



**CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 Kes '000	2018 Restated Kes '000
Gross Written Premium	6 (i)	29,812,194	26,898,470
Gross earned premium	6 (ii)	29,119,931	26,609,321
Insurance revenue ceded to reinsurers	6 (ii)	(9,630,273)	(9,359,748)
<b>Net insurance premium revenue</b>		<b>19,489,658</b>	<b>17,249,573</b>
Investment income	7	10,026,814	8,720,734
Net fair value gain/(loss) on financial assets at fair value through profit or loss	8	1,031,682	(374,945)
Commission income	9	2,281,181	2,344,571
<b>Total income less reinsurance</b>		<b>32,829,335</b>	<b>27,939,933</b>
Claims and policy holders' benefits expense	10	(20,536,551)	(16,790,070)
Return to holders of investment contracts liabilities	27	(4,530,923)	(3,903,232)
Reinsurer's share of claims and policy holders' benefits expense	10	5,340,543	4,763,392
<b>Net insurance benefits and claims</b>		<b>(19,726,931)</b>	<b>(15,929,910)</b>
Operating and other expenses	11 (i)	(5,446,599)	(4,682,646)
Commission expense	9	(3,637,104)	(3,328,793)
<b>Total expenses and commissions</b>		<b>(9,083,703)</b>	<b>(8,011,439)</b>
<b>Result of operating activities</b>		<b>4,018,701</b>	<b>3,998,584</b>
Share of associates profit	15 (i)	988,521	1,339,513
<b>Group profit before income tax</b>		<b>5,007,222</b>	<b>5,338,097</b>
Income tax expense	16 (i)	(989,535)	(1,211,484)
<b>Profit for the year</b>		<b>4,017,687</b>	<b>4,126,613</b>
<b>Attributable to:</b>			
Equity holders of the company		3,556,468	3,756,112
Non-controlling interest	15 (iii)	461,219	370,501
<b>Total</b>		<b>4,017,687</b>	<b>4,126,613</b>
Earnings Per Share (Kes)			
Basic and diluted	12	49.07	51.83

**CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 Kes '000	2018 Kes '000
<b>Profit for the year</b>		4,017,687	4,126,613
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Net fair value (loss)/gain on equity investment	8 (ii)	(373,867)	(344,374)
Deferred tax on other comprehensive income	16 (iii)	101,889	76,425
Loss on valuation of Retirement Benefits		-	(34)
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net translation loss	31 (c) & 15 (iii)	52,639	(493,426)
Associate share of other comprehensive income	15 (i)	104,807	195,071
<b>Total other comprehensive income, net of tax</b>		<b>(114,532)</b>	<b>(566,338)</b>
<b>Total comprehensive income for the year</b>		<b>3,903,155</b>	<b>3,560,275</b>
<b>Attributable to:</b>			
Equity holders of the Company		3,432,389	3,285,822
Non-controlling interest	15 (iii)	470,766	274,453
<b>Total comprehensive income for the year</b>		<b>3,903,155</b>	<b>3,560,275</b>



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2019**

	Note	2019 Kes '000	2018 Restated Kes '000	2017 Restated Kes '000
<b>ASSETS</b>				
Investment in associates	15 (i)	10,161,518	9,995,813	9,579,327
Investment properties	14	6,524,969	6,394,015	6,270,940
Property and equipment	13 (i)	287,574	318,021	281,187
Right of use assets	37	321,087	-	-
Intangible assets	13 (ii)	277,126	148,560	158,341
Deferred tax asset	16 (iii)	605,026	218,099	191,273
Unquoted equity investments	17	6,434,667	4,538,824	3,358,003
Mortgage loans	20 (i)	49,663	66,101	109,098
Loans on life insurance policies	20 (ii)	1,004,928	931,713	788,958
Quoted equity investments	21	5,364,632	6,563,307	8,130,295
Government securities	18	67,096,380	55,240,625	47,195,222
Commercial bonds at amortised cost	19 (i)	579,736	841,399	904,007
Receivables arising out of direct insurance arrangements	22	4,013,290	4,052,902	4,204,795
Receivables arising out of reinsurance arrangements	22	2,334,250	3,193,166	3,071,800
Reinsurers' share of insurance contract liabilities	23 (i)	7,131,813	6,004,434	7,250,563
Deferred acquisition costs	23 (ii)	447,631	186,290	147,132
Other receivables	24	1,874,749	1,396,233	1,080,642
Current income tax asset	16 (ii)	547,902	195,842	142,478
Deposits with financial institutions	25 (i)	9,496,402	11,315,417	10,585,597
Cash and bank balances	25 (ii)	5,523,595	2,588,451	1,517,872
<b>Total assets</b>		<b>130,076,938</b>	<b>114,189,212</b>	<b>104,967,530</b>
<b>LIABILITIES</b>				
Lease Liability	37	284,765	-	-
Investment contract liabilities	27	54,893,923	47,739,002	42,214,336
Deferred tax liability	16 (iii)	748,496	756,092	855,072
Insurance contract liabilities	26	29,729,180	25,539,077	24,983,504
Provision for unearned premium	28	8,414,682	7,697,507	7,571,212
Dividends payable	33 (ii)	473,034	431,293	369,176
Current income tax liability	16 (ii)	87,759	104,455	70,983
Creditors arising out of direct insurance arrangements		278,157	201,501	325,730
Creditors arising out of reinsurance arrangements		1,607,549	1,825,863	2,006,921
Other payables	29	3,037,763	2,539,644	1,995,468
<b>Total liabilities</b>		<b>99,555,308</b>	<b>86,834,434</b>	<b>80,392,402</b>
<b>EQUITY</b>				
Share capital	30	362,365	362,365	362,365
Reserves	31	2,687,299	3,506,575	2,441,475
Retained earnings	32	24,618,483	21,019,075	19,512,980
Proposed dividend	33	579,784	579,784	579,784
<b>Equity attributable to owners of the company</b>		<b>28,247,931</b>	<b>25,467,799</b>	<b>22,896,604</b>
Non-controlling interest	15 (iii)	2,273,699	1,886,979	1,678,524
<b>Total equity</b>		<b>30,521,630</b>	<b>27,354,778</b>	<b>24,575,128</b>
<b>Total liabilities and equity</b>		<b>130,076,938</b>	<b>114,189,212</b>	<b>104,967,530</b>



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019**

		Share Capital	Reserves					Retained Earnings	Proposed dividends	Equity Attributable to Owners	Non- Controlling Interest	Total Equity
			Fair Value Reserves	General Reserves	Translation Reserves	Contingency Reserves	Statutory Reserve					
			Kes '000	Kes '000	Kes '000	Kes '000	Kes '000					
<b>Year ended 31 December 2019</b>												
<b>At start of year</b>												
<b>As previously stated</b>		362,365	214,967	70,000	(943,724)	1,233,277	3,598,306	21,069,413	579,784	26,184,388	1,886,979	28,071,367
Prior year adjustments (Note 39)	39	-	-	-	-	-	(666,251)	(50,338)	-	(716,589)	-	(716,589)
As restated		<b>362,365</b>	<b>214,967</b>	<b>70,000</b>	<b>(943,724)</b>	<b>1,233,277</b>	<b>2,932,055</b>	<b>21,019,075</b>	<b>579,784</b>	<b>25,467,799</b>	<b>1,886,979</b>	<b>27,354,778</b>
<b>Profit for the year</b>		-	-	-	-	-	-	3,556,468	-	3,556,468	461,219	4,017,687
<b>Other comprehensive income</b>												
Net translation loss	31 (c) & 15 (iii)	-	-	-	41,041	-	-	-	-	41,041	11,598	52,639
Other comprehensive income		-	(165,120)	-	-	-	-	-	-	(165,120)	(2,051)	(167,171)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>(165,120)</b>	<b>-</b>	<b>41,041</b>	<b>-</b>	<b>-</b>	<b>3,556,468</b>	<b>-</b>	<b>3,432,389</b>	<b>470,766</b>	<b>3,903,155</b>
<b>Transfers</b>												
Transfer to contingency reserves	32	-	-	-	-	194,220	-	(194,220)	-	-	-	-
Transfer to Statutory reserves	31 (e)	-	-	-	-	-	488,051	(488,051)	-	-	-	-
Transfer from Statutory reserves	31 (e)	-	-	-	-	-	(1,377,468)	1,377,468	-	-	-	-
<b>Total transfers</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>194,220</b>	<b>(889,417)</b>	<b>695,197</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions with owners:</b>												
Dividends: Final for 2018 paid	33 (ii)	-	-	-	-	-	-	-	(579,784)	-	-	(579,784)
Paid to non-controlling interest	15 (iii)	-	-	-	-	-	-	-	-	-	(84,046)	(84,046)
Interim for 2019 paid	33 (i)	-	-	-	-	-	-	(72,473)	-	(72,473)	-	(72,473)
Proposed dividends		-	-	-	-	-	-	(579,784)	579,784	-	-	-
<b>Total transactions with owners</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(652,257)</b>	<b>579,784</b>	<b>(652,257)</b>	<b>(84,046)</b>	<b>(736,303)</b>
<b>At end of year</b>		<b>362,365</b>	<b>49,847</b>	<b>70,000</b>	<b>(902,683)</b>	<b>1,427,497</b>	<b>2,042,638</b>	<b>24,618,483</b>	<b>579,784</b>	<b>28,247,931</b>	<b>2,273,699</b>	<b>30,521,630</b>



**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

		<b>2019</b>	<b>2018</b>
	<b>Note</b>	<b>Kes '000</b>	<b>Kes '000</b>
<b>Cash flow from operating activities</b>			
Cash generated from operations	25 (iii)	320,127	3,315,610
Income tax paid	16 (ii)	(911,021)	(1,305,646)
<b>Net cash inflow from operating activities</b>		<b>(590,894)</b>	<b>2,009,964</b>
<b>Cash flow from investing activities</b>			
Rent, interest and dividend received		9,795,940	8,069,615
Dividends received from associates	15 (i)	557,318	421,805
Proceeds from sale of quoted shares		-	178,545
Proceeds from disposal of property and equipment		(5,321)	151
Proceeds from part redemptions of shares in associate	15 (i)	362,830	581,211
Purchase of property and equipment and intangible assets	13	(249,732)	(200,632)
Net additions of investment properties	14	(30,014)	(19,546)
Additional investment in subsidiary		-	-
Purchase of quoted equity investments	21	-	(182,973)
Purchase of unquoted equity investments	17	(202,203)	(305,790)
Mortgage loans advanced	20 (i)	(6,990)	(26,672)
Mortgage loans repaid	20 (i)	22,843	68,540
Loans on life insurance policies advanced	20 (ii)	(284,964)	(231,139)
Loans on life insurance policies repaid	20 (ii)	211,355	86,169
Net purchase of government securities	18	(11,459,014)	(7,401,200)
Net proceeds of commercial bonds	19	271,120	60,389
<b>Net cash (outflow)/ inflow from investing activities</b>		<b>(1,016,832)</b>	<b>1,098,473</b>
<b>Cash flow from financing activities</b>			
Dividends paid		(564,371)	(652,257)
<b>Net cash outflow from financing activities</b>		<b>(564,371)</b>	<b>(652,257)</b>
Increase in cash and cash equivalents		(2,172,097)	2,456,180
Cash and cash equivalents at start of year	25 (ii)	17,187,969	14,796,784
Exchange loss on translation of cash and cash equivalents	31 (c)	4,125	(64,995)
<b>Cash and cash equivalents at end of year</b>	<b>25 (ii)</b>	<b>15,019,997</b>	<b>17,187,969</b>