

Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Group		Company	
	31-Dec-12 N'000	31-Dec-11 N'000	31-Dec-12 N'000	31-Dec-11 N'000
Notes				
Gross premium written	4,178,285	5,033,358	2,232,122	3,160,853
Gross premium income	4,246,325	4,965,853	2,326,428	3,221,172
Reinsurance expenses	(733,405)	(803,429)	(602,044)	(682,154)
Net premium income	<u>3,512,920</u>	<u>4,162,424</u>	<u>1,724,384</u>	<u>2,539,018</u>
Fee and commission income	127,200	123,231	121,062	85,839
Net underwriting income	<u>3,640,120</u>	<u>4,285,655</u>	<u>1,845,446</u>	<u>2,624,857</u>
Claims expenses	1,985,449	1,644,384	884,731	769,620
Claims expenses recoverable	(466,377)	(300,079)	(391,855)	(180,501)
Net claims expenses	<u>1,519,072</u>	<u>1,344,305</u>	<u>492,876</u>	<u>589,119</u>
Underwriting expenses	685,853	992,689	478,231	739,520
Total underwriting expenses	<u>2,204,925</u>	<u>2,336,994</u>	<u>971,107</u>	<u>1,328,639</u>
Total underwriting profit	<u>1,435,195</u>	<u>1,948,661</u>	<u>874,339</u>	<u>1,296,218</u>
Investment income	1,225,527	823,352	745,100	529,590
Net realised gain/(loss) on financial assets	59,545	(26,155)	41,535	4,454
Net fair value loss on assets at fair value through profit or loss	(7,169)	(98,645)	(1,667)	(71,901)
Other operating income	70,950	152,290	42,382	112,981
Total investment income	<u>1,348,853</u>	<u>850,842</u>	<u>827,350</u>	<u>575,124</u>
Net income	<u>2,784,048</u>	<u>2,799,503</u>	<u>1,701,689</u>	<u>1,871,342</u>

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Employee benefit expense	560,490	763,746	396,160	538,084
Other operating expenses	1,671,173	1,454,113	922,069	918,133
Expenses	<u>2,231,663</u>	<u>2,217,859</u>	<u>1,318,229</u>	<u>1,456,217</u>
Profit before tax	552,385	581,644	383,460	415,125
Income tax expense	(169,353)	(235,893)	(142,627)	(127,438)
Profit after tax for the year	<u>383,032</u>	<u>345,751</u>	<u>240,833</u>	<u>287,687</u>
Other comprehensive income, net of tax				
Revaluation gain on property and equipment	87,738	-	87,738	-
Foreign currency translation difference of foreign operations	(54,048)	14,399	-	-
Other comprehensive income for the year, net of tax	<u>33,690</u>	<u>14,399</u>	<u>87,738</u>	<u>-</u>
Total comprehensive income for the year	<u>416,722</u>	<u>360,150</u>	<u>328,571</u>	<u>287,687</u>
Earnings per share for profit/(loss) to the equity holders of the Company (kob):				
Profit attributable to the owners of the parent	<u>383,032</u>	<u>345,751</u>	<u>240,833</u>	<u>287,687</u>
	<u>383,032</u>	<u>345,751</u>	<u>240,833</u>	<u>287,687</u>
Total comprehensive income attributable to the owners of the parent	<u>416,722</u>	<u>360,150</u>	<u>328,571</u>	<u>287,687</u>
	<u>416,722</u>	<u>360,150</u>	<u>328,571</u>	<u>287,687</u>
– Basic and diluted earnings per share (kobo)	<u>8</u>	<u>7</u>	<u>5</u>	<u>6</u>

The significant accounting policy on pages 24 to 41 and the notes on pages 50 to 164 form an integral part of the financial statements.

Consolidated Statements of Financial Position

	Group			Company		
	31-Dec-12 N'000	31-Dec-11 N'000	01-Jan-11 N'000	31-Dec-12 N'000	31-Dec-11 N'000	01-Jan-11 N'000
Notes						
ASSETS						
Cash and cash equivalents	4,068,517	3,895,663	5,292,507	2,671,903	1,938,389	3,553,103
Financial assets	5,043,368	3,972,134	1,915,796	2,384,345	3,076,543	1,132,438
Trade receivables	667,365	630,000	778,438	231,422	276,724	566,645
Reinsurance assets	474,394	142,717	97,919	286,791	73,317	97,919
Deferred acquisition cost	175,788	192,239	177,679	110,639	130,255	136,252
Other receivables and prepayments	642,027	759,098	658,768	647,172	507,941	636,692
Investment in subsidiaries	-	-	-	2,705,576	2,455,576	2,405,576
Investment property	264,334	1,067,072	1,153,846	182,667	446,000	528,699
Deferred tax asset	100,116	26,101	10,592	-	-	-
Intangible assets	65,695	56,819	68,378	53,316	37,687	41,364
Property, plant and equipment	659,532	597,573	581,577	361,731	333,590	306,148
Statutory deposit	517,619	605,207	590,170	300,000	300,000	300,000
TOTAL ASSETS	12,678,755	11,944,623	11,325,670	9,935,562	9,576,022	9,704,836
EQUITY and LIABILITIES						
Equity attributable to owners						
Share capital	2,530,902	2,530,902	2,530,902	2,530,902	2,530,902	2,530,902
Share premium	5,240,627	5,240,627	5,240,627	5,240,627	5,240,627	5,240,627
Contingency reserves	1,189,986	1,076,848	944,664	1,040,912	964,220	869,394
Other reserves	85,127	120,805	106,406	97,315	106,406	106,406
Retained earnings	(1,423,165)	(1,693,059)	(1,906,626)	(1,179,973)	(1,344,114)	(1,536,975)
TOTAL EQUITY	7,623,477	7,276,123	6,915,973	7,729,783	7,498,041	7,210,354
Total equity attributable to the owners of the parent	7,623,477	7,276,123	6,915,973	7,729,783	7,498,041	7,210,354
TOTAL EQUITY	7,623,477	7,276,123	6,915,973	7,729,783	7,498,041	7,210,354
LIABILITIES						
Insurance contract liabilities	3,545,872	3,439,325	3,138,664	1,373,644	1,403,456	1,558,656
Investment contract liabilities	65,591	63,432	79,136	-	-	-
Trade payables	492,509	164,014	325,693	231,036	117,770	320,851
Provisions and other payables	360,710	527,295	457,698	256,967	262,270	290,879
Deferred income tax liabilities	175,787	87,365	86,587	124,175	63,554	59,036
Current income tax liabilities	414,809	387,069	321,919	219,957	230,931	265,060
TOTAL LIABILITIES	5,055,278	4,668,500	4,409,697	2,205,779	2,077,981	2,494,482
TOTAL LIABILITIES AND EQUITY	12,678,755	11,944,623	11,325,670	9,935,562	9,576,022	9,704,836

The financial statements were authorised for issue by the board of directors on the 27 March 2013 and were signed on its behalf by:

The significant accounting policy on pages 24 to 41 and the notes on pages 50 to 164 form an integral part of the financial statements.

Aigboje Aig-Imoukhuede, CON
FRC/2013/CIBN/00000001999
Chairman

Segun Balogun
FRC/2013/CIIN/00000002288
Chief Executive Officer

Richard Abiodun Adewole
FRC/2013/ICAN/00000002285
Executive Director - Finance

Consolidated Statements of Changes in Equity -Group

For the year ended 31 December 2012

(All amounts in Naira thousands unless otherwise stated)

	Share capital	Share premium	Contingency reserves	Other reserves	Retained earnings	Total equity
Balance at 1 January 2012	2,530,902	5,240,627	1,076,848	120,805	(1,693,059)	7,276,123
<i>Total comprehensive income for the year</i>						
Profit for the year	-	-	-	-	383,032	383,032
Transfer to contingency reserves	-	-	113,138	-	(113,138)	-
	-	-	113,138	-	269,894	383,032
Other comprehensive income						
Foreign currency translation difference				(54,048)	-	(54,048)
Revaluation gain on property and equipment, net of tax	-	-	-	115,199	-	115,199
Reversal of revaluation gain on demolished property and equipment	-	-	-	(96,829)	-	(96,829)
Total other comprehensive income for the year	-	-	-	(35,678)	-	(35,678)
Total comprehensive income for year	-	-	113,138	(35,678)	269,894	347,354
	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-
Balance at 31 December 2012	2,530,902	5,240,627	1,189,986	85,127	(1,423,165)	7,623,477

Consolidated Statement of Changes in Equity -Company
For the year ended 31 December 2012

(All amounts in Naira thousands unless otherwise stated)

	Share Capital	Share premium	Contingency reserves	Other reserves	Retained earnings	Total equity
Balance at 1 January 2012	2,530,902	5,240,627	964,220	106,406	(1,344,114)	7,498,041
<i>Total comprehensive income for the year</i>						
Profit for the year	-	-	-	-	240,833	240,833
Transfer to contingency reserves	-	-	76,692	-	(76,692)	-
	-	-	76,692	-	164,141	240,833
Other comprehensive income						
Revaluation gain on property and equipment, net of tax	-	-	-	87,738	-	87,738
Reversal of revaluation gain on demolished property and equipment	-	-	-	(96,829)	-	(96,829)
						-
Total other comprehensive income for the year	-	-	-	(9,091)	-	(9,091)
Total comprehensive income for year	-	-	76,692	(9,091)	164,141	231,742
Total transactions with owners						
	-	-	-	-	-	-
Balance at 31 December 2012	2,530,902	5,240,627	1,040,912	97,315	(1,179,973)	7,729,783

Consolidated Statement of Changes in Equity -Group

For the year ended 31 December 2011

(All amounts in Naira thousands unless otherwise stated)

	Share Capital	Share premium	Contingency reserve	Other reserves	Retained earnings	Total equity
Balance at 1 January 2011	2,530,902	5,240,627	944,664	106,406	(1,906,626)	6,915,973
<i>Total comprehensive income for the year</i>						
Profit for the year	-	-	-	-	345,751	345,751
Transfer to contingency reserves	-	-	132,184	-	(132,184)	-
	-	-	132,184	-	213,567	345,751
Other comprehensive income						
Foreign currency translation difference	-	-	-	14,399	-	14,399
Total other comprehensive income for the year	-	-	-	14,399	-	14,399
Total comprehensive income for year	-	-	132,184	14,399	213,567	360,150
Total transactions with owners	-	-	-	-	-	-
Balance at 31 December 2011	2,530,902	5,240,627	1,076,848	120,805	(1,693,059)	7,276,123

Statement of Changes in Equity -Company

For the year ended 31 December 2011

(All amounts in Naira thousands unless otherwise stated)

	Share Capital	Share premium	Contingency reserve	Other reserves	Retained earnings	Total
Balance at 1 January 2011	2,530,902	5,240,627	869,394	106,406	(1,536,975)	7,210,354
<i>Total comprehensive income for the year</i>						
Profit for the year	-	-	-	-	287,687	287,687
Transfer to contingency reserves	-	-	94,826	-	(94,826)	-
	-	-	94,826	-	192,861	287,687
Other comprehensive income	-	-	-	-	-	-
Total other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for year	-	-	94,826	-	192,861	287,687
Total transactions with owners	-	-	-	-	-	-
Balance at 31 December 2011	2,530,902	5,240,627	964,220	106,406	(1,344,114)	7,498,041

Consolidated Statement of Cash Flows

	Group		Company	
	31-Dec-12 N'000	31-Dec-11 N'000	31-Dec-12 N'000	31-Dec-11 N'000
Notes				
Cash flows from operating activities				
Net cash flow from operating activities before changes	1,394,019	1,320,503	818,586	859,387
Changes in working capital:				
Trade receivables	(649,560)	(267,959)	(156,324)	33,280
Reinsurance assets	(331,677)	(44,798)	(213,474)	24,602
Deferred acquisition cost	16,451	(14,560)	19,616	5,997
Other receivables and prepayments	5,080	(125,847)	(120,675)	-
Statutory deposit	87,588	(15,037)	19,616	5,997
Insurance contract liabilities	201,486	300,661	(94,204)	(155,200)
Investment contract liabilities	2,159	(15,704)	-	-
Trade payables	328,495	(161,679)	113,266	(203,081)
Provisions and other payables	(141,846)	69,597	(5,303)	(28,609)
	<u>912,195</u>	<u>1,045,177</u>	<u>381,104</u>	<u>542,373</u>
Income tax paid	(166,188)	(185,431)	(130,582)	(157,049)
Net cash from operating activities	<u>746,007</u>	<u>859,746</u>	<u>250,522</u>	<u>385,324</u>
Cash flows from investing activities				
Purchases of property, plant and equipment	(196,993)	(134,670)	(152,459)	(100,833)
Purchases of intangible assets	(29,684)	(7,722)	(29,684)	(7,722)
Proceed from sale of property, plant and equipment	-	12,894	-	9,009
(Purchase)/redemption of investment securities	(1,219,994)	(2,737,949)	413,962	(2,064,850)
Rental income from investment property	55,747	52,190	5,507	7,858
Proceeds from disposal of investment property	817,771	558,667	245,666	156,500
Net cash used in investing activities	<u>(573,153)</u>	<u>(2,256,590)</u>	<u>482,992</u>	<u>(2,000,038)</u>
Changes in cash and cash equivalents	<u>172,854</u>	<u>(1,396,844)</u>	<u>733,514</u>	<u>(1,614,714)</u>
Cash and cash equivalent at beginning of year	3,895,663	5,292,507	1,938,389	3,553,103
Net increase/(decrease) in cash and cash equivalent	172,854	(1,396,844)	733,514	(1,614,714)
Cash and cash equivalent at end of year	<u>4,068,517</u>	<u>3,895,663</u>	<u>2,671,903</u>	<u>1,938,389</u>

The significant accounting policy on pages 24 to 41 and the notes on pages 50 to 164 form an integral part of the financial statements.