

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		2017 Shs '000	2016 Shs '000
INCOME			
Gross Written Premium	1	18,297,486	17,179,320
Outward Reinsurance Premium	2	368,968	348,876
Net Written Premium (1-2)	3	17,928,518	16,830,444
Gross Earned Premium	4	11,127,590	8,814,058
Net Earned Premium (4-2)	5	10,758,622	8,465,182
Investment Income	6	3,571,091	2,051,615
Commissions Earned	7	98,735	122,828
Other Income	8	27,580	20,794
Total Income (5+6+7+8)	9	14,456,028	10,660,419
OUTGO			
Claims & Policyholder benefits	10	9,817,997	1,864,928
Less: Reinsurers' share of claims	11	130,838	88,723
Net claims and policyholders benefits (10-11)	12	9,687,159	1,776,205
Commission Payable	13	1,874,743	2,018,840
Operating & other expenses	14	2,452,864	2,591,454
Total outgo (12+13+14)	15	14,014,766	6,386,499
Profit / (Loss) before tax (9-15)	16	441,262	4,273,920
Share of associates profit	17	31,670	265,713
Income Tax Expense	18	177,873	1,412,553
Profit for the year after Tax (16+17-18)	19	295,059	3,127,080
OTHER COMPREHENSIVE INCOME			
Fair value gain on available for sale financial Assets, Net of Tax	21	315,330	(142,326)
Fair value gain on property & Equipment, Net of Tax	22	-	-
Other comprehensive income net of tax	23	41,611	(65,875)
Total other comprehensive income for the period	24	356,941	(208,201)
Total Profit & other comprehensive income (19+24)	25	652,000	2,918,879
Dividends:			
Interim Dividend		-	-
Proposed Final Dividend		550,500	-
Earnings per Share		0.46	3.55

STATEMENT OF MOVEMENT IN DEPOSIT ADMINISTRATION & INVESTMENT CONTRACT LIABILITIES FOR THE YEAR ENDED 31 DECEMBER 2017

Amounts payable under deposit administration contracts

	Year ended 31 December 2017 Shs'000	Year ended 31 December 2016 Shs'000
At 1 January	21,839,735	14,964,027
Pension Fund deposits received	6,596,029	7,712,732
Surrenders & annuities paid	(2,799,395)	(2,309,817)
Interest payable to policyholders	2,381,293	1,472,793
As at period end	28,017,662	21,839,735

Amounts payable under investment contract liabilities

	Year ended 31 December 2017 Shs'000	Year ended 31 December 2016 Shs'000
At 1 January	4,910,059	5,486,194
Deposits received	573,866	652,529
Maturities/ payments to policyholders	(1,540,086)	(1,498,849)
Interest payable to policyholders	81,667	270,185
As at period end	4,025,506	4,910,059

Embedded Value

Description	2017 Shs '000	2016 Shs '000
Shareholder Net Worth	7,867,346	6,453,340
Value of In-force Portfolio	5,165,545	4,640,037
Embedded Value:	13,032,891	11,093,377
Annualized Return on EV:	17.50%	7.20%

The above statement of profit or loss and other comprehensive income, statement of financial position and other disclosures are extracted from the 2017 financial statements of the company which were audited by Deloitte & Touche and received an unqualified opinion. These financial statements were approved by the Board of Directors on 20 March 2018 and signed on its behalf by:

Dr. Peter K. Munga, CBS
Chairman

Dr. Benson I. Wairegi, EBS
Group Managing Director

Mr. Ambrose N. Dabani
Chief Executive Officer & Principal Officer

KEY RATIOS

Capital Adequacy Ratio	
Description	Shs '000
Available capital	9,693,713
Required capital	4,941,854
Surplus	4,751,859
Solvency ratio	196%

Expense and Claims ratio	
Description	Shs '000
Gross written premium	18,297,486
Gross claims incurred	9,817,997
Total operating and commission expenses	4,327,607
Expense ratio	24%
Claims ratio	54%

STATEMENT OF FINANCIAL POSITION

	2017 Shs '000	2016 Shs '000
1 SHAREHOLDERS FUNDS		
1.1 Share Capital	180,000	880,000
1.2 Retained Earnings	-	-
1.3 Proposed Dividends	500,500	-
1.4 Other Reserves	7,989,461	7,837,961
TOTAL SHAREHOLDERS FUNDS	8,669,961	8,717,961
2 ASSETS		
2.1 Property & Equipment	503,860	676,329
2.2 Intangible Assets	868,966	896,064
2.3 Investment Property	4,578,915	4,008,762
2.4 Investments in Equity	8,154,704	5,924,392
2.5 Investment in Unit trusts	5,446,765	6,263,619
2.6 Others Investments	12,462,071	12,675,169
2.7 Loans Receivable	2,254,772	2,013,404
2.8 Receivables arising out of reinsurance arrangements	52,749	47,120
2.9 Receivables arising out of direct insurance arrangements	301,940	425,994
2.10 Reinsurers share of insurance contract liabilities	140,812	136,606
2.11 Deferred acquisition costs	116,465	111,702
2.12 Other Receivables	1,023,112	1,577,197
2.13 Tax recoverable	-	137,896
2.14 Government Securities	24,548,727	16,537,057
2.15 Deposits in financial institutions	1,849,555	1,407,047
2.16 Cash & Bank Balances	872,866	24,728
TOTAL ASSETS	63,176,279	52,863,086
3. LIABILITIES		
3.1 Insurance Contract Liabilities	16,967,972	13,049,783
3.2 Payable under deposit administration contracts	28,017,662	21,839,735
3.3 Payable under Investment Contracts	4,025,506	4,910,059
3.4 Payables arising out of reinsurance arrangements	24,717	27,362
3.5 Deferred tax liability	3,424,055	3,359,126
3.6 Tax payable	151,725	-
3.7 Dividends payable	-	-
3.8 Other payables	1,894,681	959,060
3.9 Bank Overdraft	-	-
TOTAL LIABILITIES	54,506,318	44,145,125