	
Value added	2,576,867	100	1,844,765	100
Applied as follows:				
To pay employees:				
- Personnel cost	327,144	13	353,413	19
To pay providers of capital:				
- Finance charges	130,703	5	-	
To pay Government:				
- Taxation	319,328	13	374,273	21
Retained in the business for future growth				
- Deferred taxation	(32,788)	-	52,490	3
- Depreciation & amortization	52,126	2	45,416	3
- Profit for the year	1,714,778	67	1,019,173	54
	2,576,867	100	1,844,765	100

Value added represents the additional wealth the company has been able to create by its own and employee's efforts. This statement shows the allocation of that wealth among employees, shareholders, government and that retained for future creation of more wealth.

◆ Financial Summary

	2017 N'000	2016 N'000	2015 N'000	2014 N'000	2013 N'000
ASSETS					
Cash and cash equivalents	9,192,490	4,666,989	8,182,146	6,009,749	6,688,373
Deposits for investments	-	-	-	-	3,748,000
Financial assets (Available For Sale)	4,440,443	3,116,156	3,299,523	3,658,574	236,338
Financial assets (held to maturity)	7,554,522	8,136,794	5,325,647	8,322,429	2,155,804
Trade and other receivables	257,107	313,771	173,512	157,367	350,296
Inventory	16,578	15,710	16,131	22,223	13,206
Other assets	72,070	96,760	77,946	46,712	38,132
Property, plant and equipment	223,683	202,269	157,001	151,714	152,074
Intangible asset	77,921	17,242	11,534	13,806	9,722
Investment in subsidiary	-	-	-	-	750,000
Goodwill	98,693	255,989	397,493	468,000	-
Deferred tax assets	-	-	51,168	56,853	-
Total assets	21,933,507	16,821,680	17,692,101	18,907,427	14,141,945
EQUITY AND LIABILITIES					
Liabilities					
Customers' deposits	10,792,264	11,742,697	12,541,134	13,747,537	9,132,900
Creditors and accruals	330,913	382,031	534,470	370,572	415,257
Taxation	224,407	144,856	41,529	263,236	318,613
Deferred tax liabilities	34,110	1,322	-	-	-
Current liabilities	11,381,694	12,270,906	13,117,133	14,381,345	9,866,770
Loans	3,612,328	-	-	-	-
Total liabilities	14,994,022	12,270,906	13,117,133	14,381,345	9,866,770
Shareholder's equity					
Share capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Share Premium	624,446	624,446	624,446	624,446	624,446
Retained earnings	4,886,652	3,771,874	3,612,701	3,204,764	2,628,092
Other reserves	428,387	(845,546)	(662,179)	(303,128)	22,637
Total equity	6,939,485	4,550,774	4,574,968	4,526,082	4,275,175
Total equity and liabilities	21,933,507	16,821,680	17,692,101	18,907,427	14,141,945
Revenue	3,365,012	2,447,717	2,575,616	2,256,691	1,854,276
Operating expenses	(1,167,415)	(1,001,781)	(946,255)	(956,309)	(642,090)
Profit before tax	2,197,596	1,445,936	1,629,361	1,300,382	1,212,186
Profit after tax	1,714,778	1,019,173	1,447,937	1,218,367	914,456
Earnings per share	86	51	72	61	46



l-r: Former National Coordinator, Independent Shareholders Association of Nigeria, Sir Sunny Nwosu; Chairman, Pragmatic Shareholders Association of Nigeria, Mrs. Bisi Bakare; Director, Africa Prudential Plc, Mr. Sam Nwanze; MD/CEO, Africa Prudential Plc, Mr. Peter Ashade; Director, Africa Prudential Plc, Mr. Emmanuel Nnorom; President, Nigeria Shareholders Solidarity Association, Chief Timothy Adesiyani; and Stock Analyst and Television presenter, Mr. Nonah Awoh, during the launch of Personal Registrar with *4018# by Africa Prudential in Lagos on Wednesday.



Cross section of capital market stakeholders during the launch of Personal Registrar *4018# by Africa Prudential in Lagos on January 31, 2018.



l-r: Managing Director/CEO, Africa Prudential Plc, Mr. Peter Ashade; Regional Director/CEO, International Co-operative Alliance (Alliance Africa), Dr. Chiyoge Sifa; Chairman, Africa Prudential Plc, Chief (Mrs.) Eniola Fadayomi; Director, Africa Prudential Plc, Ammuna Lawan Ali; and Director, Africa Prudential Plc, Mr. Peter Elumelu at dinner with Co-operative Stakeholders in Africa hosted by Africa Prudential Plc at Abuja in November 2017.



Cross section of guests at a dinner with Co-operative Stakeholders in Africa hosted by Africa Prudential Plc at Abuja in November 2017.



-r: His Excellency, Executive Governor Niger State, Alh. Abubakar Sani Bello presents the Award of Rochdale by the Co-operative Federation of Nigeria (CFN) to Chairman, Africa Prudential Plc, Chief (Mrs.) Eniola Fadayomi at the 5th Congress of the CFN held in Minna, Niger State in November 2017. With them is Managing Director/CEO, Africa Prudential Plc, Mr. Peter Ashade (left).



-r: Managing Director/CEO, Africa Prudential Plc, Mr. Peter Ashade; Chairman, Africa Prudential Plc, Chief (Mrs.) Eniola Fadayomi; His Excellency, Executive Governor Niger State, Alh. Abubakar Sani Bello; and Regional Director/CEO, International Co-operative Alliance (Alliance Africa), Dr. Chiyoge Sifa at the 5th Congress of the CFN held in Minna, Niger State in November 2017.



-r: Director, Mr. Peter Elumelu; Chairman, Chief (Mrs.) Eniola Fadayomi; Director, Ammuna Lawan Ali; and Managing Director/CEO, Mr. Peter Ashade, all of Africa Prudential Plc at the 5th Congress of the CFN held in Minna, Niger State in November 2017.



Managing Director/CEO, Africa Prudential Plc, Mr. Peter Ashade speaking at the 5th Congress of the Co-operative Federation of Nigeria (CFN) held in Minna, Niger State in November 2017.



l-r: Group CEO, United Capital Plc, Mrs. Oluwatoyin Sanni; Managing Director/CEO, Africa Prudential Plc, Mr. Peter Ashade; Director, Africa Prudential Plc, Mr. Peter Elumelu; CEO, Med-View Airline Plc, Alhaji Muneer Bankole; Chairman, Africa Prudential Plc, Chief (Mrs.) Eniola Fadayomi; and Director, Capital Markets, United Capital Plc, Mr. Babatunde Obaniyi at the 2017 Stakeholders' Forum held in Lagos in October 2017 by Africa Prudential Plc.



l-r: Panel of discussants, Managing Director NASD Plc, Mr. Bola Ajomale; Director, Capital Markets, United Capital Plc, Mr. Babatunde Obaniyi; and Chairman, Pragmatic Shareholders Association of Nigeria, Mrs. Bisi Bakare at the 2017 Stakeholders' Forum held in Lagos in October 2017 by Africa Prudential Plc.



Chairman, Africa Prudential Plc, Chief (Mrs.) Eniola Fadayomi (Centre); Managing Director/CEO, Mr. Peter Ashade (2nd left); Directors, Mr. Samuel Nwanze (1st left), Mr. Peter Elumelu (2nd right) and Ammuna Lawan Ali (right) at the 4th Annual General Meeting (AGM) of Africa Prudential Plc, held at Victoria Island, Lagos in 2017.



Cross section of shareholders at the 4th Annual General Meeting (AGM) of Africa Prudential Plc, held at Victoria Island, Lagos in 2017.

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Africa Prudential Plc

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 E-MAIL: cfc@africaprudential.com | www.africaprudential.com | @afriprud



◆ Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 5th Annual General Meeting (**AGM**) of Africa Prudential Plc (**the Company**) will hold on Tuesday March 27, 2018 at the Banquet Hall, Lagoon Restaurant, Ozumba Mbadiwe Street, Victoria Island, Lagos at 10.00.am to transact the following business;

A. ORDINARY BUSINESS

1. To lay before the Members, the Audited Financial Statements of the Company for the year ended December 31, 2017 together with the reports of the Directors, Auditors and the Audit Committee thereon.
2. To declare a Dividend.
3. To approve the appointment of Mr. Emmanuel Nnorom as a Director.
4. To re-elect the following Directors retiring by rotation:
 - 4.1. Mr. Peter Elumelu
 - 4.2. Ammuna Lawan Ali
5. To authorize the Directors to appoint **ERNST AND YOUNG** as Auditors to the Company for the financial year ending December 31, 2018.
6. To authorize the Directors to fix the remuneration of the Auditors for the ensuing financial year.
7. To elect members of the Statutory Audit Committee.

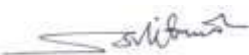
B. SPECIAL BUSINESS

To consider and if thought fit, pass the following as an ordinary resolution:

“That the remuneration of Non-Executive Directors be and is hereby fixed at N42,500,000 (Forty-two million, five hundred thousand Naira only) for the year ending December 31, 2018. Such payments to be effective from January 1, 2018”.

Dated this 27th Day of February 2018.

By Order of the Board



Joseph Jibunoh, Esq
Company Secretary.
FRC/2018/NBA/00000017719
220B, Ikorodu Road, Palmgrove
Lagos, Nigeria



NOTES:

A. PROXY

Any member of the Company entitled to attend and vote at this meeting is also entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company. A proxy form must be completed and deposited at the office of the Company's Registrar, **Africa Prudential Plc**, 220B Ikorodu Road, Palmgrove, Lagos, not later than 48 hours before the time fixed for the meeting. In Accordance with the Stamp Duties Act, the Proxy Form shall be stamped for efficacy.

◆ Notice Of Annual General Meeting cont'd

B. E- DIVIDEND

If the Dividend recommended by the Directors is approved by the members at the Annual General Meeting, Dividend will be paid on 27th March 2018 to the Shareholders whose names appear in the Company's Register of Members at the close of business on 12th March 2018.

C. NOMINATION TO THE AUDIT COMMITTEE

Pursuant to Section 359(5) of the Companies & Allied Matters Act, Cap C20 Laws of the Federation of Nigeria, 2004 any member may nominate another member as a member of the Audit Committee by giving notice in writing of such nomination. Such notice shall reach the Company Secretary at least 21 days before the Annual General Meeting. The Securities & Exchange Commission Code of Corporate Governance for Public Companies has indicated that members of the Audit Committee should have basic financial literacy and should be able to read Financial Statements. We therefore request that nominations be accompanied with a copy of the nominee's curriculum vitae.

D. CLOSURE OF REGISTER

The Register of Members and Transfer Books will be closed from 13th March to 19th March 2018 both days inclusive for the purpose of updating the Register of Members.

E. APPOINTMENT OF NEW DIRECTOR

Mr. Emmanuel Nnorom was appointed to the Board as Non – Executive Director after the last Annual General Meeting. His appointment is hereby presented to the shareholders for approval. His profile is contained in this audited Annual Report and Accounts.

F. DIRECTORS RETIRING BY ROTATION

In accordance with the Articles of Association of the Company and the Companies and Allied Matters Act, CapC20, LFN 2004, the Directors to retire by rotation at the Annual General Meeting are – Mr. Peter Elumelu and Ammuna Lawan Ali. The retiring Directors being eligible offer themselves for re- election.

G. E-DIVIDEND WARRANTS AND SHARE CERTIFICATE MANDATES.

Notice is hereby given to all Shareholders to open bank accounts, stockbroking accounts and CSCS accounts for the purpose of receiving dividend payments electronically. A detachable application form for e-dividend is attached to this Annual Report to enable all shareholders furnish their accounts to the Registrars as soon as possible.

H. E-REPORT

In order to improve delivery of our Annual Report, we have inserted a detachable Form to the Annual Report and hereby request shareholders who wish to receive the Annual Report of Africa Prudential Plc in an electronic format to complete and return the form to the Registrars for further processing.

I. RIGHTS OF SECURITIES HOLDERS TO ASK QUESTIONS

Securities' Holders have a right to ask questions not only at the meeting but also in writing prior to the meeting and such questions must be submitted to the Company on or before Monday 26th March 2018.

I/We,

This proxy form is solicited on behalf of the Board of Directors and is to be used at the Annual General Meeting to be held on Tuesday, March 27, 2018

Shareholder's Name: _____

Address: _____

No. of Shares held: _____

being the registered holder(s) of the ordinary shares of Africa Prudential Plc hereby appoint*

(block letters please)

or failing him, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at the Banquet Hall, Lagoon Restaurant, Ozumba Mbadiwe Street, Victoria Island, Lagos on Tuesday, March 27, 2018 or at any adjournment thereof.

Dated this _____ day of _____ 2018

Shareholder's Signature: _____

NOTE:

1. A member [shareholder] who is unable to attend an Annual General Meeting is allowed to vote by proxy. This proxy form has been prepared to enable you exercise your vote if you cannot personally attend. This form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarial certified copy thereof must reach the Registrar, Africa Prudential Plc, 220B, Ikorodu Road, Palmgrove, Lagos, not later than 48 hours before the time of holding the meeting.

2. If executed by a corporation, the proxy form should be sealed with the common seal or under the hand of some officers or on attorney duly authorized.

3. In the case of joint holders, the signature of any one of them will suffice, but the names of all joint holders should be shown.

4. Provision has been made on this form for the Chairman of the Meeting to act as your proxy, but if you wish you may insert in the blank space on the form (marked 'd') the name of any person, whether a member of the Company or not, who will attend the Meeting and vote on your behalf instead of the Chairman of the Meeting.

5. This proxy will be used only in the event of poll being directed, or demanded.

6. It is a legal requirement that all instruments of proxy must bear appropriate stamp duty from the Stamp Duties Office, and not adhesive postage stamps.

Please indicate by marking "X" in the appropriate space, how you wish your votes to be cast on the resolutions set out here, unless otherwise instructed, the proxy will vote or abstain from voting at his or her discretion.

7. The proxy must produce the Admission form sent with the Report and Accounts to obtain entrance to the Meeting.

RESOLUTIONS		FOR	AGAIN	ABSTAIN
ORDINARY BUSINESS				
1.	To receive and adopt the Audited Financial Statements for the year ended December 31, 2017 together with the Reports of the Directors, Auditors and Audit Committee thereon;			
2.	To declare a Dividend;			
3.	To approve appointment of Mr Emmanuel Nnorom as a Director			
4.	To re-elect retiring directors: 1.) Mr Peter Elumelu 2.) ii.) Ammuna Lawan			
5.	To authorize the Directors to fix the remuneration of the Independent Auditors for the ensuing year;			
6.	To authorize the Directors to fix the remuneration of the Auditors for the ensuing financial year.			
7.	To elect members of the Statutory Audit Committee.			
B SPECIAL BUSINESS				
To consider and if thought fit, pass the following as an ordinary resolution: "That the remuneration of Non-Executive Directors be and is hereby fixed at N42,500,000 (Forty two million, five hundred thousand Naira only) for the year ending December 31, 2018. Such payments to be effective from January 1, 2018				

This proxy form should NOT be completed and/or sent to the registered office of the Registrars if the member would be attending the meeting in person.

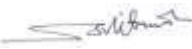
ADMISSION CARD

Before posting the above form, please tear off this part and retain for admission at the meeting.

 AFRICA PRUDENTIAL PLC (RC 649007)
ANNUAL GENERAL MEETING

Please admit the shareholder named on this admission form or his/her duly

appointed proxy to the Annual General Meeting of the Company to be held at the Banquet Hall, Lagoon Restaurant, Ozumba Mbadiwe Street, Victoria Island, Lagos at 10.00 a.m. on Tuesday, March 27, 2018.


Joseph Jibunoh, Esq.
 Company Secretary/Legal Adviser

 Please tick appropriate box before Admission at the meeting
 Proxy
 Shareholder

Name and address of Shareholder: _____

Account number: _____

Number of shares held: _____

Shareholder's signature: _____

This card is to be signed at the venue in the presence of the Registrar.

Affix Postage
Stamp

The Company Secretary

220b, Ikorodu Road,
Palmgrove,
Lagos

Affix
Current
Passport

**USE GUM ONLY
NO STAPLE PINS**

(to be stamped by your banker)
ONLY CLEARING BANKS ARE ACCEPTABLE

E-DIVIDEND MANDATE ACTIVATION FORM

INSTRUCTION

Please complete all section of this form to make it eligible for processing and return to the address below.

The Registrar

Africa Prudential Plc
220B, Ikorodu Road, Palmgrove, Lagos.

I/We hereby request that henceforth, all my/our Dividend Payment(s) due to me/us from my/our holdings in all the companies ticked at the right hand column be credited directly to my /our bank detailed below:

Bank Verification Number (BVN):

Bank Name:

Bank Account Number:

Account Opening Date: ^{DD} ^{MM} ^{YYYY}

SHAREHOLDER ACCOUNT INFORMATION

Surname/Company's Name First Name Other Name

Address

City State Country

Previous Address (if any)

Clearing House Number (CHN) (if any) Name of Stockbroking Firm

C

Mobile Telephone 1 Mobile Telephone 2

E-mail Address

Signature: Signature: Company Seal (if applicable)

Joint/Company's Signatories

DISCLAIMER

"In no event shall Africa Prudential Plc be liable for any damages, losses or liabilities including without limitation, direct or indirect, special, incidental, consequential damages, losses or liabilities, in connection with your use of this form or your inability to use the information, materials, or in connection with any failure, error, omission, defect, delay in operation or transmission, or system failure, even if you advise us of the possibility of such damages, losses of expenses, whether express or implied in respect of such information."

Please tick against the company(ies) where you have shareholdings

CLIENTELE	A/C No
1. AFRICA PRUDENTIAL PLC	<input type="checkbox"/>
2. ABBEY MORTGAGE BANK PLC	<input type="checkbox"/>
3. AFRILAND PROPERTIES PLC	<input type="checkbox"/>
4. ALUMACO PLC	<input type="checkbox"/>
5. A & G INSURANCE PLC	<input type="checkbox"/>
6. A.R.M LIFE PLC	<input type="checkbox"/>
7. ADAMAWA STATE GOVERNMENT BOND	<input type="checkbox"/>
8. BECO PETROLEUM PRODUCTS PLC	<input type="checkbox"/>
9. BUA GROUP	<input type="checkbox"/>
10. BENUE STATE GOVERNMENT BOND	<input type="checkbox"/>
11. CAP PLC	<input type="checkbox"/>
12. CAPP AND D'ALBERTO PLC	<input type="checkbox"/>
13. CEMENT COY. OF NORTHERN NIG. PLC	<input type="checkbox"/>
14. CSCS PLC	<input type="checkbox"/>
15. CHAMPION BREWERIES PLC	<input type="checkbox"/>
16. CWG PLC	<input type="checkbox"/>
17. CORDROS MONEY MARKET FUND	<input type="checkbox"/>
18. EBONYI STATE GOVERNMENT BOND	<input type="checkbox"/>
19. GOLDEN CAPITAL PLC	<input type="checkbox"/>
20. INFINITY TRUST MORTGAGE BANK PLC	<input type="checkbox"/>
21. INVESTMENT & ALLIED ASSURANCE PLC	<input type="checkbox"/>
22. JAIZ BANK PLC	<input type="checkbox"/>
23. KADUNA STATE GOVERNMENT BOND	<input type="checkbox"/>
24. LAGOS BUILDING INVESTMENT CO. PLC	<input type="checkbox"/>
25. MED-VIEW AIRLINE PLC	<input type="checkbox"/>
26. MIXTA REAL ESTATE PLC (formerly ARM Properties Plc)	<input type="checkbox"/>
27. NEXANS KABLEMETAL NIG. PLC	<input type="checkbox"/>
28. OMOLUABI MORTGAGE BANK PLC	<input type="checkbox"/>
29. PERSONAL TRUST & SAVINGS LTD	<input type="checkbox"/>
30. P.S MANDRIDES PLC	<input type="checkbox"/>
31. PORTLAND PAINTS & PRODUCTS NIG. PLC	<input type="checkbox"/>
32. PREMIER BREWERIES PLC	<input type="checkbox"/>
33. RESORT SAVINGS & LOANS PLC	<input type="checkbox"/>
34. ROADS NIGERIA PLC	<input type="checkbox"/>
35. SCOA NIGERIA PLC	<input type="checkbox"/>
36. TRANSCORP HOTELS PLC	<input type="checkbox"/>
37. TRANSCORP PLC	<input type="checkbox"/>
38. TOWER BOND	<input type="checkbox"/>
39. THE LA CASERA CORPORATE BOND	<input type="checkbox"/>
40. UACN PLC	<input type="checkbox"/>
41. UNITED BANK FOR AFRICA PLC	<input type="checkbox"/>
42. UNITED CAPITAL PLC	<input type="checkbox"/>
43. UNITED CAPITAL BALANCED FUND	<input type="checkbox"/>
44. UNITED CAPITAL BOND FUND	<input type="checkbox"/>
45. UNITED CAPITAL EQUITY FUND	<input type="checkbox"/>
46. UNITED CAPITAL MONEY MARKET FUND	<input type="checkbox"/>
47. UNITED CAPITAL NIGERIAN EURO BOND FUND	<input type="checkbox"/>
48. UNITED CAPITAL WEALTH FOR WOMEN FUND	<input type="checkbox"/>
49. UNIC DIVERSIFIED HOLDINGS PLC	<input type="checkbox"/>
50. UNIC INSURANCE PLC	<input type="checkbox"/>
51. UAC PROPERTY DEVELOPMENT COMPANY PLC	<input type="checkbox"/>
52. UTC NIGERIA PLC	<input type="checkbox"/>
53. WEST AFRICAN GLASS IND PLC	<input type="checkbox"/>

OTHERS:

HEAD OFFICE: 220B, Ikorodu Road, Palmgrove, Lagos. Tel: 07080606400

ABUJA: Infinity House (2nd Floor), 11 Kaura Namoda Street, Off Faskari Crescent, Area 3, Garki, Abuja. Tel: 09-2900873

PORT-HARCOURT: Oklen Suite Building (2nd Floor), No. 1A, Evo Road, GRA Phase 2. Tel: 084-303457

E-MAIL: cfc@africaprudential.com | www.africaprudential.com | @afriprud




Africa Prudential
E-SERVICE/DATA UPDATE FORM

KINDLY FILL AND RETURN FORM TO ANY OF OUR OFFICE ADDRESSES STATED BELOW | * = COMPULSORY FIELDS

1. *SURNAME/COMPANY NAME

2. *FIRST NAME 3. OTHER NAME

4. *GENDER M F 5. E-MAIL

6. ALTERNATE E-MAIL 7. *DATE OF BIRTH

8. *MOBILE (1) (2) DD MM YY YY

9. *ADDRESS

10. OLD ADDRESS (if any)

11. *NATIONALITY 12. *OCCUPATION

13. *NEXT OF KIN NAME MOBILE

14. *MOTHER'S MAIDEN NAME

15. BANK NAME 16. A/C NO.

17. A/C NAME 18. A/C OPENING DATE DD MM YY YY

19. BANK VERIFICATION NO. (BVN) 20. NAME OF STOCKBROKING FIRM

21. CSCS CLEARING HOUSE NO. (CHN) C

DECLARATION

"I hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details."

Signature: Signature: Company Seal (if applicable)

Joint/Company's Signatories

DISCLAIMER

"In no event shall Africa Prudential Plc be liable for any damages, losses or liabilities including without limitation, direct or indirect, special, incidental, consequential damages, losses or liabilities, in connection with your use of this form or your inability to use the information, materials, or in connection with any failure, error, omission, defect, delay in operation or transmission, or system failure, even if you advise us of the possibility of such damages, losses of expenses, whether express or implied in respect of such information."

Please tick against the company(ies) where you have shareholdings

- | CLIENTELE | |
|--|--------------------------|
| 1. AFRICA PRUDENTIAL PLC | <input type="checkbox"/> |
| 2. ABBEY MORTGAGE BANK PLC | <input type="checkbox"/> |
| 3. AFRILAND PROPERTIES PLC | <input type="checkbox"/> |
| 4. ALUMACO PLC | <input type="checkbox"/> |
| 5. A & G INSURANCE PLC | <input type="checkbox"/> |
| 6. A.R.M LIFE PLC | <input type="checkbox"/> |
| 7. ADAMAWA STATE GOVERNMENT BOND | <input type="checkbox"/> |
| 8. BECO PETROLEUM PRODUCTS PLC | <input type="checkbox"/> |
| 9. BUA GROUP | <input type="checkbox"/> |
| 10. BENUE STATE GOVERNMENT BOND | <input type="checkbox"/> |
| 11. CAP PLC | <input type="checkbox"/> |
| 12. CAPP AND D'ALBERTO PLC | <input type="checkbox"/> |
| 13. CEMENT COY. OF NORTHERN NIG. PLC | <input type="checkbox"/> |
| 14. CSCS PLC | <input type="checkbox"/> |
| 15. CHAMPION BREWERIES PLC | <input type="checkbox"/> |
| 16. CWG PLC | <input type="checkbox"/> |
| 17. CORDROS MONEY MARKET FUND | <input type="checkbox"/> |
| 18. EBONYI STATE GOVERNMENT BOND | <input type="checkbox"/> |
| 19. GOLDEN CAPITAL PLC | <input type="checkbox"/> |
| 20. INFINITY TRUST MORTGAGE BANK PLC | <input type="checkbox"/> |
| 21. INVESTMENT & ALLIED ASSURANCE PLC | <input type="checkbox"/> |
| 22. JAIZ BANK PLC | <input type="checkbox"/> |
| 23. KADUNA STATE GOVERNMENT BOND | <input type="checkbox"/> |
| 24. LAGOS BUILDING INVESTMENT CO. PLC | <input type="checkbox"/> |
| 25. MED-VIEW AIRLINE PLC | <input type="checkbox"/> |
| 26. MIXTA REAL ESTATE PLC. (formerly ARM Properties Plc) | <input type="checkbox"/> |
| 27. NEXANS KABLEMETAL NIG. PLC | <input type="checkbox"/> |
| 28. OMOLUABI MORTGAGE BANK PLC | <input type="checkbox"/> |
| 29. PERSONAL TRUST & SAVINGS LTD | <input type="checkbox"/> |
| 30. P.S MANDRIDES PLC | <input type="checkbox"/> |
| 31. PORTLAND PAINTS & PRODUCTS NIG. PLC | <input type="checkbox"/> |
| 32. PREMIER BREWERIES PLC | <input type="checkbox"/> |
| 33. RESORT SAVINGS & LOANS PLC | <input type="checkbox"/> |
| 34. ROADS NIGERIA PLC | <input type="checkbox"/> |
| 35. SCOA NIGERIA PLC | <input type="checkbox"/> |
| 36. TRANSCORP HOTELS PLC | <input type="checkbox"/> |
| 37. TRANSCORP PLC | <input type="checkbox"/> |
| 38. TOWER BOND | <input type="checkbox"/> |
| 39. THE LA CASERA CORPORATE BOND | <input type="checkbox"/> |
| 40. UACN PLC | <input type="checkbox"/> |
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| 42. UNITED CAPITAL PLC | <input type="checkbox"/> |
| 43. UNITED CAPITAL BALANCED FUND | <input type="checkbox"/> |
| 44. UNITED CAPITAL BOND FUND | <input type="checkbox"/> |
| 45. UNITED CAPITAL EQUITY FUND | <input type="checkbox"/> |
| 46. UNITED CAPITAL MONEY MARKET FUND | <input type="checkbox"/> |
| 47. UNITED CAPITAL NIGERIAN EURO BOND FUND | <input type="checkbox"/> |
| 48. UNITED CAPITAL WEALTH FOR WOMEN FUND | <input type="checkbox"/> |
| 49. UNIC DIVERSIFIED HOLDINGS PLC | <input type="checkbox"/> |
| 50. UNIC INSURANCE PLC | <input type="checkbox"/> |
| 51. UAC PROPERTY DEVELOPMENT COMPANY PLC | <input type="checkbox"/> |
| 52. UTC NIGERIA PLC | <input type="checkbox"/> |
| 53. WEST AFRICAN GLASS IND PLC | <input type="checkbox"/> |
| OTHERS: <input type="text"/> | <input type="checkbox"/> |
| <input type="text"/> | <input type="checkbox"/> |
| <input type="text"/> | <input type="checkbox"/> |

HEAD OFFICE: 220B, Ikorodu Road, Palmgrove, Lagos. Tel: 07080606400
 ABUJA: Infinity House (2nd Floor), 11 Kaura Namoda Street, Off Faskari Crescent, Area 3, Garki, Abuja. Tel: 09-2900873
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 E-MAIL: cfc@aficaprudential.com | www.aficaprudential.com | @afiprud





FULL DEMATERIALIZATION FORM FOR MIGRATION

INSTRUCTION: Please fill out the form in CAPITAL LETTERS. Section 'B' is applicable only if certificate(s) is/are misplaced, lost or destroyed.

Please credit my account at Central Securities Clearing System (CSCS) with shares from my holdings in _____
 _____ the company . I recognize this will invalidate any certificate(s) in my possession,
 or which might come into my possession in respect of my total holding(s) in this/this company.

Affix recent
passport
photograph

USE GUM ONLY
NO STAPLE PINS

SECTION A:

SHAREHOLDER'S FULL NAMES: _____
Surname First Name Middle Name
 ADDRESS: _____

GSM NUMBER: _____ E-MAIL: _____

CSCS INVESTOR'S A/C NO.: _____ CLEARING HOUSE NUMBER(CHN): **C** _____

REGISTRAR'S ID NO (RIN): _____

BANK DETAILS FOR DIRECT SETTLEMENT

ACCOUNT NAME: _____ BANK: _____

BANK A/C NUMBER: _____ BVN: _____ AGE OF A/C: _____
Must be NUBAN Must be confirmed by bank Must be confirmed by bank

Authorized Signature (1) (and stamp of Stockbroker)

Authorized Signature (2) (and stamp of Stockbroker)

Shareholder's Signature & Date

Shareholders Signature & Date (if applicable)

 Thumb Print

CERTIFICATE DETAILS

S/N	CERTIFICATE NO. (IF ANY)	UNITS
1.		
2.		
3.		

S/N	CERTIFICATE NO. (IF ANY)	UNITS
4.		
5.		
6.		

Company Seal

SECTION B: INDEMNITY FOR MISPLACED, LOST OR DESTROYED CERTIFICATE(S)

I hereby request Africa Prudential Plc to credit my account at Central Securities Clearing System (CSCS) with unit of shares not covered in my share certificate(s) details quoted in Section 'A' above. The holdings are registered in my name, and the original shares/stocks certificate(s) has/have been misplaced, lost or destroyed or was never received. I hereby, with the Guarantor whose name hereunder appears, indemnify the said Company and Africa Prudential Plc against all claims and demands, money, losses, damages, costs and expenses which may be brought against, or be paid, incurred or sustained by the said Company and /or Africa Prudential Plc by reason or in consequence of the said certificate(s) having been misplaced, destroyed, lost or in consequence of a transfer being registered without surrender of the certificate(s) or otherwise whatsoever. I further undertake and agree that if the said Certificate(s) shall hereafter be found, to forthwith deliver up to Africa Prudential Plc or their successors or assigns without cost, fee or reward.

CERTIFICATE DETAILS

S/N	CERTIFICATE NO. (IF ANY)	UNITS
1.		
2.		
3.		

S/N	CERTIFICATE NO. (IF ANY)	UNITS
4.		
5.		
6.		

Dated this _____ day of _____, 20____
 Name: _____
 Signature: _____
 Joint (2) (if applicable): _____
 Joint (3) (if applicable): _____
 Company Seal

In the Presence of:

Name: _____ GSM NO: _____
 Address: _____ Signature: _____

THIS SECTION IS TO BE EXECUTED BY THE SHAREHOLDER'S STOCKBROKER, BANKER OR INSURANCE COMPANY

On behalf of _____ Plc/Ltd, we hereby agree jointly and severally to keep the company and /or the Registrar or other persons acting on their behalf fully indemnified against all actions, proceedings, Liabilities, claims, losses, damages, costs and expenses in relation to or arising out of our accepting to re-issue to the rightful owner the shares/stocks, and to pay you on demand, all payments , losses, costs and expenses suffered or incurred by you in consequence thereof or arising therefrom.

Authorised Signatory (1): _____ Authorised Signatory (2): _____
 Company Seal

e-SHARE REGISTRATION APPLICATION FORM

Dear Registrar,

Please take this as authority to activate my account(s) on your SharePortal where I will be able to view and manage my investment portfolio online with ease.

***= Compulsory fields**

1. *SURNAME/COMPANY NAME:

2. *FIRST NAME:

3. OTHER NAME:

4. *E-MAIL:

5. ALTERNATE E-MAIL:

6. *MOBILE NO.: 7. SEX: MALE FEMALE

8. ALTERNATE MOBILE NO.:

9. *POSTAL ADDRESS:

10. CSCS CLEARING HOUSE NO.:

11. NAME OF STOCKBROKER:

DECLARATION

"I hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details."

Signature:

Signature:

Joint/Company's Signatories

Company Seal(if applicable)

DISCLAIMER

"In no event shall Africa Prudential Plc be liable for any damages, losses or liabilities including without limitation, direct or indirect, special, incidental, consequential damages, losses or liabilities, in connection with your use of this form or your inability to use the information, materials, or in connection with any failure, error, omission, defect, delay in operation or transmission, or system failure, even if you advise us of the possibility of such damages, losses or expenses, whether express or implied in respect of such information."

Please tick against the company(ies) where you have shareholdings

CLIENTELE

- | | |
|---|--------------------------|
| 1. AFRICA PRUDENTIAL PLC | <input type="checkbox"/> |
| 2. ABBEY MORTGAGE BANK PLC | <input type="checkbox"/> |
| 3. AFRILAND PROPERTIES PLC | <input type="checkbox"/> |
| 4. ALUMACO PLC | <input type="checkbox"/> |
| 5. A & G INSURANCE PLC | <input type="checkbox"/> |
| 6. A.R.M LIFE PLC | <input type="checkbox"/> |
| 7. ADAMAWA STATE GOVERNMENT BOND | <input type="checkbox"/> |
| 8. BECO PETROLEUM PRODUCTS PLC | <input type="checkbox"/> |
| 9. BUA GROUP | <input type="checkbox"/> |
| 10. BENUE STATE GOVERNMENT BOND | <input type="checkbox"/> |
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| 12. CAPP AND D'ALBERTO PLC | <input type="checkbox"/> |
| 13. CEMENT COY. OF NORTHERN NIG. PLC | <input type="checkbox"/> |
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| 32. PREMIER BREWERIES PLC | <input type="checkbox"/> |
| 33. RESORT SAVINGS & LOANS PLC | <input type="checkbox"/> |
| 34. ROADS NIGERIA PLC | <input type="checkbox"/> |
| 35. SCOA NIGERIA PLC | <input type="checkbox"/> |
| 36. TRANSCORP HOTELS PLC | <input type="checkbox"/> |
| 37. TRANSCORP PLC | <input type="checkbox"/> |
| 38. TOWER BOND | <input type="checkbox"/> |
| 39. THE LA CASERA CORPORATE BOND | <input type="checkbox"/> |
| 40. UACN PLC | <input type="checkbox"/> |
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| 42. UNITED CAPITAL PLC | <input type="checkbox"/> |
| 43. UNITED CAPITAL BALANCED FUND | <input type="checkbox"/> |
| 44. UNITED CAPITAL BOND FUND | <input type="checkbox"/> |
| 45. UNITED CAPITAL EQUITY FUND | <input type="checkbox"/> |
| 46. UNITED CAPITAL MONEY MARKET FUND | <input type="checkbox"/> |
| 47. UNITED CAPITAL NIGERIAN EUROBOND FUND | <input type="checkbox"/> |
| 48. UNITED CAPITAL WEALTH FOR WOMEN FUND | <input type="checkbox"/> |
| 49. UNIC DIVERSIFIED HOLDINGS PLC | <input type="checkbox"/> |
| 50. UNIC INSURANCE PLC | <input type="checkbox"/> |
| 51. UAC PROPERTY DEVELOPMENT COMPANY PLC | <input type="checkbox"/> |
| 52. UTC NIGERIA PLC | <input type="checkbox"/> |
| 53. WEST AFRICAN GLASS IND PLC | <input type="checkbox"/> |

OTHERS:

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 E-MAIL: cfc@africaprudential.com | www.africaprudential.com | @afriprud



Cooperative Society

Your search and hassles for IT solutions stop here!



Enjoy customisation, automation and convenience in the management of your Cooperative Society's activities.



PRODUCT BENEFITS?

EasyCoop:

- Manages processes and services offered to members.
- Dedicated software for cooperative administration.
- Is a synonym for Cooperative Management made easy.
- Makes standardized reporting possible.
- Provides secure online access to members
- Frees Cooperative staff to focus on other administrative tasks.
- Reduces process time for requests
- Provides reliable online repository of members' records.
- Brings about and supports borderless Cooperative membership
- Promotes products development in Cooperative system
- Facilitates standardization & automated reporting.

For enquiries, call **+234907 165 2834**

...cooperating to succeed

MAXIMISING **MUTUAL** POSSIBILITIES

Africa Prudential Plc

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 ABUJA: Infinity House (2nd Floor), 11 Kaura Namoda Street, Off Faskari Crescent, Area 3, Garki, Abuja. Tel: 09-2900873
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