

SOVEREIGN TRUST INSURANCE PLC
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2012

	CURRENT PERIOD N'000	PRIOR PERIOD N'000	% CHANGE
Assets			
Cash and cash equivalents	1,166,795	1,431,579	(22.7)
Financial assets :			
- Available for sale	357,166	585,138	(63.8)
- Fair value through profit & loss	333,768	369,471	(10.7)
- Held to maturity	20,000	10,000	50.0
- Loans and receivable	206,353	186,682	9.5
Trade receivables	1,149,175	561,045	51.2
Reinsurance assets	1,322,312	851,332	35.6
Deferred acquisition costs	541,467	266,962	50.7
Other receivables and prepayment	95,421	84,677	11.3
Investment properties	1,053,030	860,311	18.3
Property and equipment	552,747	583,310	(5.5)
Statutory deposits	315,000	315,000	-
Total assets	7,113,234	6,105,507	
Liabilities			
Insurance contract liabilities	2,239,625	1,970,949	12.0
Debt securities in issue	1,007,775	1,523,877	(51.2)
Trade payables	250,559	171,892	31.4
Other payables & accruals	42,140	64,129	(52.2)
Book overdraft	-	24,925	-
Retirement benefit obligations	271,641	229,651	15.5
Current tax payable	127,506	83,475	34.5
Deferred tax liabilities	35,183	57,935	(64.7)
Total liabilities	3,974,430	4,126,833	
Equity			
Issued share capital	3,435,879	3,435,879	
Share premium	116,843	145,763	(24.8)
Contingency reserve	1,192,422	960,138	19.5
Retained earnings	(1,605,880)	(2,566,003)	(59.8)
Available for Sale Reserve	(460)	2,898	(729.6)
Total equity	3,138,804	1,978,675	
Total equity and liabilities	7,113,234	6,105,508	14.2

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR
ENDED 31ST DECEMBER, 2012**

	31 Dec. 2012	31 Dec. 2011	% CHANGE
	₦'000	₦'000	
Gross premiums written	7,742,785	6,407,713	17.2
Gross premium income	7,502,203	6,173,285	17.7
Reinsurance expenses	(2,881,748)	(1,947,532)	(32.4)
Net premiums earned	4,620,455	4,225,753	8.5
Fee and commission income	374,007	281,164	24.8
Net underwriting income	4,994,462	4,506,917	9.8
Claims expenses	(920,434)	(1,553,950)	68.8
Underwriting expenses	(1,589,788)	(1,301,183)	(18.2)
Underwriting profit	2,484,240	1,651,784	33.5
Investment income	328,233	170,776	48.0
Net realised losses/gains on investment securities	(35,835)	11,560	(132.3)
Other income	78,042	273,230	(250.1)
Bad debt recovered	255,108	119,730	53.1
Foreign exchange differences	186,941	(92,345)	149.4
Impairment for trade receivable	(84,266)	(1,113,295)	1,221.2
Management expenses	(1,575,558)	(1,469,378)	(6.7)
	1,636,906	(447,939)	127.4
Finance Cost	(51,792)	(65,908)	27.3
Profit before tax	1,585,113	(513,847)	132.4
Income taxes	(108,759)	(25,097)	76.9
Profit after tax	1,476,355	(538,943)	136.5
Other Comprehensive Income			
Actuarial gains/(losses) in defined gratuity scheme	(9,077)	-	-
- Unrealised net gains/(losses) arising during the period	2,955	(2,327)	178.7
- Net reclassification adjustment for realised net losses	(6,313)	(11,560)	83.1
Other comprehensive income for the year, net of tax	(12,435)	(13,887)	(11.7)
Total Comprehensive Income for the Year	1,463,920	(552,830)	137.8

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2012

	Share capital	Share premium	Retained earnings	Fair value reserve	Contingency reserve	Total equity
	N	N	N	N	N	N
Balance at 1 January 2011	2,601,879	191,943	(1,678,715)	16,785	767,908	1,899,800
Profit or loss for the period	-	-	(538,943)	-	-	(538,943)
Other comprehensive Income	-	-	-	(13,887)	-	(13,887)
Total comprehensive income or loss	2,601,879	191,943	(2,217,659)	2,898	767,908	1,346,969
Issue of new shares	834,000	-	-	-	-	834,000
Capital raising expenses	-	(46,180)	-	-	-	(46,180)
Dividend paid	-	-	(156,114)	-	-	(156,114)
Transfer to Contingency Reserve	-	-	(192,230)	-	192,230	-
At 31 December 2011	3,435,879	145,763	(2,566,003)	2,898	960,138	1,978,675
Profit or loss for the period	-	-	1,476,355	-	-	1,476,355
Comprehensive Income	-	-	(9,077)	(3,358)	-	(12,435)
Total comprehensive income	-	-	1,467,278	(3,358)	-	1,463,920
Dividend paid			(274,871)	-	-	(274,871)
Capital raising expenses	-	(28,920)	-	-	-	(28,920)
Transfer to Contingency Reserve	-	-	(232,284)	-	232,284	-
At 31 December 2012	3,435,879	116,843	(1,605,880)	(460)	1,192,422	3,138,804

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31ST DECEMBER, 2012

	CURRENT YEAR	PRIOR YEAR	% CHANGE
	N'000	N'000	
Operating activities			
Net cash provided by operating activities	320,257	377,298	(17.8)
Net cash inflow/(outflow) in investing activities	76,447	(11,100)	114.5
Net cash (outflow)/inflow from financing activities	(636,563)	556,370	(187.4)
(Decrease)/Increase in cash and cash equivalents	(239,859)	922,567	(484.6)
Cash and cash equivalents at Beginning of the Year 2012	1,406,654	484,087	65.6
Cash and cash equivalents at end of the Year 2012	1,166,794	1,406,654	(20.6)