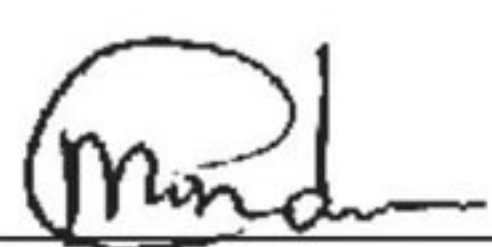


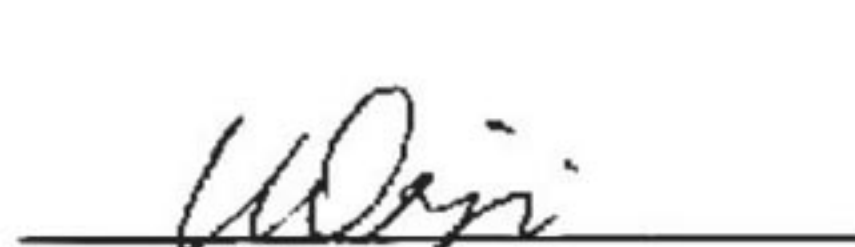
## Statement of Financial Position

	31-Dec-12 N'000	31-Dec-11 N'000	1-Jan-11 N'000
<b>ASSETS</b>			
Cash and Cash Equivalents	2,635,238	2,626,071	2,994,968
Financial Assets:	280,639	352,195	818,540
-Held for trading (fair value)	264,194	195,150	307,428
- Available-for-Sale (cost)	16,445	22,045	16,445
-Loans and Receivables (amortised cost)	-	135,000	494,667
Deferred Acquisition cost	102,612	94,943	107,588
Trade Receivables	89,795	97,104	395,679
Other Receivables and Prepayments	18,020	46,795	3,435
Reinsurance Assets	307,257	114,187	59,330
Investment Properties	1,427,600	624,600	-
Property, Plant and Equipment	87,587	150,838	171,064
Intangible Assets:	-	35,433	70,866
- Other intangible assets	-	35,433	70,866
Statutory Deposits	300,000	300,000	300,000
<b>Total Assets</b>	<b>5,248,748</b>	<b>4,442,166</b>	<b>4,921,470</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
Trade Payables	31,056	84,758	122,237
Provisions and Other Payables	43,258	76,411	133,920
Insurance Contract Liabilities	1,387,885	1,160,264	1,235,730
Income Tax Liabilities	42,093	70,180	69,942
Deferred Tax Liabilities	-	-	48,365
Employees Retirement Benefit Obligations	232,077	197,315	150,518
<b>Total Liabilities</b>	<b>1,736,369</b>	<b>1,588,928</b>	<b>1,760,712</b>
<b>Equity &amp; Liabilities</b>			
Share Capital & Reserves:			
Issued and Paid Share Capital	3,586,051	3,586,051	3,586,051
Contingency Reserves	639,314	503,886	440,709
Retained Earnings	(701,883)	(1,243,594)	(866,002)
Other Component of Equity	(11,103)	6,895	-
<b>Total Equity</b>	<b>3,512,379</b>	<b>2,853,238</b>	<b>3,160,758</b>
<b>Total Equity &amp; Liabilities</b>	<b>5,248,748</b>	<b>4,442,166</b>	<b>4,921,470</b>

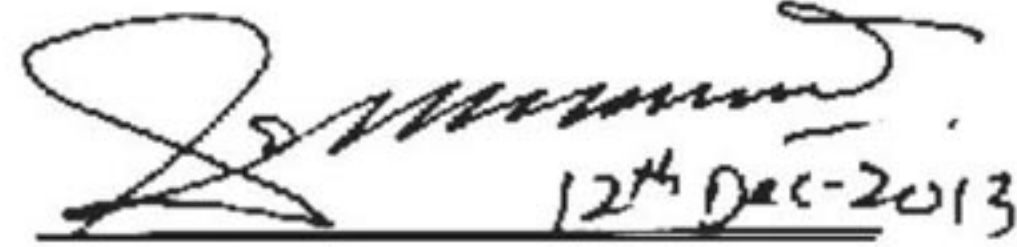
These financial statements were approved by the Board of Directors and authorized for issue on 1, August, 2013 and signed on its behalf by:



Mr. Godwin Monwuba  
Chief Finance Officer  
FRC/2013/ICAN/00000002808



Mrs. Ukachi Orji  
Managing Director/CEO  
FRC/2013/CIIN/00000003235



Dr. Shehu K. Muhammed  
Chairman  
FRC/2013/CIIN/00000003894

## Statement of Profit or Loss and Other Comprehensive Income

	31-Dec-12 N'000	31-Dec-11 N'000
Gross premium income	1,805,175	2,105,893
Changes in unexpired premium	113,982	64,329
	1,919,157	2,170,222
Reinsurance premium expense	(282,189)	(197,543)
<b>Net premium income</b>	<b>1,636,968</b>	<b>1,972,679</b>
Fees and commission income	54,870	74,289
<b>Net underwriting income</b>	<b>1,691,838</b>	<b>2,046,968</b>
Underwriting Expenses	800,124	866,813
<b>Total underwriting expenses</b>	<b>1,488,627</b>	<b>1,268,322</b>
<b>Underwriting profit</b>	<b>203,211</b>	<b>778,646</b>
<b>Profit(loss)before tax</b>	<b>705,348</b>	<b>(298,673)</b>
<b>Profit(loss) for the year</b>	<b>677,139</b>	<b>(314,415)</b>
Earnings(loss) per share: Basic (Kobo)	0.19	(0.09)

## Members of KBL INSURANCE LIMITED (Formerly Insurance PHB Limited)

### Report on the Financial Statements

We have audited the accompanying financial statements of KBL Insurance Limited which comprise the statements of financial position as at 31 December 2012, 31 December, 2011 and 1 January, 2011, the statement of profit or loss and other comprehensive income, statement of changes in equity, cash flow statement for the years ended 31 December 2012 and 31 December, 2011, a summary of significant accounting policies and other explanatory information set out on pages 2 to 24.

### Directors' responsibility for the financial statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the Companies and Allied Matters Act CAP C20 LFN 2004, the Insurance Act CAP 117 LFN 2004, the Financial Reporting Council of Nigeria Act No 6, 2011, the International Financial Reporting Standards, and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of KBL Insurance Limited as at 31 December 2012, 31 December 2011 and 1 January, 2011 and the financial performance and cash flows for the year then ended 31 December 2012 and 31 December 2011 in accordance with the Companies and Allied Matters Act Cap C20 LFN 2004, the Insurance Act CAP 117 LFN 2004, the Financial Reporting Council of Nigeria Act No 6, 2011 and the International Financial Reporting Standards.



Chartered Accountants  
Lagos, Nigeria  
8 November 2013  
FRC\2013\ICAN\00000000845

