

CONSOLIDATED HALLMARK INSURANCE PLC
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT PERIOD ENDED 30 SEPTEMBER 2013**

		GROUP			COMPANY		
	Notes	SEPTEMBER 30 2013	SEPTEMBER 30 2012	DEC 31 2012	SEPTEMBER 30 2013	SEPTEMBER 30 2012	DEC 31 2012
Assets							
Cash and cash equivalents	2	2,419,987,054	1,406,473,898	1,857,303,251	N 2,368,438,101	1,302,012,807	N 1,746,507,954
Financial assets:		-	-	-			-
Trading Securities	3	169,371,016	485,079,331	182,451,560	152,032,455	469,733,824	167,695,232
Loans and receivables	3	53,180,047	127,236,706	41,082,638	31,692,710	68,585,655	25,122,448
Available for sale	3	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Finance lease receivables	4	73,782,950	-	24,731,816			
Trade receivables	5	276,821,378	1,508,945,478	1,138,068,666	276,821,378	1,508,945,478	1,138,068,666
Reinsurance assets	6	1,133,070,688	867,461,306	1,068,907,833	1,133,070,688	867,461,306	1,068,907,833
Deferred acquisition cost	7	138,133,558	203,347,182	195,734,475	138,133,558	203,347,182	195,734,475
Other receivables & prepayments	8	105,276,840	41,136,687	50,413,485	87,719,709	64,258,895	61,710,099
Investment in subsidiaries	9	-	-	-	226,407,680	226,407,680	226,407,680
Investment in properties	10	872,631,600	786,578,915	870,331,600	788,131,600	786,578,915	785,831,600
Property plant and equipment	11	936,262,997	998,034,242	946,746,286	931,785,530	911,693,883	946,346,035
Statutory Deposits	12	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000
Total Assets		6,480,518,128	6,726,293,745	6,677,771,610	6,436,233,408	6,711,025,625	6,664,332,022
Liabilities							
Insurance Contract Liabilities	13	1,869,276,907	2,176,761,459	1,879,967,422	1,869,276,907	2,176,761,459	1,879,967,422
Trade payables	14	47,857,270	407,940,676	218,963,082	47,857,271	406,445,127	218,963,082
Provision and other payables	15	60,843,759	-	78,514,068	52,151,294		87,474,075
Borrowings		-	-				
Retirement benefit obligations	18	5,608,355	-	8,507,055	5,429,492		8,429,295
Income tax liabilities	21.2	210,452,267	60,329,078	178,219,612	198,009,939	54,293,328	169,994,951
Deferred tax liabilities	21.3	126,936,011	118,728,282	126,936,011	126,936,011	118,728,282	126,936,011
Total Liabilities		2,320,974,568	2,763,759,495	2,491,107,250	2,299,660,913	2,756,228,196	2,491,764,836
Equity							
Issued and paid share capital	23	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Contingency Reserve	24	725,035,396	597,670,597	617,545,019	723,192,081	597,670,597	617,545,019
Retained earnings	25	434,508,164	364,863,653	569,119,341	413,380,413	357,126,832	555,022,167
Available for sale fair value reserves		-	-	-	-		-
Shareholders' Fund		4,159,543,560	3,962,534,250	4,186,664,360	4,136,572,495	3,954,797,429	4,172,567,186
Total Liabilities and equity		6,480,518,128	6,726,293,745	6,677,771,609	6,436,233,408	6,711,025,625	6,664,332,022

CONSOLIDATED HALLMARK INSURANCE PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER,2013

	Notes	GROUP			COMPANY		
		SEPTEMBER 30 2013 N	SEPTEMBER 30 2012 N	DEC 31 2012 N	SEPTEMBER 30 2013 N	SEPTEMBER 30 2012 N	DEC 31 2012 N
Gross premium written		3,521,568,749	3,479,646,009	4,142,126,782	3,521,568,749	3,479,646,009	4,142,126,782
Gross premium income	28	3,443,947,481	3,132,825,460	3,835,996,495	3,443,947,481	3,132,825,460	3,835,996,495
Reinsurance premium expenses	29	(1,086,743,009)	(930,031,896)	(925,237,855)	(1,086,743,009)	(930,031,896)	(925,237,855)
Net premium earned		2,357,204,472	2,202,793,564	2,910,758,640	2,357,204,472	2,202,793,564	2,910,758,640
Fee and commission income	30	186,196,642	145,437,397	237,243,583	186,196,642	145,437,397	237,243,584
Net underwriting income		2,543,401,114	2,348,230,961	3,148,002,223	2,543,401,114	2,348,230,961	3,148,002,224
Claims expenses		-	-	-	-	-	-
Underwriting Expenses	31	(584,848,950)	(561,211,867)	(558,416,799)	(584,848,950)	(561,211,867)	(558,416,799)
		(860,049,975)	(748,468,581)	(904,686,101)	(860,049,975)	(748,468,581)	(930,996,101)
Underwriting Profit		1,098,502,189	1,038,550,513	1,684,899,323	1,098,502,189	1,038,550,513	1,658,589,324
Investment income	32.1	202,590,437	172,999,359	243,208,498	202,590,437	172,999,359	227,328,630
Underwriting results		1,301,092,626	1,211,549,872	1,928,107,821	1,301,092,626	1,211,549,872	1,885,917,954
Other operating income	33	65,637,218	32,842,036	14,286,644	28,976,075	5,556,471	11,133,773
Impairment on financial assets	34	(334,549,031)	(391,526,354)	(422,184,651)	(334,549,031)	(391,526,354)	(419,336,868)
Net fair value gains/(losses) on financial assets at fair value through profit or loss	35	12,977,144	-	(19,468,439)	12,977,144	-	(20,313,928)
Management Expenses		(819,754,918)	(730,848,106)	(940,275,018)	(796,724,301)	(718,106,794)	(916,641,303)
Results of operating activities		225,403,039	122,017,448	560,466,357	211,772,513	107,473,195	540,759,628
Finance cost		-	-	-	-	-	-
Profit/(loss) before taxation		225,403,039	122,017,448	560,466,357	211,772,513	107,473,195	540,759,628
Income tax (expenses)/credit	21.1	(71,984,869)	(39,191,025)	(165,259,841)	(67,767,204)	(34,391,422)	(158,271,327)
Profit/(loss) after taxation		153,418,170	82,826,423	395,206,516	144,005,309	73,081,773	382,488,301
Other comprehensive income(loss) net of tax							
Contingency reserve		(105,647,062)	(104,389,380)	(124,263,803)	(105,647,062)	(104,389,380)	(124,263,803)
Net fair value gains/(losses) on available for sale financial assets							
Total other comprehensive income		(105,647,062)	(104,389,380)	(124,263,803)	(105,647,062)	(104,389,380)	(124,263,803)
Total comprehensive income/(loss) for the year		47,771,107	(21,562,957)	270,942,713	38,358,246	(31,307,607)	258,224,498
Attributable to shareholders		47,771,107	(21,562,957)	270,942,713	38,358,246	(31,307,607)	258,224,498
Basic earnings per share (Kobo)	36	2.56		4.84	2.40		6.37

CONSOLIDATED HALLMARK INSURANCE PLC
REVENUE ACCOUNTS
FOR THE PERIOD ENDED 30 SEPTEMBER,2013

	MOTOR	FIRE	BOND	GEN. ACCIDENT	MARINE	AVIATION	OIL & GAS	ENGINEERING	TOTAL	TOTAL PRIOR YEAR
INCOME										
Direct Premium	840,693,241	404,961,701	12,495,518	674,505,762	100,395,963	433,786,874	883,410,760	143,196,780	3,493,446,598	3,477,879,404
Inward Reinsurance Premiums	3,482,713	9,337,029	1,371,649	4,683,954	859,583	3,581,679	1,692,090	3,113,454	28,122,151	1,766,605
Gross Written Premium	844,175,954	414,298,730	13,867,167	679,189,716	101,255,546	437,368,553	885,102,850	146,310,234	3,521,568,749	3,479,646,009
(Increase)/Decrease in Unexpir	138,673,558	(31,008,824)	415,800	42,857,634	14,564,143	(43,334,323)	(198,530,289)	(1,258,967)	(77,621,268)	(346,820,549)
Gross Premium Earned	982,849,512	383,289,906	14,282,968	722,047,349	115,819,689	394,034,230	686,572,561	145,051,267	3,443,947,481	3,132,825,460
Deduct:										
Outward Reinsurance Premiums	(273,893,817)	(58,954,902)	0	(49,149,238)	0	(277,348,433)	(491,559,475)	0	(1,150,905,864)	(930,031,896)
(Increase)/Decrease in Prepaid Reinsurance	(45,602,711)	(428,981)	(1,000,528)	(1,976,313)	(17,284,834)	(18,687,916)	169,302,271	(20,158,134)	64,162,855	
Reinsurance Cost	(319,496,528)	(59,383,883)	(1,000,528)	(51,125,551)	(17,284,834)	(296,036,349)	(322,257,203)	(20,158,134)	(1,086,743,009)	(930,031,896)
Net Premium Earned	663,352,984	323,906,023	13,282,440	670,921,799	98,534,855	97,997,881	364,315,358	124,893,133	2,357,204,472	2,202,793,564
Commission Received	119,906,456	7,523,756	0	7,734,883	0	43,969,291	4,540,291	2,521,965	186,196,642	145,437,397
Total Income	783,259,439	331,429,779	13,282,440	678,656,682	98,534,855	141,967,172	368,855,648	127,415,098	2,543,401,114	2,348,230,961
Expenses										
Gross Claims Paid	225,450,118	93,360,270	(1,800,000)	203,607,736	28,781,015	3,576,710	95,894,372	1,887,943	650,758,164	601,500,086
(Increase)/Decrease in outstanding Claims Prov	(3,166,220)	(5,529,702)	(279,270)	(8,235,503)	(659,633)	(5,524,654)	(6,505,382)	(810,502)	(30,710,867)	33,325,801
Gross Claims Incurred	222,283,898	87,830,568	(2,079,270)	195,372,233	28,121,382	(1,947,944)	89,388,989	1,077,441	620,047,297	634,825,888
Reinsurance Claims Recovered	(16,318,203)	(940,947)	(2,000,000)	(7,671,354)	2,196,069	(10,463,913)	0	0	(35,198,347)	(73,614,021)
Net Claims Paid Incurred	205,965,695	86,889,621	(4,079,270)	187,700,879	30,317,451	(12,411,857)	89,388,989	1,077,441	584,848,950	561,211,867
Acquisition Expenses	97,818,007	88,587,314	2,419,808	133,980,592	20,233,983	82,283,746	167,378,446	29,254,188	621,956,085	584,226,455
Maintenance/Operating Expenses	68,210,711	15,936,316	2,585,184	101,621,737	9,536,689	(1,324,232)	34,984,128	6,543,357	238,093,890	164,242,126
TOTAL EXPENSES	371,994,413	191,413,251	925,722	423,303,208	60,088,123	68,547,657	291,751,564	36,874,987	1,444,898,925	1,309,680,448
Underwriting Profit(Loss)	411,265,026	140,016,528	12,356,718	255,353,473	38,446,732	73,419,516	77,104,085	90,540,112	1,098,502,189	1,038,550,513

CONSOLIDATED HALLMARK INSURANCE PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT PERIOD ENDED 30 SEPTEMBER 2013

The Group- 2013

	Issued share capital	Statutory contingency reserves	Available-for- sale fair value reserve	Statutory reserve	Retained earnings	Total equity
At 1 January 2013	3,000,000,000	617,545,019	-		555,022,167	4,172,567,186
Changes in equity for 2013:						
Profit for the period	-				144,005,309	144,005,309
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	3,000,000,000	617,545,019	-	-	699,027,476	4,316,572,495
Transactions with owners:						
Transfer to contingency reserves	-	105,647,062		-	(105,647,062)	-
Transfer to statutory reserves	-	-				-
Dividends relating to 2012 paid during the year	-	-		-	(180,000,000)	(180,000,000)
Non-controlling interest arising on business combination	-	-		-	-	-
Contribution by and to owners of the business	-	105,647,062	-	-	(285,647,062)	(180,000,000)
AS AT PERIOD ENDED 30 SEPTEMBER, 2013	3,000,000,000	723,192,081	-	-	413,380,413	4,136,572,495

CONSOLIDATED HALLMARK INSURANCE PLC

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER,2013

	SEPTEMBER 30 2013 N	2012 N	SEPTEMBER 30 2013 N	2012 N
Cash flows from operating activities				
Premium received from policy holders	4,340,856,660	4,292,044,757	4,340,856,660	4,292,044,757
Reinsurance receipts in respect of claims	35,198,347	22,368,455	35,198,347	22,368,455
Commission received	192,412,059	237,243,584	186,196,642	237,243,584
Other operating receipts	26,878,275	14,286,644	28,976,075	11,133,773
Cash paid to and on behalf of employees	(414,702,672)	(335,254,753)	(409,573,674)	(328,402,153)
Reinsurance premium paid	(1,150,905,864)	(925,237,855)	(1,150,905,864)	(925,237,855)
Claims paid	(650,758,164)	(558,416,799)	(650,758,164)	(558,416,799)
Underwriting expenses	(860,049,975)	(904,686,101)	(860,049,975)	(930,996,101)
Other operating cash payments	(817,558,189)	(1,457,576,754)	(768,208,643)	(1,390,416,251)
Company income tax paid	(43,969,881)	(131,060,586)	(39,752,216)	(131,060,586)
Net cash provided by operating activities	657,400,597	253,710,592	711,979,189	298,260,824
Cash flows from investing activities				
Purchase of fixed assets	(66,665,432)	(84,633,171)	(61,997,682)	(84,168,171)
Fair value change and addition to investment properties	-	247,315	-	747,315
Additional investment in subsidiaries	-	-	-	(100,000,000)
Proceeds from sale of fixed assets	25,836,138	10,223,967	25,836,138	10,223,967
Purchase of financial assets	(76,477,935)	-	(76,477,935)	-
Proceeds from sale of financial assets	-	105,219,472	-	102,596,800
Dividend received	-	34,904,415	-	34,904,415
Interest received	202,590,437	208,304,083	202,590,437	192,424,215
Net cash provided by investing activities	85,283,207	274,266,081	89,950,957	156,728,541
Cash flows from financing activities				
Dividend paid	(180,000,000)	(120,000,000)	(180,000,000)	(120,000,000)
Payment of borrowings	-	-	-	-
Net cash provided by financing activities	(180,000,000)	(120,000,000)	(180,000,000)	(120,000,000)
Increase in cash and cash equivalents	562,683,804	407,976,673	621,930,147	334,989,365
Cash and cash equivalent at 01 January 2013	1,857,303,250	1,449,326,577	1,746,507,954	1,411,518,588
Cash and cash equivalent at 30 Sept 2013	2,419,987,054	1,857,303,250	2,368,438,101	1,746,507,954

The accompanying notes on pages 22 to 50 form an integral part of this statement of cash flows.