



Accountants &  
business advisers

**CRUSADERSTERLING PENSIONS  
LIMITED**

**FINANCIAL STATEMENTS  
31 DECEMBER 2013**

# CRUSADERSTERLING PENSIONS LIMITED

FINANCIAL STATEMENTS  
31 DECEMBER 2013

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**REPORT OF THE INDEPENDENT AUDITORS**

**TO THE MEMBERS OF CRUSADERSTERLING PENSIONS LIMITED**

We have audited the accompanying financial statements of **CrusaderSterling Pensions Limited**, set out on pages 2 to 24 which comprise the statement of financial position at 31 December 2013, the statement of comprehensive income, statement of cash flows, statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information.

**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 and International Financial Reporting Standards in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011, and for such internal controls as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nigerian and 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor consider internal control 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 **CrusaderSterling Pensions Limited** at 31 December 2013, and of their financial performance and its cash flows for the year then ended; in the manner required by the Companies and Allied Matters Act, CAP C20, LFN 2004, and International Financial Reporting Standards in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011.

The company has kept proper books of account, which are in agreement with the financial position and statement of comprehensive income as it appears from our examination of their records.

*PKF Professional Services*  
Chartered Accountants  
Lagos, Nigeria

Date: *29 January 2014*  
FRC/2013/ICAN/00000000753

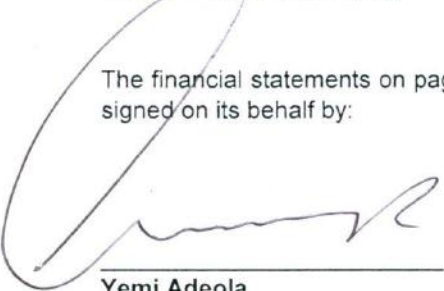


# CRUSADERSTERLING PENSIONS LIMITED

## STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER, 2013

	Notes	2013 N'000	2012 N'000
<b>Assets</b>			
Cash and cash equivalents	5	1,557,108	1,392,277
Other assets	6	305,396	136,858
Intangible asset	8	21,929	15,885
Property, plant and equipment	7	410,874	95,886
<b>Total assets</b>		<b>2,295,307</b>	<b>1,640,906</b>
<b>Liabilities</b>			
Other payables	9	228,413	107,359
Post employment benefits	10	-	23
Current tax payable	12.2	208,167	124,109
Deferred tax liability	12.3	25,347	12,335
<b>Total liabilities</b>		<b>461,927</b>	<b>243,826</b>
<b>Equity</b>			
Ordinary share capital	13.2	1,341,206	1,341,206
Share premium	14	13,540	13,540
Statutory contingency reserve	16	171,806	117,268
Revenue reserve		306,828	(74,934)
<b>Total equity</b>		<b>1,833,380</b>	<b>1,397,080</b>
<b>Total liabilities and equity</b>		<b>2,295,307</b>	<b>1,640,906</b>

The financial statements on pages 2 to 24 were approved by the Board of Directors on **29 January 2014** and signed on its behalf by:

  
**Yemi Adeola**  
 Director  
 FRC/2013/CIBN/00000001257

  
**Adeniyi Falade**  
 Managing Director  
 FRC/2013/ICAN/00000003357

  
**Abayomi Ajayi**  
 Financial Controller  
 FRC/2013/ICAN/00000004061

The accompanying notes on pages 6 to 22 form an integral part of these financial statements.

# CRUSADERSTERLING PENSIONS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 N'000	2012 N'000
Fee income	11	1,360,067	1,044,084
Interest income		187,120	168,982
Other income		<u>3,020</u>	<u>1,798</u>
		<b>1,550,207</b>	<b>1,214,864</b>
Administrative expenses		<u>(911,689)</u>	<u>(768,799)</u>
<b>Profit before tax</b>		<b>638,518</b>	<b>446,065</b>
Current tax expense	12.1	(189,206)	(123,667)
Deferred tax expense	12.3	<u>(13,012)</u>	<u>(20,453)</u>
		<b>436,300</b>	<b>301,945</b>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income</b>		<b>436,300</b>	<b>301,945</b>
Statutory reserve	16	<u>(54,538)</u>	<u>(37,743)</u>
<b>Profit attributable to owners of equity</b>		<b><u>381,762</u></b>	<b><u>264,202</u></b>
Basic earnings per share (EPS) Kobo	19	<b>32.53</b>	<b>22.51</b>

## CRUSADERSTERLING PENSIONS LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013

	Issued share capital N			Share premium N	Statutory contingency reserves N	Retained earnings N	Total equity N
At 31 December 2012	<u>1,341,206</u>	-	-	<u>13,540</u>	<u>117,268</u>	<u>(74,934)</u>	<u>1,397,080</u>
<b>Changes in equity for 2013</b>							
Profit for the year	-			-	-	436,300	436,300
<b>Total comprehensive income for the year</b>	-			-	-	436,300	436,300
Statutory contingency provision for the year	-			-	54,538	(54,538)	-
Share issue expenses	-			-	-	-	-
Contributions by and to owners of the business	-			-	54,538	(54,538)	-
At 31 December 2013	<u>1,341,206</u>			<u>13,540</u>	<u>171,806</u>	<u>306,828</u>	<u>1,833,380</u>
	Issued share capital N	Preference share capital N	Deposit for shares N	Share premium N	Statutory contingency reserves N	Retained earnings N	Total equity N
At 31 December 2011	<u>725,875</u>	<u>225,166</u>	<u>401,870</u>	<u>4,284</u>	<u>79,525</u>	<u>(339,136)</u>	<u>1,097,584</u>
<b>Changes in equity for 2012</b>							
Profit for the year	-	-	-	-	-	301,945	301,945
<b>Total comprehensive income for the year</b>						301,945	301,945
Issue of share capital	615,331	(225,166)	(401,870)	11,705	-	-	-
Statutory contingency provision for the year	-	-	-	-	37,743	(37,743)	-
Share issue expenses	-	-	-	(2,449)	-	-	(2,449)
Contributions by and to owners of the business	615,331	(225,166)	(401,870)	9,256	37,743	(37,743)	(2,449)
At 31 December 2012	<u>1,341,206</u>	<u>-</u>	<u>-</u>	<u>13,540</u>	<u>117,268</u>	<u>(74,934)</u>	<u>1,397,080</u>

# CRUSADERSTERLING PENSIONS LIMITED

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

	Notes	2013 N'000	2012 N'000
<b>Cash flows from operating activities</b>			
Income received		1,191,877	1,016,395
Payments to employees and suppliers		(736,534)	(705,659)
Income tax paid		(105,148)	(11,608)
Net cash from operating activities	18	<u>350,195</u>	<u>299,128</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	7	(361,041)	(35,674)
Proceeds from disposal of property, plant and equipment		2,672	1,290
Purchase of Intangible assets	8	(14,115)	(2,008)
Interest received		187,120	168,982
Net cash (used in) / from activities		<u>(185,364)</u>	<u>132,590</u>
<b>Cash flows from financing activities</b>			
Preference dividend		-	(22,517)
Net cash used in financing activities		<u>-</u>	<u>(22,517)</u>
Net increase in cash and cash equivalents		164,831	409,201
Cash and cash equivalents at 1 January		<u>1,392,277</u>	<u>983,076</u>
Cash and cash equivalents at 31 December	5	<u>1,557,108</u>	<u>1,392,277</u>

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 1. The Company

#### 1.1 Legal form

Crusadersterling Pensions Limited was incorporated on 12 October, 2004.

#### 1.2 Principal activities

The principal activities of the company is the business of pension fund management and administration.

### 2. Basis of Preparation

2.1 This financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standard Board (IASB). Additional information required by local regulators is included where appropriate.

#### 2.2 Summary of Standards and Interpretations effective for the first time in December 2013

##### 2.2.1 IFRS 13, 'Fair value measurement'

IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs.

##### 2.2.2 IFRS 10, 'Consolidated Financial Statements'

Builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the financial statements of the parent company. The standard revises the definition of control and provides additional guidance to assist in the determination of control where this is difficult to assess. The basic principle that an entity includes a parent and its subsidiaries as if they were a single entity and consolidation procedures remains unchanged.

##### 2.2.3 IFRS 11, 'Joint venture'

An entity is required to determine the type of joint arrangement in which it is a party by assessing its rights and obligations. These should then be accounted for in accordance with that type of joint arrangement. The standard defines joint operations and joint ventures and requires the following treatment thereof:

- A joint operation is a joint arrangement where the parties have joint control of the arrangement (joint operators), have rights to the assets and obligations to the liabilities of the arrangement. Joint operators recognise their assets, liabilities, revenue and expenses in relation to their individual interest in the joint operation.
- A joint venture is a joint arrangement where the parties have joint control of the arrangement (joint venturers) and have rights to the net assets of the arrangement. Joint venturers should account for such investments on the equity method, and therefore recognize their assets, liabilities, revenue and expenses equally.

#### 2.3 New standards, amendments and interpretations issued but not effective and not early adopted

The accounting policies adopted are consistent with those of the previous financial year. There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 January 2012 that would be expected to have a material impact on the Company.



# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 2.3.1 IFRS 9: Financial Instruments

This addresses the classification, measurement and recognition of financial assets and liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mis-match. The entity is yet to assess IFRS 9 full impact and intend to adopt IFRS 9 not later than the accounting period beginning on or after 1st January 2015.

A joint operation is a joint arrangement where the parties have joint control of the arrangement (joint operators) and have rights to the assets, obligations for the liabilities of the arrangement. Joint operators recognise their assets, liabilities, revenue and expenses in relation to its interest in a joint operation.

A joint venture is a joint arrangement where the parties have joint control of the arrangement (joint venturers) and have rights to the net assets of the arrangement. Joint venturers should account for such investments on the equity method.

### 2.3.2 IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 sets out requirements for disclosure of information of the nature of, and risks associated with, interests in other entities and the effects of those interests on its financial statements.

### 2.3.3 IAS 27 Separate Financial Statements; IAS 28 Investments in Associates and Joint Ventures

These two existing standards have been amended in order to align them with the newly released standards. The revised IAS 27 now deals with the requirements for the preparation of separate financial statements only. The previous standard also dealt with consolidated financial statements, whose requirements are now included in IFRS 10 Consolidated Financial Statements. The standard now requires that Investments in subsidiaries, associates and jointly controlled entities be carried, either at cost or in accordance with IFRS 9.

The effective date of IFRS 10, 11 & 12 and amended IAS 27 & 28 is 1 January 2013, while early adoption is permitted. It must be noted that these should be adopted as a package of standards and none of them may be individually adopted.

### 2.4 Basis of measurement

The financial statements comprise of the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes to the financial statements which have been prepared in accordance with International Financial Reporting Standards (IFRSs). The financial statements have been prepared in accordance with the going concern principle under the historical cost convention, except for financial assets/(liabilities) measured at fair value. The financial statements are presented in Naira, which is the Company's presentational currency.

Preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

### 2.5 Use of estimates and judgement

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Company's financial statements therefore present the financial position and results fairly.

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

The estimate and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

### 3. Summary of significant policies

The significant accounting policies set out below have been applied consistently to all periods presented in these financial statements unless otherwise indicated.

#### 3.1 Property, plant and equipment

All property, plant and equipment assets are stated at cost less accumulated depreciation less accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

##### 3.1.1 Subsequent costs

Cost arising subsequent to the acquisition of an asset are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred.

##### 3.1.2 De-recognition

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in income statement in the year the asset is derecognised.

##### 3.1.3 Depreciation of property, plant and equipment

Depreciation is calculated on a straight-line basis to write-off assets over their estimated useful lives. Depreciation starts when an asset is ready for use and ends when derecognised or classified as held for sale. Depreciation does not cease when the asset becomes idle or retired from use unless the asset is fully depreciated.

The estimated useful lives used are as follows:

Vehicles	25%
Furniture, fittings and equipment	20%
Office Equipment	20%
Computer Equipment	25%
Office Partitioning	50%
Building	2%

The assets' residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

When revalued assets are sold, the amounts included in the revaluation surplus are transferred to retained earnings.

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 3.2 Intangible assets acquired separately

Intangible assets acquired separately are shown at historical cost less accumulated amortization and impairment losses.

Amortization is charged to income statement on a straight-line basis over the estimated useful lives of the intangible asset unless such lives are indefinite. These charges are included in other expenses in income statement. Intangible assets with an indefinite useful life are tested for impairment annually. Amortization periods and methods are reviewed annually and adjusted if appropriate.

### 3.3 Impairment of non-financial assets

The entity assesses annually whether there is any indication that any of its assets have been impaired. If such indication exists, the asset's recoverable amount is estimated and compared to its carrying value. Where it is impossible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the smallest cash-generating unit to which the asset is allocated. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount an impairment loss is recognized immediately in income statement, unless the asset is carried at a revalued amount, in which case the impairment loss is recognized as revaluation decrease.

### 3.4 Receivables

Trade/other receivables are stated at their original invoiced value, as the interest that would be recognized from discounting future cash receipts over the short credit period is not considered to be material. These receivables are reduced by appropriate allowances for estimated irrecoverable amounts. Interest on overdue trade receivables is recognized as it accrues.

### 3.5 Payables

Trade/other payables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash payments over the short payment period is not considered to be material.

### 3.6 Cash and cash equivalents

Cash equivalents comprise short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. An investment with a maturity of three months or less is normally classified as being short-term for the purpose of statement of cashflows, cash and cash equivalents are reported net of bank overdraft.

### 3.7 Interest-bearing borrowings

Interest-bearing borrowings are stated at amortised cost using the effective interest rate method. The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability.

### 3.8 Equity instruments

Equity instruments issued by the entity are recorded at the value of proceeds received, net of costs directly attributable to the issue of the instruments. Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

Where any Company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently sold, reissued or otherwise disposed of, any consideration received is included in equity attributable to the Company's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects.

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 3.9 Compound instruments

At the issue date the fair value of the liability component of a compound instrument is estimated using the market interest rate for a similar non-convertible instrument. This amount is recorded as a liability at amortised cost using the effective interest rate method until extinguished upon conversion or at the instruments redemption date. The equity component is determined as the difference of the amount of the liability component from the fair value of the instrument. This is recognised in equity, net of income tax effects, and is not subsequently re-measured.

### 3.10 Retirement benefits

#### Define contribution plan

The Company runs a defined contribution plan. A defined contribution plan is a pension plan under which the Company pays into a separate entity a fixed contribution of 10% and 7½% contributed by the Company and staff respectively based on basic salary, housing and eating allowances. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Under the defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### 3.11 Revenue recognition

#### Fees and commission income

This represents administration and management fees received and receivable on members' contributions and the net asset value of funds under management respectively. All fees and commission income are recognized as services are provided.

#### Investment return

Investment return comprises of dividend, interest movement in amortized cost on debt securities and other loan and receivables, realized gains and losses, and unrealized gains and losses on fair value assets.

The realized gains or losses on the disposal of an investment is the difference between proceeds received, net of transaction costs and its original or amortised costs as appropriate.

#### Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the assets carrying amount.

### 3.12 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### 3.12.1 Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 3.12.2 Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit/(loss), it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the Company controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The tax effects of carry-forwards of unused losses or unused tax credits are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

Deferred tax related to fair value re-measurement of available-for-sale investments and cash flow hedges, which are charged or credited directly in other comprehensive income, is also credited or charged directly to other comprehensive income and subsequently recognised in the income statement together with the deferred gain or loss.

### 3.13 Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

### 3.14 Foreign currency transactions

Transactions in foreign currencies are recorded in Naira at the rates of exchange prevailing at the dates of the transactions. Monetary items denominated in foreign currencies are retranslated at the exchange rates applying at the reporting date. Nonmonetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognized in Income Statement in the period in which they arise except for:

Exchange differences on foreign currency borrowings which are regarded as an adjustments to interest costs, where those interest costs qualify for capitalization to assets under construction.

Exchange differences on loans to or from a foreign operation for which settlement is neither planned nor likely to occur and therefore forms part of the net investment in the foreign operation, which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 3.15 Risk Management Framework

The principal significant risks are assessed and mitigated under three broad headings:

**Strategic risks**– This specifically focused on the economic environment, the products offered and market. The strategic risks arised from a Company's ability to make appropriate decisions or implement appropriate business plans, strategies, decision making , resource allocation and its inability to adapt to changes in its business environment.

**Operational Risks** – These are risks associated with inadequate or failed internal processes, people and systems, or from external events.

**Financial Risks** – Risk associated with the financial operation of the company, including capital management, investments, liquidity and credit.

The board of directors approves the company's risk management policies and meets regularly to approve any commercial, regulatory and organizational requirements of such policies. These policies define the company's identification of risk and its interpretation, limit structure to ensure the appropriate quality and diversification of assets, align investment strategy to the corporate goals, and specify reporting requirements.

#### 3.15.1 Strategic Risks

Capital Management Policies, Objectives and Approach

The following capital management objectives, policies and approach to managing the risks which affect its capital position are adopted by the Company:

- To maintain the required level of financial stability thereby providing a degree of security to stakeholders.
- To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and of its shareholders.
- To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets
- To align the profile of assets and liabilities taking account of risks inherent in the business.
- To maintain financial strength to support new business growth and to satisfy the requirements of the contributors, regulators and stakeholders.

CrusaderSterling's operations are also subject to regulatory requirements within Nigeria in which it operates. In addition annual returns must be submitted to PENCOM on a regular basis.

#### Approach to capital management

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders and customers.

The Company's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital level on a regular basis.

The Company's primary source of capital used is equity shareholders' funds.

#### 3.15.2 Operational Risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the company's operations.

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each unit. This responsibility is supported by the development of operational standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties , including independent authorisation of transactions.
- requirements for the reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- training and professional development
- Ethical and business standards

### 3.15.3 Financial Risks

The Company has exposure to the following risks from financial instruments:

Liquidity risks  
Market risks

### 3.15.4 Liquidity risks

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments.

The Company employs policies and procedures to mitigate its exposure to liquidity risk:

### 3.15.5 Market risks

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

#### Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's principal transactions are carried out in Naira and its financial assets are primarily denominated in the Naira and its exposure to foreign exchange risk is minimal.

### 3.15.6 Fair value determination

Fair value is the amount at which an asset or liability is exchanged between knowledgeable willing parties in an arms length transaction.

The carrying values of the Company's financial assets and liabilities are a reasonable approximation of fair values as at the applicable reporting periods.

Fair values of equity securities with active markets were derived with reference with their markets prices as at the reporting period.

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 4. Critical judgement in applying the company's accounting policies

The company makes estimate and assumption about the future that affects the reported amounts of assets and liabilities. Estimates and judgement are continually evaluated and based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumption. The effect of a change in an accounting estimate is recognized prospectively by including it in the comprehensive income in the period of the change, if the change affects that period only, or in the period of change and future period, if the change affects both the estimates and assumptions that have a significant risks of causing material adjustment to the carrying amount of asset and liabilities within the next financial are discussed below:

#### a. Depreciation and residual value of property and equipment

The estimation of the useful lives of assets is based on management's judgement. Any material adjustment to the estimated useful lives of items of property and equipment will have an impact on the carrying value of these items.

#### b. Determination of impairment of non- financial assets

Management is required to make judgements concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate that impairment exist.

	2013 N'000	2012 N'000
<b>5. Cash and cash equivalents</b>		
Cash in hand	117	112
Bank balance	19,036	70,969
Placements with bank	1,416,143	1,239,471
Deposit with custodian	121,812	81,725
	<u>1,557,108</u>	<u>1,392,277</u>
<b>6. Other assets</b>		
Staff loans and advances	1,509	150
Prepayments	50,188	12,472
Account receivables (Note 6.1)	253,699	124,236
	<u>305,396</u>	<u>136,858</u>
<b>6.1 Account receivables</b>		
Management fees receivable	255,587	111,899
Admin fees receivable	7,757	17,802
Other receivables	1,422	1,314
	<u>264,766</u>	<u>131,015</u>
Allowance for doubtful balances	<u>(11,067)</u>	<u>(6,779)</u>
	<u>253,699</u>	<u>124,236</u>



# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 7. Property, Plant & Equipment

	Land N'000	Building N'000	Furniture and fixtures N'000	Computer equipment N'000	Office Partitioning N'000	Motor vehicles N'000	Office equipment N'000	Total N'000
<b>Cost</b>								
At 1 January	-	-	30,627	192,196	20,074	64,869	21,173	328,939
Additions in the year	168,426	148,700	9,970	15,653	885	15,880	1,527	361,041
Disposals	-	-	-	(1,177)	-	(4,872)	-	(6,049)
At 31 December	<u>168,426</u>	<u>148,700</u>	<u>40,597</u>	<u>206,672</u>	<u>20,959</u>	<u>75,877</u>	<u>22,700</u>	<u>683,931</u>
<b>Depreciation</b>								
At 1 January	-	-	25,239	133,669	19,432	40,890	13,823	233,053
Charge for the year	-	-	1,991	23,552	979	16,858	2,673	46,053
Disposals	-	-	-	(1,177)	-	(4,872)	-	(6,049)
	<u>-</u>	<u>-</u>	<u>27,230</u>	<u>156,044</u>	<u>20,411</u>	<u>52,876</u>	<u>16,496</u>	<u>273,057</u>
<b>Carrying amount</b>								
At 31 December 2013	<u>168,426</u>	<u>148,700</u>	<u>13,367</u>	<u>50,628</u>	<u>548</u>	<u>23,001</u>	<u>6,204</u>	<u>410,874</u>
At 31 December 2012	<u>-</u>	<u>-</u>	<u>5,388</u>	<u>58,527</u>	<u>642</u>	<u>23,979</u>	<u>7,350</u>	<u>95,886</u>

The Company bought its land and building in December 2013. In line with the Company's policy, the building was not depreciated for the year ended 31 December 2013.

	2013 N'000	2012 N'000
<b>8. Intangible costs</b>		
<b>Software</b>		
<b>Cost</b>		
At 1 January	28,406	26,398
Additions in the year	14,115	2,008
At 31 December	<u>42,521</u>	<u>28,406</u>
<b>Amortisation</b>		
At 1 January	12,521	5,962
Charge for the year	8,071	6,559
	<u>20,592</u>	<u>12,521</u>
<b>Carrying amount</b>		
At 31 December 2012	<u>21,929</u>	<u>15,885</u>

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 N'000	2012 N'000
<b>9. Other Payables</b>		
Sundry creditors	18,190	8,879
Accruals	170,188	84,389
Value added tax (9.1)	33,532	9,583
Information technology levy (9.2)	6,503	4,508
	<u>228,413</u>	<u>107,359</u>
<b>9.1 Value added tax</b>		
At 1 January	9,583	7,065
VAT input	-	-
VAT out put	68,721	52,625
Remittances in the year	(44,772)	(50,107)
	<u>33,532</u>	<u>9,583</u>
At 31 December	<u>33,532</u>	<u>9,583</u>
<b>9.2 Information technology development levy</b>		
At 1 January	4,508	6,697
Provisions in the year	6,456	4,508
Payment in the year	(4,461)	(6,697)
	<u>6,503</u>	<u>4,508</u>
At 31 December	<u>6,503</u>	<u>4,508</u>
<p>Section 12 (2a) of the the Nigerian Information Technology Development Agency (NITDA) Act stipulates that, specified companies contribute 1% of their profit before tax to the Nigerian Information Technology Development Agency. In line with the Act, the Company has provided for NITDA levy at the specified rate.</p>		
<b>10. Post employment benefits</b>		
Defined contribution plan		
At the beginning of the year	23	-
Provisions in the year	50,454	40,459
Remittance during the year	(50,477)	(40,436)
	<u>-</u>	<u>23</u>
At the end of the year	<u>-</u>	<u>23</u>

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 N'000	2012 N'000
<b>11. Fee income</b>		
Management fees - RSA	1,160,324	846,520
Management fees - Retirees	<u>53,524</u>	<u>24,571</u>
	<b>1,213,848</b>	<b>871,091</b>
Management fees - Legacy Companies:		
Securities and Exchange Commission	-	5,609
First Bank Nigeria Plc	1,954	2,612
Crusader Insurance Plc	2,517	3,281
GT Bank Plc	16,423	7,774
Nigerian Port Plc	-	-
Federal Airport Authority	1,328	487
Intercontinental Bank	<u>5,359</u>	<u>9,166</u>
Total management fees	<b>1,241,429</b>	<b>900,020</b>
Administrative fees - RSA	117,763	143,568
Administrative fees - Retirees	<u>875</u>	<u>496</u>
Total fee income	<u><b>1,360,067</b></u>	<u><b>1,044,084</b></u>
<p>Fee income are approved and reviewed from time to time by the National Pension Commission(PENCOM).</p>		
<b>12. Taxation</b>		
<b>12.1 Income statement</b>		
Income tax for the year	175,995	113,336
Education tax for the year	<u>13,211</u>	<u>10,331</u>
	<b>189,206</b>	<b>123,667</b>
Deferred tax for the year (12.3)	<u>13,012</u>	<u>(20,453)</u>
	<u><b>202,218</b></u>	<u><b>103,214</b></u>
<p>The charge for income tax in these financial statements is based on the provisions of the Companies Income Tax Act, CAP C21 LFN 2004 as amended. The charge for education tax is based on the provisions of the Education Tax Act, CAP E4 LFN 2004.</p>		
<p>Also, in line with the provision of section 12 (2a) of the Nigeria Information Technology Development Agency (NITDA) Act 2007, the Company has made a provision of 1% on its profit before tax for the year.</p>		
<b>12.2 Statement of financial position</b>		
At 1 January	124,109	12,050
Income tax for the year	175,995	113,336
Education tax for the year	13,211	10,331
Payment during the year	<u>(105,148)</u>	<u>(11,608)</u>
At 31 December	<u><b>208,167</b></u>	<u><b>124,109</b></u>

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 N'000	2012 N'000
<b>12.3 Deferred taxation</b>		
<b>Recognised deferred tax assets and liabilities</b>		
At 1 January	(12,335)	8,118
Tax loss recognised in the year	<u>(13,012)</u>	<u>(20,453)</u>
At 31 December	<u><u>(25,347)</u></u>	<u><u>(12,335)</u></u>
<p>The Company has adopted the International Accounting Standard (IAS 12) - income taxes on deferred taxation, which is computed using the liability method.</p>		
<b>12.4 Reconciliation of effective tax rate</b>		
Profit for the period after tax	<u>436,300</u>	<u>301,945</u>
Total income tax expense:		
- Current	189,206	123,667
- Deferred	13,012	20,453
- IT levy	<u>6,456</u>	<u>4,508</u>
	<u>208,674</u>	<u>148,628</u>
Profit for the period before excluding income tax	<u>644,974</u>	<u>450,573</u>
Effective tax rate	32%	33%
<b>13. Share capital</b>		
<b>13.1 Authorised:</b>		
1,600,000,000 ordinary shares of N1.00 each	<u>1,600,000</u>	<u>1,600,000</u>
<b>13.2 Issued and fully paid:</b>		
1,341,206,000 ordinary shares of N1 each		
At 1 January	1,341,206	725,875
Issued and paid in the the year	<u>-</u>	<u>615,331</u>
At 31 December	<u>1,341,206</u>	<u>1,341,206</u>

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 N'000	2012 N'000	
<b>14. Share premium</b>			
At 1 January	13,540	4,284	
Addition in the year	<u>-</u>	<u>9,256</u>	
At 31 December	<u>13,540</u>	<u>13,540</u>	
<b>15. Profit on ordinary activities before taxation</b>			
This is stated after charging/(crediting):			
Audit fee	3,000	2,400	
Directors' fees	3,600	2,975	
Finance charges	1,009	1,603	
Depreciation	46,054	45,911	
Amortisation of intangible assets	8,071	6,559	
Loss on foreign exchange	207	213	
Gain on fixed assets disposed	(2,672)	(953)	
Pension contributions (company)	<u>24,478</u>	<u>21,345</u>	
<b>16. Statutory contingency reserve</b>			
Balance at 1 January	117,268	79,525	
Additions in the year	<u>54,538</u>	<u>37,743</u>	
Balance at 31 December	<u>171,806</u>	<u>117,268</u>	
In accordance with part viii section 69 of the Pension Reform Act 2004, the Company transferred 12.5% of its net profit after tax to statutory reserve fund.			
<b>17. Information regarding Directors and employees</b>			
<b>.a) Directors:</b>			
Fees	3,600	2,975	
Other emoluments - remuneration	<u>50,352</u>	<u>49,341</u>	
Remuneration of the chairman	-	-	
Remuneration of the highest paid director	<u>33,132</u>	<u>31,691</u>	
<b>.b) Scale of Directors' remuneration</b>			
N	N	Number	Number
190,000 - 200,000		-	-
200,001 and above		<u>1</u>	<u>1</u>

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	Number	Number
<b>17. Information regarding Directors and employees (Cont'd)</b>		
<b>c) Average number of persons employed (including Directors)</b>		
Directorate	2	2
Information technology	5	4
Business development	41	44
Operations	19	15
Finance	4	11
Investment	3	3
Compliance/customer services	6	5
Internal control	4	4
Human resources/admin	7	2
Benefit	8	7
	<u>99</u>	<u>97</u>
<b>d) Total employee cost for the above during the year</b>	<b>N'000</b>	<b>N'000</b>
Salaries and wages	348,362	338,377
Pension cost	<u>24,478</u>	<u>21,345</u>
	<u>372,840</u>	- <u>359,722</u>
<b>e) Highest paid employees</b>		
	<b>Number</b>	<b>Number</b>
N                      N		
100,001 - 250,000	-	-
250,001 and above	<u>99</u>	<u>97</u>

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 N'000	2012 N'000
<b>Net changes in operating assets</b>		
Increase in other assets	<u>(168,539)</u>	<u>(28,320)</u>
<b>Net changes in operating liabilities</b>		
Increase in creditors and accruals	121,054	10,435
Staff pension fund	<u>(23)</u>	<u>23</u>
	<u>121,031</u>	<u>10,458</u>
<b>18. Reconciliation of net profit after tax to net cash</b>		
Profit after taxation	<u>436,300</u>	<u>301,942</u>
<b>Adjustment to reconcile profit after tax to net Cash provided by operating activities:</b>		
Interest received	(187,120)	(168,982)
Profit on disposal of assets	(2,672)	(953)
Depreciation	46,053	45,911
Amortisation of intangible assets	8,071	6,559
Provision for deferred taxation		
Deferred taxation	13,012	20,454
Increase in taxes payable	84,058	112,059
<b>Operating profit before changes in operating assets</b>		
Net changes in operating assets	(168,539)	(28,320)
Net changes in operating liabilities	<u>121,031</u>	<u>10,458</u>
<b>Total adjustments</b>	<u>(86,106)</u>	<u>(2,814)</u>
<b>Net cash provided by operating activities</b>	<u>350,195</u>	<u>299,128</u>
<b>19. Basic earnings per share</b>		
Earnings per share is calculated by dividing the net profit after tax attributable to ordinary shareholders by number of ordinary shares in issue during the year.		
Profit after tax for the year attributable to ordinary shareholders	436,300	301,945
Number of ordinary shares	<u>1,341,206</u>	<u>1,341,206</u>
Earnings per share (kobo)	<u>32.53</u>	<u>22.51</u>
<b>20. Dividend</b>		
A dividend of 12k per share held by the shareholders amounting to N160,944,713.43 has been proposed. However, this is subject to National Pension Commission's (PENCOM) approval.		

# CRUSADERSTERLING PENSIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 21. Related Party Transactions

During the year, the company had significant dealing with Custodian and Allied Company Plc.

Business dealing	Amount N'000
1. Acquisition of land and building	315,023
2. Receipt of insurance claims for stolen and damaged item	1,799
3. Rent of building	24,000

### 22. Financial commitments

~~The directors are of the opinion that all known liabilities and commitments have been taken into consideration in the preparation of these financial statements. These liabilities are relevant in assessing the Company's state of affairs.~~

### 23. Contingent liabilities

There were no contingent liabilities at 31 December 2013.

### 24. Comparative figures

Certain figures in 2012 financial statements were re-classified to conform with 2013 presentation and enhance comparability.

### 25. Post balance sheet events - Events after reporting period

There were no significant post balance sheet events that could have had a material effect on the results to 31 December 2013 or the balance sheet to that date which have not been adequately provided for.



## CRUSADER STERLING PENSIONS LIMITED

### STATEMENT OF VALUE ADDED FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 N'000	%	2012 N'000	
Turnover	1,360,067		1,044,084	
Other income	190,140		170,780	
	<u>1,550,207</u>		<u>1,214,864</u>	
Less: Cost of bought-in-goods and Services:-				
- Foreign	-		-	
- Local	(630,383)		(511,366)	
Value added	<u>919,824</u>	100	<u>703,498</u>	100
<b>Applied as follows:</b>				
<b>To pay employees:</b>				
Wages, salaries and other benefits	372,840	41	359,722	51
<b>To pay providers of capital:</b>				
Finance costs	1,009	-	1,603	-
<b>To pay government:</b>				
Income and education tax	105,148	12	11,608	2
<b>Retained for future replacement of assets and expansion of business:</b>				
Depreciation of property, plant and equipment	46,053	5	45,910	6
Deferred taxation	13,012	-	20,453	3
Retained profit for the year	<u>381,762</u>	42	<u>264,202</u>	38
Value added	<u>919,824</u>	100	<u>703,498</u>	100

Value added represents the additional wealth the Company has been able to create during the reporting period. This statement shows the allocation of that wealth among employees, shareholders, government, providers of funds and that retained for the future creation of more wealth.

# CRUSADER STERLING PENSIONS LIMITED

## FINANCIAL SUMMARY

31 DECEMBER

	2013 N'000	2012 N'000	2011 N'000	2010 N'000	2009 N'000
<b>Gross income</b>	<b>1,550,207</b>	<b>1,214,864</b>	<b>856,067</b>	<b>614,084</b>	<b>463,299</b>
Fee income	1,360,067	1,044,084	807,118	577,419	432,666
Interest income	187,120	168,982	47,553	24,914	30,633
Other income	3,020	1,798	1,396	11,751	-
Administrative expenses	(911,689)	(768,799)	(537,765)	(408,549)	(355,919)
Profit on ordinary activities before taxation	<b>638,518</b>	<b>446,065</b>	<b>318,302</b>	<b>205,535</b>	<b>107,380</b>
Earnings per share	<b>32.53</b>	<b>22.51</b>	<b>28.94</b>	<b>23.90</b>	<b>6.78</b>
<b>Balance Sheet</b>					
<b>Assets</b>					
Cash and bank balances	1,557,108	1,392,277	983,076	332,675	230,662
Other assets	305,396	136,858	108,324	92,225	96,517
Fixed Assets	432,803	111,771	126,896	75,719	53,351
Deferred tax asset	-	-	8,118	104,661	-
<b>Total Assets</b>	<b>2,295,307</b>	<b>1,640,906</b>	<b>1,226,414</b>	<b>605,280</b>	<b>380,530</b>
<b>Liabilities</b>					
Creditors and accrued expenses	228,413	107,359	116,778	87,390	126,908
Deposit for shares	-	-	-	-	15,314
Staff pension fund	-	23	-	2,106	856
Taxation	233,514	136,444	12,050	7,637	7,388
<b>Total liabilities</b>	<b>461,927</b>	<b>243,826</b>	<b>128,828</b>	<b>97,133</b>	<b>150,466</b>
<b>Capital and reserves</b>					
Ordinary share capital	1,341,206	1,341,206	725,875	725,875	725,875
Preference share capital	-	-	225,166	225,166	225,166
Deposit for shares	-	-	401,870	-	-
Share premium	13,540	13,540	4,284	4,284	4,284
Statutory contingency reserve	171,806	117,268	79,525	41,196	16,692
Revenue reserve	306,828	(74,934)	(339,134)	(488,374)	(741,953)
<b>Shareholders fund</b>	<b>1,833,380</b>	<b>1,397,080</b>	<b>1,097,586</b>	<b>508,147</b>	<b>230,064</b>
<b>Total liabilities and equities</b>	<b>2,295,307</b>	<b>1,640,906</b>	<b>1,226,414</b>	<b>605,280</b>	<b>380,530</b>

# CRUSADERSTERLING PENSIONS LIMITED

## DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

	MANAGEMENT INFORMATION	
	2013 N'000	2012 N'000
Fee income	1,360,067	1,044,084
Interest income	187,120	168,982
Profit on disposal of assets	2,672	953
Other Income	348	845
	<u>1,550,207</u>	<u>1,214,864</u>
Staff cost	348,362	338,377
Audit fees	3,000	2,400
Directors' fees	3,600	2,975
Directors' sitting allowance	4,220	2,900
Directors' rest and recreation	13,000	14,750
Directors' Severance	20,750	-
Relocation Expenses	3,258	-
Entertainment	2,688	3,330
Telephone and postages	20,644	19,857
Repairs and maintenance	18,256	12,071
Insurance	9,377	7,870
Office expenses	8,536	4,966
Depreciation	46,054	45,910
Amortization of intangible assets	8,071	6,559
Travelling and transport	18,029	17,759
Stationery and printing	15,192	15,019
Legal and professional fee	6,132	10,648
Pension contribution	24,478	21,345
Advert and publicity	126,206	69,253
Donations and subscription	28,823	24,220
Bank charges	1,009	1,603
Rent and rates	20,108	13,441
Sales and marketing	36,970	33,239
Electricity	3,630	1,687
Fuel	20,283	19,029
Staff welfare and training	9,948	9,165
Medical expenses	10,153	8,677
Provision for doubtful balances - management fees	4,288	6,779
Exchange loss	207	213
Productivity bonus	64,557	44,553
Information technology levy	6,456	4,506
Fines and Penalty	25	1,102
LASPEC Admin Fees	5,379	4,596
	<u>911,689</u>	<u>768,799</u>
Profit before tax	<u>638,518</u>	<u>446,065</u>