

Composite Balance Sheets As at 31 December 2011

	Notes	Company 2011 N'000	Company 2010 N'000
Assets			
Cash and bank balances	1	307,490	182,245
Short term investments	2	108,364	2,285,234
Premium debtors	3	128,135	1,100,926
Reinsurance recoverables, other assets and loans	4	301,687	778,872
Deferred acquisition cost	5	256,531	215,528
Long term investments	6	44,765	923,923
Investment properties	7	-	167,881
Statutory deposit	8	500,000	500,000
Property and equipment	9	1,756,619	2,730,441
Intangible assets	10	19,654	29,908
Total assets		3,423,245	8,914,958
Liabilities			
Creditors and accruals	11	194,900	67,400
Retirement benefit obligation	12	206,062	-
Borrowings	14	330,402	156,225
Insurance funds	15	3,834,226	1,968,174
Liability for administered deposits	16	733,566	303,537
Taxation payable	17	314,896	34,417
Deferred taxation	18	258,769	46,340
		5,872,821	2,576,093
Capital and reserves			
Share capital	19	2,274,974	2,274,974
Share premium	20	2,663,798	2,663,798
Statutory contingency reserve	21	1,135,867	1,039,697
Asset revaluation reserve	22	1,202,044	-
General reserve	23	(9,726,259)	360,396
Shareholders (deficit)/funds		(2,449,576)	6,338,865
Total liabilities and reserves		3,423,245	8,914,958

Signed on behalf of the board of directors on 3 September 2014:

Mr. James Olatunde Ayo - Chairman
FRC/2014/CIIN/000000008352

Mr. Gbolahan Olutayo - Managing Director
FRC/2014/IMN/00000007106
Additionally certified by:

Adeyinka Olutungase- Chief Finance Officer
FRC/2014/ICAN/000000006910

The statement of accounting policies and accompanying notes form an integral part of these financial statements.

Composite Profit and Loss Accounts For the year ended 31 December 2011

	Notes	Company 2011 N'000	Company 2010 N'000
Gross earnings		2,757,961	3,456,510
Income			
Gross premium written		2,814,276	3,429,721
Less: increase in unearned premium	15.1(a)(ii)	(165,881)	(178,721)
Gross premium earned		2,648,395	3,251,000
Reinsurance cost	24.1	(603,174)	(578,242)
Net premium earned		2,045,221	2,672,758
Commission earned		78,678	38,346
		2,123,899	2,711,104
Expenses			
Net claims incurred	32	1,463,924	1,021,901
Acquisition expenses	33a	359,022	778,299
Maintenance cost	33(b)(i)	77,617	137,201
		1,900,563	1,937,401
Underwriting profit		223,336	773,703
Shareholders share of valuation (deficit)		(13,439)	-
Investment and other income	25	30,888	167,164
Bad debt recovered	25(a)	34,870	109,144
(Loss)/profit from deposit administration		(25,660)	3,600
		249,995	1,053,611
Management expenses	26(a)	(1,053,774)	(799,993)
Write offs and provisions for bad and doubtful accounts	27	(2,102,949)	(600,605)
Loss before taxation		(2,906,728)	(346,987)
Taxation	28	(257,167)	(15,819)
Loss after taxation		(3,163,895)	(362,806)
Appropriations:			
Transfer to statutory contingency reserve	21	96,170	112,878
Transfer to general reserve	23	(3,260,065)	(475,684)
Balance, beginning of year (initially stated) (see note 23(a))		360,397	912,610
Prior year adjustment (see note 23(a))		(6,826,591)	14,468
Balance, beginning of year (restated)		(6,466,194)	927,078
Transfer from profit and loss account (see note 23(a))		(3,260,065)	(475,684)
General reserve		(9,726,259)	451,394
Basic earnings per share (k)	29	(70)k	(8)k
Diluted earnings per share (k)	29	(70)k	(8)k
Declared dividend per share (k)	30	0k	2k

The statement of accounting policies and accompanying notes form an integral part of these financial statements.

Statement of Cash Flows
For the year ended 31 December 2011

	Notes	Company 2011 N'000	Company 2010 N'000
Cashflow from operating activities			
Operating (loss)/profit before changes in working capital	31	(174,995)	880,958
<i>Changes in working capital:</i>			
Short term investments		(25,028)	56,330
Premium debtors		143,261	(611,423)
Reinsurance recoverables, other assets and loans		(112,460)	(194,676)
Deferred acquisition costs		(41,003)	(123,890)
Creditors and accruals		129,612	(36,780)
Liability for administered deposits		114,425	33,854
		<u>33,812</u>	<u>4,373</u>
Tax paid	17	(23,937)	(33,153)
Vat paid		<u>(9,215)</u>	<u>(120)</u>
Net cash flow from operating activities		<u>660</u>	<u>(28,900)</u>
Cashflow from investing activities			
Purchase of fixed assets	9	(38,713)	-
Purchase of investment property		-	(167,881)
Sale of property and equipment		-	43,995
Purchase of investments		(12,926)	-
Dividend from investments	25.2	2,047	23,304
		<u>(49,592)</u>	<u>(100,582)</u>
Cashflow from financing activities			
Dividend paid	13	-	(90,998)
Increase in borrowings		174,177	156,225
Net cashflow from financing activities		<u>174,177</u>	<u>65,227</u>
Net increase/(decrease) in cash and cash equivalents		125,245	(64,255)
Cash and bank balances, beginning of year		182,245	246,500
Cash and bank balances, end of year	1	<u>307,490</u>	<u>182,245</u>

The statement of accounting policies and accompanying notes form an integral part of these financial statements.