

CONSOLIDATED AND COMPANY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

INCOME

	GROUP TOTAL 2018 Kshs "000"	GROUP TOTAL 2017 Kshs "000"	COMPANY TOTAL 2018 Kshs "000"	COMPANY TOTAL 2017 Kshs "000"
Gross written premium	5,938,870	6,451,009	5,609,278	6,103,330
Outward Reinsurance Premium	2,756,855	2,906,071	2,594,023	2,640,926
Net written premium	3,182,015	3,544,938	3,015,255	3,462,403
Gross Earned premium	5,932,050	6,808,516	5,630,056	6,378,836
Net earned premium	3,175,195	3,902,445	3,036,033	3,737,910
Investment income	745,712	1,003,902	713,365	956,135
Commission Earned	470,432	514,968	417,689	446,399
Foreign exchange loss	(411)	(6,628)	(725)	(1,661)
Total Income	4,390,928	5,414,687	4,166,362	5,138,783

OUTGO

	GROUP	GROUP	COMPANY	COMPANY
Claims & policyholder benefits	2,054,530	3,212,326	1,915,892	3,002,797
Less: Reinsurers' share of claims	(347,655)	(966,395)	(273,815)	(802,278)
Net claims	1,706,875	2,245,931	1,642,077	2,200,520
Commission payable	652,017	812,222	603,189	749,318
Operating & other expenses	1,441,213	1,317,413	1,288,232	1,144,728
Total outgo	3,800,105	4,375,566	3,533,498	4,094,566
Profit before tax	590,823	1,039,121	632,864	1,044,217
Income tax expense	177,693	241,740	190,275	242,370
Profit for the year	413,130	797,381	442,589	801,847

OTHER COMPREHENSIVE INCOME, NET OF TAX

	GROUP	GROUP	COMPANY	COMPANY
Change in fair value of equity securities at Fair Value Through Other Comprehensive Income	2,073	171,770	-	170,129
Change in fair value of debt securities at Fair Value Through Other Comprehensive Income	8,806	20,772	8,806	20,772
Other Comprehensive Loss	(12,475)	(5,970)	-	-
Other comprehensive income for the year, net of tax	(1,596)	186,572	8,806	190,901
Total comprehensive income for the year	411,534	983,953	451,395	992,748

CONSOLIDATED AND COMPANY STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

SHAREHOLDERS FUNDS

	GROUP	GROUP	COMPANY	COMPANY
Share capital	1,000,000	1,000,000	1,000,000	1,000,000
Revaluation reserve	(24,391)	412,789	(25,366)	365,034
Contingency reserve	41,263	40,505	-	-
Currency translation reserve	(48,302)	(57,842)	-	-
Retained earnings	3,327,034	2,821,239	3,247,157	2,748,506
Proposed dividends	200,000	150,000	200,000	150,000
Non controlling interest	109,248	140,788	-	-
TOTAL SHAREHOLDERS FUNDS	4,604,852	4,507,479	4,421,791	4,263,540

ASSETS

	GROUP	GROUP	COMPANY	COMPANY
Intangible assets	13,920	12,551	13,018	11,879
Property & equipment	96,098	140,521	88,891	130,202
Investment in subsidiary at cost	-	-	50,147	50,147
Investment property	2,750,000	2,730,000	2,750,000	2,730,000
Other receivables	235,685	176,918	224,590	167,905
Due from subsidiary company	-	-	3,236	18,627
Kenya motor insurance pool	93,901	91,231	93,901	91,231
Deferred tax asset	32,757	12,054	-	-
Tax recoverable	75,527	16,354	55,260	-
Deferred acquisition costs	212,918	229,764	193,268	215,937
Reinsurers' share of technical provisions and reserves	2,459,551	2,786,438	2,267,735	2,634,282
Receivables arising out of direct insurance arrangements	367,332	615,213	356,046	590,897
Receivables arising out of reinsurance arrangements	170,818	168,921	153,214	119,445
Corporate bonds at amortised cost	217,070	259,896	217,070	259,896
Corporate bonds held at fair value through profit or loss	15,852	-	15,852	-
Debt securities at amortised cost	4,163,893	4,329,004	4,075,092	4,246,555
Debt securities held at fair value through other comprehensive income	352,593	395,760	352,593	395,760
Equity securities at Fair Value Through Other Comprehensive Income	-	1,044,940	-	929,701
Equity securities at fair value through profit or loss	956,947	-	852,876	-
Deposits with financial institutions at amortised cost	422,290	468,563	224,387	255,153
Cash and bank balances	20,975	17,678	8,895	13,108
TOTAL ASSETS	12,658,127	13,495,806	11,996,071	12,860,725

LIABILITIES

	GROUP	GROUP	COMPANY	COMPANY
Deferred tax liability	423,484	484,447	423,484	484,447
Other payables	488,277	470,576	445,215	435,556
Tax payable	-	90,221	-	90,221
Deferred reinsurance commissions	136,006	153,862	119,765	142,640
Provision for unearned premium	2,302,164	2,299,398	2,178,454	2,199,232
Payables arising out of reinsurance arrangements	258,941	419,693	203,773	383,837
Insurance contract liabilities	4,444,403	5,070,130	4,203,589	4,861,252
Total Liabilities	8,053,275	8,988,327	7,574,280	8,597,185
Net assets	4,604,852	4,507,479	4,421,791	4,263,540

KEY RATIOS (%)

	GROUP	GROUP	COMPANY	COMPANY
Capital Adequacy Ratio	240%	217%	240%	217%
Claim Ratio	35%	50%	34%	49%
Expense Ratio	24%	20%	23%	19%

The above Statements of Comprehensive Income and Financial Position are extracts from the Group's financial statements which were audited by PricewaterhouseCoopers and received an unqualified opinion.

The financial statements were approved by the board of directors on 22nd March 2019 and signed on its behalf by:

J.K. Muiruri - Director

J.K. Kimeu - Director

S.O. Oluoch - Chief Executive Officer

S.O. Oluoch - Chief Executive Officer

S.O. Oluoch - Chief Executive Officer

