

FORTIS MICROFINANCE BANK PLC

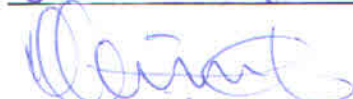
**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013**

	Notes	2013 N	2012 N
ASSETS			
Assets			
Cash and cash equivalents	17	2,777,730,480	976,314,911
Loan and advances to customers	18	8,209,373,276	5,950,070,697
Investment securities	19	481,254,795	291,676,712
Property, plant and equipment	20	200,883,243	230,728,114
Intangible assets	21	51,876,944	46,898,840
Other assets	22	993,766,323	286,708,110
Total assets		12,714,885,061	7,782,397,384
Current liabilities			
Deposits from banks	23	861,255,084	340,082,009
Deposits from customers	24	8,275,312,409	5,935,014,600
Deposit for shares	25	640,000,000	-
On-lending facilities	26	750,455,000	134,000,000
Finance lease	27	-	22,841,226
Current income tax liabilities	28	448,787,292	193,207,359
Deferred tax	29	37,600,054	42,352,947
Other liabilities	30	286,439,735	82,766,940
Total liabilities		11,299,849,574	6,750,265,081
Equity			
Share capital	31	815,045,500	815,045,500
Share premium		-	-
Statutory reserve		316,409,911	124,958,318
Regulatory risk reserve		43,250,927	43,250,927
Retained earnings		194,613,831	3,162,239
Bonus issue reserve		45,715,319	45,715,319
Total equity		1,415,035,487	1,032,132,303
Total equity and liabilities		12,714,885,061	7,782,397,384

These Financial Statements were approved by the Board of Directors on and signed on its behalf by:



Managing Director (FRC/2013/CIBN/00000004499)
Mr Kunle Oketikun



Director (FRC/2013/CIBN/00000004500)
Henry Nwawuba

The notes on pages 22 to 74 forms an integral part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 N	2012 N
Interest income	7	2,045,436,380	1,364,549,830
Interest expenses	8	(1,161,798,422)	(706,404,758)
Net interest income		<u>883,637,958</u>	<u>658,145,072</u>
Loan impairment charges	9	(36,920,385)	(83,977,340)
Net interest income after loan impairment charges		<u>846,717,573</u>	<u>574,167,732</u>
Fee and commission income	10	727,575,527	478,653,165
Fee and commission expense	11	(9,320,209)	(10,351,427)
Net fee commission income		<u>718,255,318</u>	<u>468,301,738</u>
Other operating income	12	38,531,722	79,265,564
Other income		<u>756,787,040</u>	<u>547,567,302</u>
Total operating income		<u>1,603,504,613</u>	<u>1,121,735,034</u>
Personnel expenses	13	(396,198,282)	(400,664,697)
General and administrative expenses	14	(498,370,322)	(342,709,515)
Depreciation and amortisation		(74,261,675)	(70,910,524)
Total expenses		<u>(968,830,279)</u>	<u>(814,284,736)</u>
Profit before income tax		634,674,334	307,450,298
Income tax expenses	15	(251,771,149)	(148,964,301)
Profit for the year		<u>382,903,185</u>	<u>158,485,997</u>
Other comprehensive income:			
Income tax relating to component of other comprehensive income		-	-
Other comprehensive income for the year, net of tax			
Total comprehensive income for the year		<u>382,903,185</u>	<u>158,485,997</u>
Earnings per share		<u>0.23</u>	<u>0.10</u>

The notes on pages 22 to 74 forms an integral part of these financial statements

FORTIS MICROFINANCE BANK PLC

Statement of changes in equity

31 December 2013

	Share capital	Share premium	Regulatory risk reserve	Bonus issue	Statutory reserve	Retained earnings	Total
Balance at 1 January 2013	815,045,500	-	43,250,927	45,715,319	124,958,318	3,162,238	1,032,132,302
Profit for the year	-	-	-	-	-	382,903,185	382,903,185
Transfers for the year	-	-	-	-	191,451,593	(191,451,593)	-
Dividends to equity holders	-	-	-	-	-	-	-
Issued during the year	-	-	-	-	-	-	-
Balance at 31 December 2013	815,045,500	-	43,250,927	45,715,319	316,409,911	194,613,831	1,415,035,487

31 December 2012

	Share capital	Share premium	Regulatory risk reserve	Bonus issue	Statutory reserve	Retained earnings	Total
Balance at 1 January 2012	815,045,500	-	1,347,927	45,715,319	-	(34,177,760)	827,930,986
Profit for the year	-	-	-	-	-	158,485,997	158,485,997
Transfers for the year	-	-	41,903,000	-	79,242,998	(121,145,998)	-
Dividends to equity holders	-	-	-	-	-	-	-
Balance at 31 December 2012	815,045,500	-	43,250,927	45,715,319	124,958,318	3,162,239	1,032,132,303

The notes forms an integral part of these financial statements"

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Notes	2013 N	2012 N
Cash flow from operating activities			
Profit for the period		382,903,185	158,485,997
Adjustments for:			
Depreciation of property and equipment		65,955,641	63,903,870
Amortisation of intangibles		8,306,033	7,006,654
impairment of financial assets		36,920,385	83,977,340
Income tax expenses		251,771,149	148,964,301
Changes in:			
Loan and advances to customers		(2,296,222,964.00)	(4,401,028,116.00)
Other assets		(67,058,214.00)	76,023,982.00
Deposits from banks		521,173,075.00	(82,533,077.00)
Deposits from customers		2,340,297,809.00	3,208,004,171.00
Other liabilities		203,672,795.00	21,882,904.00
		701,862,501.00	(1,177,650,136.00)
Interest received		2,045,436,380.00	1,364,549,830.00
Interest paid		(1,161,798,422.00)	(706,404,758.00)
		883,637,958.00	658,145,072.00
Tax paid		(944,109.00)	-
Net cash from/(used in) operating activities		<u>1,446,774,785</u>	<u>(57,166,905)</u>
Cash flows from investing activities			
Purchase of property, plant & equipment		(36,110,770)	(27,148,841)
Purchase of intangible software		(13,284,137)	(11,958,555)
Purchase of investments		(481,254,795)	(291,676,712)
Disposal of investments		291,676,712	200,000,000
		<u>(238,972,990)</u>	<u>(130,784,108)</u>
Cash flows from financing activities			
Shares issued		-	-
Shares premium		-	-
Finance lease repayment		(22,841,226)	(16,706,151)
Proceeds from on leading facilities		616,455,000	102,000,000
		<u>593,613,774.00</u>	<u>85,293,849.00</u>
Net increase / decrease in cash & cash equivalents		1,801,415,569	(102,657,164)
Cash and cash equivalents at beginning of year		976,314,911	1,078,972,075
Cash and cash equivalents at end of year		<u>2,777,730,480</u>	<u>976,314,911</u>

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