

UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2016

INCOME STATEMENT

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

	THE GROUP	
	2016 Ghc'000	2015 Ghc'000
Investment income	59,186	44,482
Net investment income	59,186	44,482
Gross insurance premium revenue	286,864	226,842
Insurance premium ceded to reinsurers	(51,023)	(30,141)
Net premium written	235,841	196,701
Change in unearned premiums	(12,631)	(4,200)
Net insurance premiums revenue	223,210	192,501
Other income	11,920	13,294
Net income	294,316	250,277
Net Insurance claims and recoveries	(97,682)	(83,586)
Change in insurance contract liabilities - Life fund	(56,926)	(44,767)
Net benefits and claims	(154,608)	(128,353)
Operating expenses	(64,530)	(51,450)
Commission expense	(35,289)	(32,571)
Net expenses	(254,427)	(212,375)
Profit before national fiscal stabilisation levy(NFSL) and income tax	39,889	37,903
Income tax expenses and NFSL	(6,485)	(4,584)
Profit for the year	33,404	33,319
Attributable to:		
Owners of the parent	14,386	17,795
Non-Controlling Interest	19,017	15,524
	33,404	33,319
Earnings per share for the profit attributable to equity holders of the Company during the period		
Basic (Ghc per share)	0.108	0.134

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2016

	THE GROUP	
	2016 Ghc'000	2015 Ghc'000
Assets		
Property & equipment	37,339	23,047
Intangible Assets	673	285
Investment properties	144,716	107,469
Investment securities	423,930	326,158
Loans and receivables	20,914	15,318
Due from re-insurers	26,982	19,738
Deferred income tax asset	3,907	3,376
Current income tax assets	183	596
Cash and cash equivalents	52,318	62,073
Total assets	710,961	558,060
EQUITY AND LIABILITIES		
Capital and reserve		
Stated capital	37,268	35,920
Contingency reserve	24,126	18,195
Other reserves	1,189	10,035
Income surplus account	153,230	127,548
Non-controlling interest	78,259	59,642
Total equity	294,072	251,341

Liabilities		
Life fund-insurance contract liabilities	321,507	240,005
Unearned premiums and unexpired risk provision	35,492	19,718
Outstanding claims	963	6,781
Trade and other payables	34,348	19,281
Due to re-insurers	11,114	7,492
Due to related parties	706	1,674
Deferred tax liability	11,606	11,632
Current income tax liability	1,153	136
Total liabilities	416,889	306,719
Total equity and liabilities	710,961	558,060

STATEMENT OF CHANGES IN EQUITY

	2016 GH c'000	2015 Ghc'000
At 1 January	276,137	223,293
Profit for the year	33,404	33,319
Other comprehensive income	(19)	-
Total comprehensive income	33,385	33,319
Transaction with owners		
Dividends	(6,691)	(8,203)
Proceeds from issue of Ordinary Shares	1,238	2,931
Transactions with non controlling interest	(9,997)	-
Total transactions with owners	(15,450)	(5,272)
At SEPTEMBER 30	294,072	251,340

STATEMENT OF CASH FLOW

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

THE GROUP

	2016 GH c'000	2015 Ghc'000
Cash flows from operating activities		
Cash used in operations	(17,851)	(60,468)
Investment income received	59,605	55,184
Income tax and NFSL paid	(6,561)	(6,378)
Net cash (used in) / generated from operating activities	35,193	(11,662)
Cash flow from investing activities		
Purchase of property and equipment	(23,817)	(8,434)
Proceeds from sale of property and equipment	89	-
Proceeds from sale of property and equipment	(1,142)	-
Net increase in cash and cash equivalents	(24,870)	(8,434)
Cash flow from financing activities		
Dividend paid	(16,688)	(8,203)
Proceeds from issue of ordinary shares	1,238	1,559
Net cash used in financing activities	(15,450)	(6,644)
Net (decrease)/increase in cash and cash equivalents	(5,127)	(26,739)
Cash and cash equivalents at beginning of year	57,445	88,813
Cash and cash equivalents at end of period	52,318	62,074

To the best of our knowledge, the consolidated Financial Statements do not contain untrue statements, misleading facts or omission of material facts.

Keli Gadzekpo
GROUP CHIEF EXECUTIVE OFFICER

Martin Eson Benjamin
DIRECTOR

COMMENTARY

Net Income for the period grew by 17.6% over the same period last year. This growth was driven by a 15.9% growth in Insurance revenue and 33% increase in investment income. Improvement in investment income was largely influenced by returns on fixed deposit compensating for the low performance on the stock market.

Net Expenses went up by 19.8% over the prior year. This growth was influenced by a 27.2% increase in Life Insurance fund and 25.4% growth in operating expenses. The growth in Life insurance fund resulted from returns on Policyholder Investments held by the Life Company. Operating expenses were driven by cost push events

Group Total Assets increased by 27% from GHC 558m to GHC 711m in the current period. This growth is attributable to growth in investment securities and investment properties.

Although the operating environment continue to impact negatively on our operations, consistent efforts at meeting the needs of our customers and continued efficiency drive are showing positive results. We expect some improvement in the level of profit by year end.