

CORNERSTONE INSURANCE PLC

RC NO: 163170

**ANNUAL REPORTS AND FINANCIAL STATEMENTS
31 DECEMBER 2012**

Consolidated Statement of Financial Position
As at 31 December 2012

	Note	31-Dec-12 Group N'000	31-Dec-11 Group N'000	1-Jan-11 Group N'000	31-Dec-12 Company N'000	31-Dec-11 Company N'000	1-Jan-11 Company N'000
ASSETS							
Cash and cash equivalents	5	2,747,322	1,584,650	2,228,225	2,931,876	2,146,026	2,615,505
Financial assets	6	3,796,078	4,279,376	3,493,975	3,530,347	3,814,929	3,185,054
Trade receivables	7	551,199	485,270	488,226	551,199	485,270	488,226
Other receivables and prepayments	8	865,666	625,194	683,280	618,762	349,750	575,701
Reinsurance assets	9	1,475,611	1,416,790	634,645	1,475,611	1,416,790	634,645
Deferred acquisition cost	10	132,208	140,216	131,948	132,208	140,216	131,948
Investment in subsidiaries	11	-	-	-	59,879	30,827	30,827
Finance lease receivables	12	32,299	102,057	180,690	-	-	-
Investment properties	13	1,275,780	1,206,181	1,165,399	1,275,780	1,206,181	1,165,399
Property, plant and equipment	14	558,643	529,490	421,787	555,907	524,731	417,449
<i>Intangible assets - software</i>	15	40,186	40,252	32,721	40,186	40,252	32,473
Deferred tax assets	24	201,769	125,725	28,925	135,929	27,580	-
Statutory deposits	16	500,000	500,000	500,000	500,000	500,000	500,000
Total Assets		12,176,762	11,035,201	9,989,821	11,807,685	10,682,552	9,777,227
LIABILITIES							
Investment contract liabilities	17	1,229,957	1,011,677	839,041	1,229,957	1,011,677	839,041
Insurance contract liabilities	18	3,653,933	3,316,145	2,211,043	3,653,933	3,316,145	2,211,043
Trade payables	19	176,670	260,625	245,433	176,670	260,625	242,477
Other payables	20	590,815	553,436	471,421	615,028	384,483	431,495
Trust and managed funds	21	348,135	248,307	310,420	-	-	-
Finance lease obligations	22	758	53,575	35,504	758	53,575	35,504
Income tax liabilities	23	110,508	46,659	50,707	73,932	42,507	45,394
Deferred tax liabilities	24	-	-	-	-	-	52,471
Employees retirement benefit obligations	25	38,521	27,715	25,781	37,602	27,715	25,781
Total Liabilities		6,149,297	5,518,139	4,189,349	5,787,880	5,096,727	3,883,206
EQUITY							
Share capital and reserves:							
Ordinary share capital	26a	4,410,005	4,410,005	4,410,005	4,410,005	4,410,005	4,410,005
Share premium	26a	1,947,166	1,947,166	1,947,166	1,947,166	1,947,166	1,947,166
Treasury shares	26b	(48,175)	(48,175)	(48,175)	(48,175)	(48,175)	(48,175)
Contingency reserve	26c	975,978	849,633	744,643	975,978	849,633	744,643
Retained earnings (General reserve)	26d	(1,257,510)	(1,641,567)	(1,253,167)	(1,265,169)	(1,572,804)	(1,159,618)
Total Equity		6,027,464	5,517,062	5,800,472	6,019,805	5,585,825	5,894,021
Total Equity & Liabilities		12,176,761	11,035,201	9,989,821	11,807,685	10,682,552	9,777,227

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year-ended 31 December 2012

	Note	31-Dec-12 Group N'000	31-Dec-11 Group N'000	31-Dec-12 Company N'000	31-Dec-11 Company N'000
Gross written premium		4,619,959	4,270,447	4,619,959	4,270,447
Premium written:					
Gross premium income	27.a	4,525,046	4,583,380	4,525,046	4,583,380
Reinsurance expenses	27.a	(1,676,811)	(1,391,811)	(1,676,811)	(1,391,811)
Net premium income		2,848,235	3,191,569	2,848,235	3,191,569
Fees and commission income	27.b	239,030	255,816	239,030	255,816
Net underwriting income		3,087,265	3,447,385	3,087,265	3,447,385
Net Claims expenses	28	(985,108)	(1,492,739)	(985,108)	(1,492,739)
Underwriting expenses	29	(856,958)	(775,691)	(856,958)	(775,691)
Underwriting profit		1,245,199	1,178,955	1,245,199	1,178,955
Investment income	27.c	1,311,148	347,173	1,020,580	285,135
Fair value changes in investment property		67,100	22,000	67,100	22,000
Fair value changes in financial assets - FVTPL		(219,320)	(174,376)	(204,129)	(174,376)
Net realised gain / loss		(37,066)	158,297	(37,066)	158,297
Other Income		67,300	46,031	59,237	33,419
Net Income		2,434,361	1,578,080	2,150,921	1,503,430
Allowance for impairment on receivables	30	(341,756)	(490,235)	(331,153)	(479,384)
Management and other expenses	31	(1,481,411)	(1,412,748)	(1,412,197)	(1,366,497)
Total expenses		(1,823,167)	(1,902,983)	(1,743,350)	(1,845,881)
Results of operating activities		611,194	(324,903)	407,571	(342,451)
Finance costs	32	(67,269)	(15,227)	(7,917)	(7,650)
		543,924	(340,130)	399,654	(350,101)
Profit before tax		543,924	(340,130)	399,654	(350,101)
Income tax expense	33	(33,523)	56,721	34,327	41,905
Net income		510,401	(283,409)	433,981	(308,196)
Other comprehensive income					
Changes in fair value of AFS Investment		-	-	-	-
Net Income before attribution of non - controlling Interests		510,401	(283,409)	433,981	(308,196)
Net income attributable to:					
Non - controlling interests		-	-	-	-
Owners of parent company		510,401	(283,409)	433,981	(308,196)
		510,401	(283,409)	433,981	(308,196)

Statement of Changes in Equity
for the year ended 31 December 2012

	Share Capital	Share Premium	Treasury Shares	Contingency Reserve	Retained Earnings	Other Component of Equity				Total Equity
	N'000	N'000	N'000	N'000	N'000	AFS Fair Value Reserve	Revaluation Reserve	Other reserves	Other Component of Equity (Total)	N'000
As at 1 January 2012	4,410,005	1,947,166	(48,175)	849,633	(1,641,567)	-	-	-	-	5,517,062
Profit for the year	-	-	-	-	510,401	-	-	-	-	510,401
Total Comprehensive Income	-	-	-	-	510,401	-	-	-	-	510,401
<i>Transactions within Equity:</i>										-
Transfer to Contingency Reserve	-	-	-	126,345	(126,345)	-	-	-	-	-
As at 31 December 2012	4,410,005	1,947,166	(48,175)	975,978	(1,257,510)	-	-	-	-	6,027,463

Consolidated Statement of Changes in Equity
for the year ended 31 December 2011

	Share Capital	Share Premium	Treasury Shares	Contingency Reserve	Retained Earnings	Other Component of Equity				Total Equity
	N'000	N'000	N'000	N'000	N'000	AFS Fair Value Reserve	Revaluation Reserve	Other reserves	Other Component of Equity (Total)	N'000
As at 1 January 2011	4,410,005	1,947,166	(48,175)	744,643	(1,253,167)	-	-	-	-	5,800,472
Profit for the year	-	-	-	-	(283,409)	-	-	-	-	(283,409)
Total Comprehensive Income	-	-	-	-	(283,409)	-	-	-	-	(283,409)
<i>Transactions within Equity:</i>										-
Transfer to Contingency Reserve	-	-	-	104,990	(104,990)	-	-	-	-	-
As at 31 December 2011	4,410,005	1,947,166	(48,175)	849,633	(1,641,567)	-	-	-	-	5,517,062