

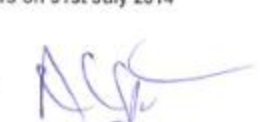
AFRICAN ALLIANCE INSURANCE PLC
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at 31 December 2013

	NOTES	GROUP		COMPANY	
		31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
Assets		N'000	N'000	N'000	N'000
Cash and Cash Equivalents	6	1,707,104	883,726	1,663,292	879,308
Financial Assets	7	5,846,470	2,237,893	5,575,615	2,237,893
Trade Receivables	8	54,181	30,119	-	-
Reinsurance Assets	9	16,733	27,710	16,733	27,710
Deferred Acquisition Cost	10	173	444	173	444
Other Receivables	11	324,113	226,560	473,000	309,458
Investment in subsidiaries	12	-	-	965,475	4,013,053
Investment in Associates	13	1,062,455	684,375	1,062,765	849,061
Investment Properties	14	6,042,924	5,927,000	5,642,612	5,927,000
Deferred Tax Assets	25	28,015	38,025	24,551	38,025
Intangible Asset	15	29,958	13,331	12,002	13,331
Property Plant and Equipment	16	4,174,162	3,949,005	422,191	340,501
Statutory Deposits	17	218,347	200,000	200,000	200,000
Total Assets		19,504,635	14,218,188	16,058,408	14,835,783
Liabilities					
Insurance Contract Liabilities	18	7,066,878	2,948,308	6,298,177	2,948,308
Investment Contracts Liabilities	19	3,812,220	3,313,719	3,812,220	3,313,719
Borrowings	20	15,852	127,054	0	116,308
Trade Payable	21	653,690	218,777	626,728	95,567
Other payables	22	458,680	591,066	124,262	153,918
Employee Benefit Liability	23	128,815	186,241	94,181	142,715
Income Tax liabilities	24	182,367	171,250	150,571	150,318
Deferred tax liabilities	25	437,631	360,079	367,888	320,631
Total Liabilities		12,756,132	7,916,494	11,474,028	7,241,484
Equity					
Issued and paid Share capital	26 (i)	10,292,500	10,292,500	10,292,500	10,292,500
Share Premium	26 (ii)	14,365,133	14,365,133	14,365,133	14,365,133
Contingency Reserves	26 (iii)	209,401	112,808	179,165	112,808
Retained earnings	26 (iv)	(20,038,420)	(20,172,432)	(20,432,438)	(17,343,214)
Revaluation Reserves	26 (v)	1,919,888	1,703,684	180,020	167,071
Shareholders funds		6,748,503	6,301,694	4,584,380	7,594,299
Total liabilities & Reserves		19,504,635	14,218,188	16,058,408	14,835,783

Signed on behalf of the Board of Directors on 31st July 2014



 Mrs. Olabisi Adekola
 FRC/CAN/00000001179
 Chief Finance Officer



 Mr. Alphonse O. Okpor
 FRC/2013/CIIN/00000003868
 Chief Executive Officer



 Mrs. Oluwafunmilayo Omo
 FRC/2014/CIIN/00000008645
 Director

African Alliance Insurance Plc

Statements of Comprehensive Income
For the year ended 31 December 2013

	Notes	GROUP		COMPANY	
		31-Dec-2013	31-Dec-2012	31-Dec-2013	31-Dec-2012
		N'000	N'000	N'000	N'000
Gross Premium written		7,341,760	3,392,159	6,635,633	3,392,159
Gross Premium Income	28	7,275,080	3,332,966	6,568,953	3,332,966
Reinsurance Expense	29	(79,142)	(42,657)	(76,379)	(42,657)
Net Premium Income		7,195,938	3,290,309	6,492,574	3,290,309
Fees and Commission income	30	16,437	17,675	16,437	17,675
NET UNDERWRITING INCOME		7,212,374	3,307,984	6,509,010	3,307,984
Claims expenses	31	(2,183,042)	(1,387,379)	(1,908,391)	(1,387,379)
Reinsurance claims	31	56,351	27,916	56,351	27,916
Changes in contract liabilities	31	(3,485,011)	(1,031,430)	(3,391,409)	(1,031,430)
Net claims expenses		(5,611,702)	(2,390,893)	(5,243,449)	(2,390,893)
Underwriting Expenses					
Acquisition expenses		(254,695)	(74,235)	(158,263)	(74,235)
Maintenance expenses		(466,755)	(325,547)	(466,755)	(325,547)
Total underwriting expenses		(721,450)	(399,782)	(625,018)	(399,782)
Underwriting Profit/(Loss)		879,222	517,309	640,543	517,309
Investment income	32	509,714	441,248	181,368	169,796
Other operating income	33	57,067	-	-	-
Total Investment income		566,781	441,248	181,368	169,796
Impairment (charges)/writeback	34	1,415,000	9,535	(3,047,578)	9,535
Net fair value gain/(loss) on financial assets at fair value through profit or loss	35	49,646	13,643	49,646	13,643
Fair value gain/(loss) on investment properties	35	144,576	323,000	144,576	323,000
Net Operating Income		2,176,003	787,426	(2,671,989)	515,974
Share of profit of equity accounted investee	33	262,214	160,551	262,214	160,551
		2,438,217	947,977	(2,409,775)	676,525
Administrative Expense	36	(590,469)	(419,557)	(429,852)	(341,106)
Other operating Expenses	37	(1,258,610)	(1,158,514)	(757,775)	(619,380)
Total Expenses		(1,849,080)	(1,578,071)	(1,187,627)	(960,486)
Result of operating activities		1,468,359	(112,785)	(2,956,859)	233,368
Interest Expense	37	(5,954)	(39,617)	(5,024)	(36,373)
Profit or (Loss) before Taxation		1,462,405	(152,402)	(2,961,883)	196,995
Income Tax Expense/Credit	38	(57,725)	(162,970)	(60,984)	(160,689)
Profit or (Loss) after Taxation		1,404,680	(315,372)	(3,022,867)	36,306
Profit attributable to:					
Equity holders of the Company		1,404,680	(315,372)	(3,022,867)	36,306
Non-controlling interest		-	-	-	-
Profit/(loss) for the period		1,404,680	(315,372)	(3,022,867)	36,306
Other Comprehensive income					
Items within OCI that will not be reclassified to the profit or loss;					
PPE revaluation gains	26(v)	12,949	13,171	12,949	13,171
Other comprehensive income for the period		12,949	13,171	12,949	13,171
Total comprehensive income		1,417,629	(302,201)	(3,009,918)	49,477
Total comprehensive income attributable to:					
Equity holders of the company		1,417,629	(302,201)	(3,009,918)	49,477
Non-controlling interests		-	-	-	-
Total comprehensive income for the period		1,417,629	(302,201)	(3,009,918)	49,477
Earnings per share-basic	39	6.82	(1.53)	(14.68)	0.18

African Alliance Insurance Plc
Statements of Changes in Equity (GROUP)
for the year ended 31 December 2013

	Share Capital	Share Premium	Revaluation reserve	Contingency reserve	Retained earnings	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2013	10,292,500	14,365,133	1,703,684	112,808	(20,172,432)	6,301,693
Adjustment for new subsidiary consolidation			203,255	23,175	(1,197,250)	(970,819)
	10,292,500	14,365,133	1,906,939	135,983	(21,369,682)	5,330,874
Total comprehensive income for the period						
Profit or loss					1,404,680	1,404,680
Other comprehensive income						
Transfer to contingency reserve	-	-	-	73,415	(73,415)	-
Gain on the revaluation of land and buildings			12,949		-	12,949
	-	-	12,949	73,415	(73,415)	12,949
Other comprehensive income for the period	-	-	12,949	73,415	(73,415)	12,949
Total comprehensive income for the period	-	-	12,949	73,415	1,331,262	1,417,629
Balance at 31 December 2013	10,292,500	14,365,133	1,919,888	209,401	(20,038,420)	6,748,503
Balance at 1 January 2012	10,292,500	14,365,133	1,690,513	78,885	(19,823,135)	6,603,897
Total comprehensive income for the period						
Profit or loss					(315,375)	(315,375)
Other comprehensive income						
Transfer to contingency reserve	-	-	-	33,922	(33,922)	-
Gain on the revaluation of land and buildings			13,171		-	13,171
	-	-	13,171	33,922	(33,922)	13,171
Other comprehensive income for the period	-	-	13,171	33,922	(33,922)	13,171
Total comprehensive income for the period	-	-	13,171	33,922	(349,297)	(302,204)
Balance at 31 December 2012	10,292,500	14,365,133	1,703,684	112,808	(20,172,432)	6,301,693

African Alliance Insurance Plc
Statements of Changes in Equity (COMPANY)
for the year ended 31 December 2013

	Share Capital	Share Premium	Revaluation reserve	Investment Property reserves	Contingency reserve	Retained earnings	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2013	10,292,500	14,365,133	167,071		112,808	(17,343,214)	7,594,298
Total comprehensive income for the period							-
Profit or loss						(3,022,867)	(3,022,867)
Other comprehensive income							-
Transfer to contingency reserve	-	-	-		66,356	(66,356)	-
Gain on the revaluation of land and buildings			12,949				12,949
Other comprehensive income for the period	-	-	12,949		66,356	(66,356)	12,949
Total comprehensive income for the period	-	-	12,949		66,356	(3,089,224)	(3,009,918)
Balance at 31 December 2013	10,292,500	14,365,133	180,020		179,164	(20,432,438)	4,584,379
Balance at 1 January 2012	10,292,500	14,365,133	163,900		78,886	(17,345,596)	7,544,821
Total comprehensive income for the period							-
Profit or loss						36,306	36,306
Other comprehensive income							-
Transfer to contingency reserve	-	-	-		33,922	(33,922)	-
Gain on the revaluation of land and buildings			13,171				13,171
Other comprehensive income for the period	-	-	13,171		33,922	(33,922)	13,171
Total comprehensive income for the period	-	-	13,171		33,922	2,384	49,477
Balance at 31 December 2012	10,292,500	14,365,133	167,071		112,808	(17,343,214)	7,594,298

African Alliance Insurance Plc

Statement Of Cash Flows

For the year ended 31 December 2013

	GROUP		COMPANY	
	31-Dec-2013	31-Dec-2012	31-Dec-2013	31-Dec-2012
	N'000	N'000	N'000	N'000
Cash flows from operating activities				
Insurance premium received from policy holders, Brokers & Agents, Cedants	7,275,080	3,332,966	6,568,953	3,332,966
Commission received	16,437	17,675	16,437	17,675
Reinsurance receipts in respect of claims	56,351	27,916	56,351	27,916
Reinsurance premium paid	(79,142)	(42,657)	(76,379)	(42,657)
Other operating cash payments	(1,001,058)	(657,574)	(604,417)	(699,578)
Insurance benefits and Claims paid	(2,183,042)	(1,387,379)	(1,908,391)	(1,387,379)
Investment Contracts Receipts	1,560,618	1,333,518	1,560,618	1,373,036
Investment Contracts Benefits paid	(1,244,588)	(1,597,797)	(1,244,588)	(1,597,797)
Payments to intermediaries to acquire insurance and investment contracts	(721,450)	(542,844)	(625,018)	(545,168)
Interest Received	240,967	64,587	187,381	64,587
Dividend Income Received	12,324	1,258	11,955	9,602
Cash generated from operations	3,932,496	549,669	3,942,900	553,203
Interest Paid	(5,954)	(39,617)	(5,024)	(36,373)
Company Income Tax paid	-	(2,880)	-	(2,880)
Net cash provided by operating activities	3,926,541	507,172	3,937,876	513,950
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	(141,275)	(52,471)	(112,781)	(52,471)
Proceeds from sale of property, plant and equipment	525	2,044	525	1,593
Purchase of investments	(156,181)	(215,556)	(198,173)	(215,556)
Sales of investments	400,000	99,808	400,000	99,808
Purchase of investment property	(1,036)	(1,589)	(1,036)	(1,589)
Purchase of HTM financial assets	(3,253,133)	-	(3,253,133)	-
Investment incomes and other receipts	34,390	32,021	11,507	32,021
Purchase of intangible assets	(2,304)	-	(800)	-
Net Cash provided by investing activities	(3,119,015)	(135,743)	(3,153,892)	(136,194)
Cash Flows from Financing Activities				
Proceeds from borrowings	15,852	127,054	0	116,308
Net cash provided by financing activities	15,852	127,054	0	116,308
Net Increase/(decrease) in cash and cash equiv.				
Cash and Cash equivalent at the beginning	883,726	385,243	879,308	385,243
Net increase/decrease in cash and cash equivalents	823,378	498,483	783,985	494,065
Cash and Cash equivalent at the end of period	1,707,104	883,726	1,663,292	879,308