

JUBILEE LIFE INSURANCE CORPORATION OF TANZANIA LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2017	2016
	TZ\$ '000	TZ\$ '000
Gross earned premiums	6,193,829	5,088,297
Insurance premium ceded to reinsurers	(2,129,447)	(1,661,462)
Net insurance premium	4,064,382	3,426,835
Investment income	926,184	604,627
Other income	104,938	116,883
Total income	5,095,504	4,148,345
Claims and other policyholder benefits payable	(3,084,560)	(2,554,463)
Insurance claims recoverable from reinsurers	1,737,758	1,289,703
Change in actuarial liability	(522,228)	245,643
Net insurance claims and policyholders benefits payable	(1,869,030)	(1,021,117)
Administrative and other expenses	(2,245,788)	(1,972,651)
Commissions payable	(774,730)	(330,401)
Profit before income tax expense	205,956	824,175
Income tax expense	(134,923)	(36,710)
Profit for the year	71,033	787,465
Other comprehensive loss:		
<i>Items that may be subsequently reclassified to profit or loss</i>		
Decrease in fair value of available-for-sale financial assets	(4,316)	(11,545)
Deferred tax on fair value of available-for-sale financial assets	1,295	3,464
Total other comprehensive loss for the period, net of tax	(3,021)	(8,082)
Total comprehensive income	68,011	779,383

STATEMENT OF FINANCIAL POSITION

	2017	2016
	TZ\$ '000	TZ\$ '000
CAPITAL AND RESERVES		
Share capital	2,000,000	2,000,000
Statutory reserve:		
Capital reserve	1,402,778	1,402,778
Contingency reserve	165,997	125,353
Fair value reserve	(24,924)	(21,903)
Retained earnings	428,801	398,411
Total equity	3,972,652	3,904,640
REPRESENTED BY:		
Assets		
Furniture and equipment	472,804	82,010
Intangible assets	36,145	46,858
Deferred income tax	7,498	8,960
Government securities	12,583,173	12,885,479
Available-for-sale equity investments	12,948	17,264
Deposits with financial institutions	4,243,892	3,212,582
Receivables arising out of direct insurance arrangements	355,546	348,721
Reinsurers' share of insurance liabilities	354,455	433,943
Other receivables	438,615	163,744
Corporate income tax recoverable	128,077	-
Cash and cash equivalents	275,106	194,693
Total assets	18,908,259	17,394,254
Liabilities		
Insurance contract liabilities	3,948,647	3,320,138
Payable under deposit administration contracts	10,423,506	9,015,553
Payables arising from insurance arrangements	329,897	513,154
Other payables	233,555	607,961
Corporate income tax liability	-	33,707
Total liabilities	14,935,607	13,489,614
Net assets	3,972,652	3,904,640

The financial statements were approved for issue by the board of directors on 9 March 2018 and were signed on its behalf by:

Shabir Abji Chairman
Amyr Lajli Director

STATEMENT OF CHANGES IN EQUITY

	Note	Share capital	Capital reserves	Contingency reserve	Fair value reserves	Retained earnings	Total
		TZ\$ '000	TZ\$ '000	TZ\$ '000	TZ\$ '000	TZ\$ '000	TZ\$ '000
Year ended 31 Dec 2016							
At 1 January 2016		2,000,000	1,500,000	91,085	(13,822)	(354,785)	3,222,478
Net Profit for the year		-	-	-	-	787,465	787,465
Change in fair value of available-for-sale financial assets - Net of Tax		-	-	-	(8,081)	-	(8,081)
Total comprehensive income for the year		-	-	-	(8,081)	787,465	779,384
Transfer from retained earnings		-	-	34,268	-	(34,268)	-
Transactions with owners:							
Withholding tax on bonus shares issued in 2015		-	(97,222)	-	-	-	(97,222)
At 31 December 2016		2,000,000	1,402,778	125,353	(21,903)	398,412	3,904,640
Year ended 31 Dec 2017							
At 1 January 2017		2,000,000	1,402,778	125,353	(21,903)	398,412	3,904,640
Net Profit for the year		-	-	-	-	71,032	71,032
Change in fair value of available-for-sale financial assets - Net of Tax		-	-	-	(3,021)	-	(3,021)
Total comprehensive income for the year		-	-	-	(3,021)	71,032	68,011
Transfer from retained earnings		-	-	40,644	-	(40,644)	-
At 31 December 2017		2,000,000	1,402,778	165,997	(24,924)	428,801	3,972,652

STATEMENT OF CASH FLOWS

	2017	2016
	TZ\$ '000	TZ\$ '000
Cash flows from operating activities		
Profit before income tax	205,956	824,175
Adjustments for:		
Depreciation of furniture and equipment	26,021	40,242
Amortisation of intangible assets	21,865	21,926
Fair value loss in exchange for sale investments	-	-
Foreign exchange gain	5,501	1,452
Investment income	(920,684)	(606,079)
Operating cash flows before capital changes	(672,343)	281,716
(Increase)/decrease in insurance contract and other receivables	(281,696)	8,925,453
Increase/(decrease) in reinsurer's share of technical provisions	79,488	(433,943)
Increase in insurance contract and other payables	71,745	664,161
Increase in deposit administration contracts	1,840,696	868,463
Cash generated from operations	1,037,890	10,305,850
Interest received	926,184	594,534
Income tax paid	(726,691)	(167,872)
Net cash generated from operating activities	1,237,384	10,732,512
Cash flows from investing activities		
Purchase of furniture, fittings and equipment	(416,815)	(7,428)
Purchase of intangible assets	(11,151)	(24,814)
Deposits with financial institutions	(331,310)	819,741
Net investment in government securities	302,305	(11,591,464)
Net cash used in investing activities	(456,971)	(10,803,965)
Net cash generated from financing activities		
Net increase in cash and cash equivalents:	780,413	(71,453)
Cash and cash equivalents at beginning of year	194,693	266,146
Cash and cash equivalents at end of year	975,106	194,693