

Great Nigeria Insurance PLC

**Financial Statements Summary for the year ended
31 December 2012**

Statements of financial position
As at 31 December 2012

In thousands of Naira	Notes	2012	2011	1-Jan-11
Assets				
Cash and cash equivalents	5	1,531,163	1,139,658	952,247
Financial assets	6	491,573	317,429	299,886
Trade receivables	7	252,999	20,358	31,463
Reinsurance assets	8	184,801	133,768	86,611
Deferred acquisition cost	9	54,568	70,223	65,416
Finance lease receivable	10	104,708	-	-
Other receivables and prepayments	11	177,598	138,916	136,348
Investment properties	12	4,175,330	3,706,370	3,583,401
Deferred tax assets	23	157,964	475,511	433,116
Intangible assets	13	3,952	4,105	1,978
Property, plant and equipment	14	773,559	735,378	695,429
Statutory deposit	15	524,187	524,187	500,000
Total assets		8,432,402	7,265,903	6,785,895
Liabilities				
Insurance contract liabilities	16	1,823,405	1,790,444	1,709,827
Investment contract liabilities	17	552,192	483,648	310,132
Trade payables	18	91,433	152,409	76,664
Provisions and other payables	19	338,116	272,044	281,444
Cash Book Overdraft	20	72,007	-	147,986
Finance lease obligations	21	-	5,640	32,409
Retirement benefit obligation	22	21,852	22,185	26,109
Current income tax liabilities	24	180,485	144,206	139,500
Total liabilities		3,079,490	2,870,576	2,724,071
Net assets		5,352,912	4,395,327	4,061,824
Equity				
Issued and paid up capital	25	1,913,742	1,913,742	750,000
Share premium	26	3,110,664	3,115,309	411,482
Contingency reserve	27	506,485	325,865	271,667
Retained earnings	28	(626,011)	(1,348,490)	(1,704,903)
Assets revaluation reserve	29	448,033	388,901	353,578
Deposit for shares	30	-	-	3,980,000
Shareholder's fund		5,352,912	4,395,327	4,061,824

The accompanying notes form an integral part of the financial statements

The financial statements on pages 14 to 104 were authorised for issue by the board of directors on 23 December 2013 and were signed on its behalf by:

Segun Oloketuyi
Chairman
FRC/2013/ICAN/00000002099

Cecilia .O. Osipitan
Managing Director/CEO
FRC/2012/CIIN/00000000596

Additional certification by:

Olufemi Ajayi
Chief Financial Officer
FRC/2012/ICAN/00000000632

Statement of comprehensive income

For the year ended 31 December 2012

<i>In thousands of Naira</i>	Notes	31-Dec-12	31-Dec-11
Gross premium written		2,881,139	2,403,889
Gross premium income	31	2,782,195	2,382,927
Reinsurance expense	31	(337,575)	(282,224)
Net insurance premium revenue	31	2,444,620	2,100,703
Commission income	32	73,869	62,489
Net underwriting Income		2,518,489	2,163,192
Net claims expense	33	684,732	749,254
Acquisition expenses	34	309,479	290,172
Maintenance costs	35	276,699	277,287
Underwriting expenses		1,270,910	1,316,713
Underwriting results		1,247,579	846,478
Investment income	36	328,398	292,825
Net fair value gains on financial assets at fair value through profit or loss	37	643,103	125,696
Other operating income	38	39,641	32,579
Management expenses	39	(717,453)	(639,090)
Results of operating activities		1,541,268	658,489
Finance costs	40	-	(1,591)
Impairment losses	41	(265,763)	(277,063)
Profit before taxation		1,275,505	379,835
Income tax	24	(356,694)	53,535
Minimum tax	24	(15,712)	(22,759)
Profit after taxation		903,099	410,611
Other comprehensive income, net of tax			
<i>Items within OCI that will not be reclassified to the profit or loss:</i>			
Gain on revaluation of properties	29	84,473	50,461
Tax on gain on revaluation of properties	29	(25,341)	(15,138)
Other comprehensive income		59,132	35,323
Total comprehensive income for the year		962,231	445,934
Profit attributable to:			
Shareholders		903,099	410,611
		903,099	410,611
Total comprehensive income attributable to:			
Shareholders		962,231	445,934
		962,231	445,934
Earnings per share			
– Basic earning per share (k)	42	23.60	10.73
– Diluted earning per share (k)	42	23.60	10.73

The accompanying notes form an integral part of the financial statements

Statement of changes in equity
For the year ended 31 December 2012
In thousands of Naira

	Share Capital	Share premium	Asset revaluation reserve	Contingency reserve	Retained earnings	Total equity
Balance at 1 January 2012	1,913,742	3,115,309	388,901	325,865	(1,348,490)	4,395,327
Total comprehensive income for the year						
Profit or loss for the year	-	-	-	-	903,099	903,099
Other comprehensive income, net of tax:	-	-	-	-	-	-
Fair value gains on AFS financial assets	-	-	-	-	-	-
Revaluation of property in use by Company	-	-	59,132	-	-	59,132
Transfer to contingency reserve	-	-	-	180,620	(180,620)	-
Total other comprehensive income for the year	-	-	59,132	180,620	(180,620)	59,132
Total comprehensive income for year	-	-	59,132	180,620	722,479	962,231
Transaction with owners, recorded directly in equity:						
Additional shares issued costs	-	(4,645)	-	-	-	(4,645)
Total contributions by and distributions to equity holders	-	(4,645)	-	-	-	(4,645)
Balance as at 31 December 2012	1,913,742	3,110,664	448,033	506,485	(626,011)	5,352,912

Statement of Cash Flows

For the year ended 31 December 2012

In thousands of Naira

	Notes	31-Dec-12	31-Dec-11
Operating profit for the year		1,275,505	379,835
<i>Adjustment to reconcile profit before taxation to net cash flow from operations:</i>			
Allowances for impairment of trade receivables	37	266,035	236,625
(Write back)/ allowances for other receivables and prepayments	37	(272)	40,438
Depreciation on fixed assets	36	64,718	79,064
Amortisation of intangible assets	36	2,106	4,031
Increase/ (decrease) in unearned premium	18(c)	98,944	20,962
Increase/ (decrease) in provision for outstanding claims	33	42,023	372,895
Increase/ (decrease) in provision for Gratuity		2,653	1,612
(Profit)/loss on property and equipment	28	(689)	-
Dividend income on equity investments	28	(28,359)	(26,291)
Rental income	28	(134,578)	(167,188)
Interest Income	28	(165,461)	(92,236)
Finance lease interest		1,344	10,519
Fair value gain on investment property	28	(468,960)	(122,969)
Cancelled policies	19(b)	-	(101,757)
Fair value changes on Financial Assets at FVTPL	33	(174,143)	(2,727)
		<u>780,867</u>	<u>632,813</u>
<i>Changes in working capital:</i>			
Trade receivables		(480,689)	(126,829)
Other receivables and prepayment		(38,682)	(2,567)
Re-insurance asset		(51,033)	(47,157)
Deferred acquisition cost		15,655	(4,807)
Statutory deposits		-	(24,187)
Finance lease receivable		(104,708)	-
Investment contract liabilities		(68,544)	(173,516)
Trade and other payables		16,752	64,347
		<u>69,618</u>	<u>318,097</u>
Income tax paid	24	(43,921)	(22,489)
Gratuity paid	22	(6,204)	(5,536)
VAT paid		(973)	(1,147)
Net cash provided by operating activities		<u>18,520</u>	<u>288,925</u>
<i>Cash flows from investing activities:</i>			
Purchases of property and equipment	14	(18,454)	(71,918)
Purchases of intangible assets	13	(1,953)	(6,158)
Proceed from the disposal of property and equipment		4,617	3,367
Dividend received	36	28,359	26,291
Rent received	36	134,578	167,188
Interest received	37	165,461	92,236
Net purchase of investment securities		-	(14,816)
Net cash provided by investing activities		<u>312,608</u>	<u>196,190</u>

Cash flows from financing activities:

Finance lease interest paid		(1,346)	(10,519)
Finance lease repayment		(5,640)	(26,769)
Share issue expenses	16	(4,645)	(112,431)
Net used in financing activities		<u>(11,631)</u>	<u>(149,719)</u>
Cash and cash equivalent at beginning of year		1,139,658	804,261
Net increase in cash and cash equivalent		319,498	335,397
Cash and cash equivalent at end of year		<u><u>1,459,156</u></u>	<u><u>1,139,658</u></u>