

BRT operator to assemble buses in Lagos next year

Rasheed Bisiriyu

THE operator of Bus Rapid Transit system in Lagos, Primero Transport Services Limited, has said its bus assembly plant being built in the state will begin operation in the second quarter of next year.

The Managing Director of the firm, Mr Fola Tinubu, disclosed this in Lagos on Tuesday.

He also spoke on plans by the firm to phase out manual ticketing and replace it with a card system in the first quarter of 2019.

Tinubu said that Primero had signed a Memorandum of Understanding with one of the biggest bus manufacturers in the world, Yutong, to establish the bus assembly plant in Lagos.

Already, he said that the plant had been set up and expressed the hope that it would go into mass production of high capacity buses by the second quarter of 2019 when a new BRT corridor being constructed by the Lagos State Government between Oshodi and Abule-Egba would have been completed

in Lagos next year

... to phase out manual ticketing

and allowed to operate.

According to him, the transport firm which started full operation in November 2015, currently has 434 buses conveying 150,000 people daily across major terminals between Ikorodu and Tafawa Balewa Square.

Tinubu said the company planned to increase to 200,000 passengers daily on the Ikorodu/TBS corridor, adding that should Primero win the bid to operate the Abule-Egba/Oshodi corridor, it would deploy additional 350 buses in the route.

He said the organisation hoped to increase its buses to 2,000 with capacity to convey one million passengers daily.

On the plan to completely phase out manual ticketing in the first quarter of 2019, he said all passengers would be compelled to embrace the card system to remove the hassle of queuing to buy tickets.

He called for a conference of all the stakeholders to

discuss how to make the public transportation work in Lagos and ensure its viability for investors.

"The discussion must hold if you don't want the BRT system to collapse like the LSTC and other public transportation arrangements," he said.

The MD said Primero, 100 per cent privately-owned, had been paying certain percentage of its revenue to the state government giving it the exclusive right to use the dedicated BRT lanes constructed by the government.

Tinubu, however, noted that there had not been any increase in bus fares in the last eight years, despite continuous rise in its operational costs.

"Our biggest challenge is the naira devaluation. We borrow a lot of money in dollars; we import parts in dollars and when the naira nose-dives, our debts doubled and the cost of parts we use has doubled," he said.

Boeing, Airbus worry over US/China trade war

THE world's two largest planemakers signaled on Tuesday that they were keen to see an end to a trade war between Washington and Beijing, as China opened its largest airshow with a display that showcased its aviation ambitions.

Boeing and Airbus made their comments on the opening day of the biennial Airshow China, being held in the coastal city of Zhuhai from November 6-11, that is traditionally an event for Beijing to parade its military aviation prowess.

According to Reuters, the arena has become a key hunting ground for deals for foreign aviation firms thanks to surging travel demand, but the outlook has been complicated by Beijing's desire to grow its own champions in industries ranging from aviation to semiconductors to robots.

Its ties with the United States have in particular been strained. President Donald Trump criticizes China for what he sees as intellectual property theft, entry barriers to US business and a gaping trade deficit, while Beijing calls the complaints unreasonable. The two sides have resorted to tit-for-tat tariffs on goods worth billions of dollars.

While US-made aircraft, among America's biggest exports to China, have so far escaped Beijing's tariffs,

analysts said they still waiting to see what the trade war would spell for US companies such as Boeing.

The top China executive at Boeing's biggest rival Airbus, George Xu, said at a news conference that the European planemaker did not expect a sales windfall from the tensions.

"I am Chinese and we don't like this kind of trade war," he said. "Nobody will be the winner in this kind of trade war."

Airbus had hoped to close a deal for 184 aircraft during a trip to China by French President Emmanuel Macron in January, but negotiations appear to have stalled, industry sources say.

In carefully worded comments, Boeing's senior vice-president of Northeast Asia sales, Rick Anderson, said China was a rapidly growing aviation market and that he believed Washington and Beijing understood that.

"We continue to engage with leaders of United States and China, and continue to urge productive conversation to resolve the trade discrepancies," he said.

China and United States have in recent days stoked optimism that a breakthrough might be made, after Trump spoke by phone with President Xi Jinping last week.

The two countries have also announced that they will hold a delayed top-level security dialogue on Friday.

China's Xi Jinping promises to open markets

Still, Beijing has shown little sign of taming its ambitions to catch up with rivals like the United States, France and Germany in high-end technology.

Projects being showcased in Zhuhai included a full-scale mock-up of a widebody CRJ929 jet being jointly developed by Commercial Aircraft Corporation of China and Russia's United Aircraft Corporation in hopes of eventually competing with Boeing's 787 and Airbus' A350 jets.

The global market for widebody jets is estimated to be worth \$2.5tn over the next two decades, according to Boeing, with the fleet size more than doubling to 9,180 jets.

Widebodies account for around 20 per cent of projected global jet deliveries over that period but almost 40 per cent by value.

Hundreds of spectators and industry executives at the airshow were also treated to a roaring flight demonstration that involved three of China's Chengdu J-20 stealth fighters, which debuted at the show two years ago with a 60-second flypast.

China put the J-20 into service last year that experts say is a part of Beijing's plan to narrow a military technology gap with the United States and its F-35 stealth fighter.



Mutual Benefits Assurance Plc

SUMMARY FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

The Directors present the summary financial statements of Mutual Benefits Assurance Plc. for the period ended 30 September 2018. These summary financial statements are derived from the full unaudited financial statements for the period ended 30 September 2018 and are not the full financial statements of the Company.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED In thousands of Nigerian Naira	GROUP		COMPANY	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
Gross premium written	11,981,429	11,053,307	6,082,253	6,030,051
Gross premium income	11,370,870	10,380,729	6,604,631	6,237,307
Premium ceded to reinsurers	(1,436,303)	(1,311,369)	(855,483)	(885,212)
Net premium income	9,934,567	9,069,361	5,749,148	5,352,155
Fee and commission income	354,210	311,474	207,160	188,016
Net underwriting income	10,288,777	9,380,835	6,019,328	5,740,186
Net benefits and claims	(1,093,035)	(3,302,340)	(1,844,565)	(1,989,972)
Change in risk fund	(34,188)	(34,156)	-	-
Change in annuity reserve	2,301,066	2,325,283	(1,208,657)	(1,210,575)
Underwriting expenses	(7,301,113)	(6,852,847)	(2,871,222)	(2,439,647)
Net underwriting profit	2,858,660	3,727,288	1,045,104	2,300,649
Profit/(loss) on investment contracts	232,059	408,270	-	-
Investment income	1,678,953	1,038,471	741,856	617,758
Net fair value gain on assets at FVTPL	(31,053)	57,901	(31,963)	67,901
Other income	(115,068)	105,173	54,063	66,648
Impairment charge no longer required	(93,177)	(178,832)	-	-
Employee benefit expenses	(1,671,114)	(1,404,751)	(762,919)	(585,967)
Other management expenses	(2,313,230)	(2,568,072)	(1,302,123)	(1,459,394)
Net foreign exchange loss	141,881	(204,848)	141,651	(224,648)
Result of operating activities	857,479	1,167,050	785,676	773,247
Finance costs	(24,347)	(82,305)	-	-
Finance income	247,520	317,091	-	-
Profit before income tax	1,080,652	1,182,436	785,676	773,247
Income tax expenses	(134,391)	(362,295)	(235,701)	(231,947)
Profit from continuing operation	946,261	799,173	549,975	541,273
Discontinued operations	-	-	-	-
Loss after tax for the year from discontinued operation	-	-	-	-
Profit for the year	946,261	799,173	549,975	541,273
Profit attributable to:				
Owners of the parent	674,994	800,016	549,975	541,273
Non-controlling interests	(6,733)	(8,843)	-	-
Profit after income tax	952,971	790,173	549,975	541,273
Earnings per share - Continuing operation				
Basic and diluted (kobo)	6	10	6	6
Profit for the year	952,971	790,173	549,975	541,273
Other comprehensive income:				
Items that may be classified to profit or loss				
Revaluation surplus	(38,800)	10,000	(38,800)	-
Revaluation surplus	(1)	115,243	-	-
	(38,801)	125,243	(38,800)	-
Total comprehensive income for the year	914,170	915,416	511,175	541,273
Total comprehensive income attributable to:				
Owners of the parent	636,143	1,023,809	511,119	541,273
Non-controlling interest	(6,733)	(8,843)	-	-
	914,170	915,416	511,175	541,273

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT In thousands of Nigerian Naira	GROUP		COMPANY	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
ASSETS				
Cash and cash equivalents	6,108,546	8,345,638	4,082,703	3,249,277
Financial assets				
Unquoted Investments- FVTPL	860,770	848,524	41,848	21,553
Quoted Investments- FVTPL	101,993	110,952	101,993	110,952
Amortised Cost	13,483,252	12,245,702	590,235	633,143
Held-to-maturity	19,392,111	16,840,317	4,764,473	4,457,984
Assets pledged as collateral	145,040	168,064	145,040	168,064
Trade receivables	508,648	629,280	309,952	278,159
Reinsurance assets	3,135,534	2,455,731	1,568,012	1,008,826
Other receivables and prepayments	893,953	993,182	505,555	560,695
Finance lease receivables	653,901	485,283	423,026	312,191
Deferred acquisition costs	229,707	145,056	139,075	134,044
Inventories	907,822	907,822	-	-
Investment properties	8,028,500	8,996,000	56,000	56,000
Intangible assets	43,371	43,394	9,132	15,367
Property, plants and equipment	3,757,188	3,922,931	2,028,967	2,025,601
Investments in subsidiaries	-	-	4,000,000	4,000,000
Investment in associates	-	-	-	-
Statutory deposit	500,000	500,000	300,000	300,000
Deposit for shares	110,588	480,588	410,588	410,588
Goodwill	1,543	1,543	-	-
Total assets	58,918,965	57,691,698	20,273,619	18,720,424
LIABILITIES				
Insurance contract liabilities	12,321,301	10,299,090	5,213,253	4,352,606
Investment contract liabilities	15,844,140	26,564,221	-	-
Trade payables	1,763,254	2,858,296	1,028,488	1,028,282
Other liabilities	1,519,806	1,161,224	404,610	235,616
Derivative liabilities	347,379	256,268	-	-
Earnings	6,170,470	6,500,170	6,470,470	6,500,170
Current income tax liabilities	387,823	687,173	573,874	422,005
Deferred tax liabilities	1,954,620	1,063,082	705,821	705,821
Total liabilities	50,314,392	49,401,524	14,368,513	13,253,580
EQUITY				
Share capital	3,000,000	4,000,000	4,000,000	4,000,000
Treasury shares	(260)	(260)	-	(260)
Foreign currency translation reserve	312,212	911,062	-	-
Fair Value reserves	(131,059)	-	(152,059)	-
Contingency reserve	3,090,138	2,801,764	2,580,992	2,398,485
Revaluation reserve	1,467,403	1,467,404	1,339,395	1,339,395
Accumulated retained losses	(793,695)	(1,079,245)	(1,890,959)	(2,270,786)
Total ordinary shareholders' equity	8,423,749	8,100,735	5,877,109	5,466,844
Total equity attributable to the:				
Owners of the parent	8,423,749	8,100,735	5,877,109	5,466,844
Non-controlling interests in equity	180,824	189,346	-	-
Total equity	8,604,573	8,290,081	5,877,109	5,466,844
Total liabilities and equity	58,918,965	57,691,698	20,273,622	18,720,434

The full consolidated financial statements were approved by the Board of Directors on 30th October 2018 and signed on its behalf by

Dr. Akh Ogumibi
FRC/2013/CIN/00000003114
Chairman

Mr. Olusegun Omosehin
FRC/2013/CIN/00000003103
Managing Director

Mr. Abayomi Ogumeyi
FRC/2013/CIN/000000011225
Chief Finance Officer