



# ALLIANCE AFRICA GENERAL INSURANCE LIMITED

## SUMMARY STATEMENT OF COMPREHENSIVE INCOME (NON - LIFE) FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 (Ushs'000)	2017 (Ushs'000)
Gross Premium written	12,529,388	10,184,409
Premium ceded to reinsurers	(5,769,389)	(3,460,155)
Net premiums written	6,759,999	6,724,254
Provision for unearned premiums	(14,299)	(1,052,120)
<b>NET PREMIUMS EARNED</b>	<b>6,745,700</b>	<b>5,672,134</b>
Investment income	357,683	364,686
Commission earned	1,792,658	1,012,852
Foreign exchange gains	49,451	94,870
<b>TOTAL INCOME</b>	<b>8,945,492</b>	<b>7,144,542</b>
Net claims incurred	(1,899,279)	(2,432,418)
Commission expenses	(2,587,784)	(1,976,468)
Management expenses	(3,370,900)	(2,751,890)
<b>TOTAL EXPENSE</b>	<b>(7,857,963)</b>	<b>(7,160,776)</b>
<b>LOSS BEFORE TAX</b>	<b>1,087,529</b>	<b>(16,234)</b>
Income tax credit	(280,926)	17,475
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<b>806,603</b>	<b>1,241</b>
<b>RATIOS:</b>		
Solvency ratio	130%	183%
Claims ratio	28%	43%
Management expenses ratio - net	50%	49%

### Where:

Solvency ratio = Net Admitted Assets (Net Written Premium x 15%)

Claims ratio = Claims expense / Net Earned Premium

Management expenses ratio - net = Administrative expenses / Net Earned Premium

Minimum Regulatory Solvency Requirement is 15%

## REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF ALLIANCE AFRICA GENERAL INSURANCE LIMITED

### Our Opinion

In our opinion, the accompanying summary financial statements of Alliance Africa General Insurance Limited ("the Company") are consistent, in all material respects, with the audited financial statements in accordance with the Ugandan Insurance Act 2017 and the Insurance Regulatory Authority of Uganda circular number 41 of August 2013.

### Summary financial statements

The summary financial statements, derived from the Company's audited financial statements for the year ended December 31, 2018 comprise the summary statement of financial position as at December 31, 2018, the summary statement of comprehensive income for the year then ended, and other disclosures.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Ugandan Insurance Act and the Ugandan Companies Act. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

### The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the Company's audited financial statements in our report dated April 1, 2019. The report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the audited financial statements of the current period.

### Directors' responsibility for the summary financial statements

The Company's directors are responsible for the preparation of the summary financial statements in accordance with the Ugandan Insurance Act 2017 and the Insurance Regulatory Authority of Uganda circular number 41 of August 2013.

### Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

*Mazars BTJ*  
 Certified Public Accountant (Firm No. AF0277)  
 April 27, 2019



## SUMMARY STATEMENT OF FINANCIAL POSITION (NON - LIFE) AS AT 31ST DECEMBER 2018

	2018 Ushs'000	2017 Ushs'000
<b>ASSETS</b>		
Property and Equipment	221,917	212,055
Statutory deposit	480,574	487,757
Deferred income tax asset	224,093	110,580
Premium receivables	6,444,926	3,880,416
Reinsurers share of insurance liabilities and reserves	3,414,845	3,003,864
Other receivables	225,759	150,218
Investment in Government securities	894,814	569,762
Investment in fixed deposits with financial institutions in Uganda	5,394,919	5,236,455
Deferred acquisition costs	582,892	565,016
Current income tax receivable	-	129,668
Cash and Deposits	354,352	254,723
<b>Total assets</b>	<b>18,239,091</b>	<b>14,600,514</b>
<b>LIABILITIES</b>		
Outstanding claims	2,283,280	1,806,913
Unearned premium	5,011,755	4,607,858
IBNR Provision	342,492	271,037
Payables arising out of reinsurance arrangements	1,608,696	474,317
Current income tax payable	8,826	-
Other payables	3,411,202	2,528,868
<b>Total liabilities</b>	<b>12,666,251</b>	<b>9,688,993</b>
<b>NET ASSETS</b>	<b>5,572,840</b>	<b>4,911,521</b>
<b>CAPITAL AND RESERVES</b>		
Share capital	5,030,000	5,030,000
Accumulated losses	(158,627)	(529,028)
Contingency reserves	658,813	408,225
Other reserves	42,654	2,324
<b>Total Capital and reserves</b>	<b>5,572,840</b>	<b>4,911,521</b>

Date: 20th March, 2019

*[Signature]*  
 Mr. Shaffin Jamal  
 Board Chairman

*[Signature]*  
 Mr. Yogesh M. Manek  
 Director

*[Signature]*  
 Mr. Joseph Baliddawa  
 Director

*[Signature]*  
 Mr. Phillip Karugaba  
 Director

*[Signature]*  
 Mr. K.V.A Krishnan  
 Director

*[Signature]*  
 Mrs. Norah Njuba Bwaya  
 Director

*[Signature]*  
 Mr. Ashok Mishra  
 CEO

**Covering Risks, Improving Lives**