

JUBILEE LIFE INSURANCE CORPORATION OF TANZANIA LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2020	2019
	TZS '000	TZS '000
Gross earned premiums	9,063,484	8,393,934
Insurance premium ceded to reinsurers	(2,276,791)	(2,619,468)
Net insurance premium	6,786,693	5,774,466
Net investment income	1,432,010	1,333,493
Commissions earned	327,608	215,434
Other income	19,638	767,350
Total income	8,565,949	8,090,743
Claims and other policyholder benefits expense	(2,756,661)	(3,041,512)
Insurance claims recovered from reinsurers	1,132,427	1,435,343
Change in actuarial liability	(1,859,102)	(1,139,539)
Net insurance claims and policyholders benefits payable	(3,483,336)	(2,745,708)
Administrative and other expenses	(3,374,409)	(3,445,308)
Commissions expense	(1,351,149)	(1,030,858)
Finance cost	(27,989)	(41,382)
Profit before income tax expense	329,066	827,487
Income tax expense	(197,074)	(268,794)
Profit for the year	131,992	558,693
Other comprehensive profit/(loss):		
Items that may be subsequently reclassified to profit or loss		
Changes in fair value of government securities at fair value through other comprehensive income	255,267	(8,781)
Deferred tax on fair value of government securities	(76,580)	2,634
Total other comprehensive profit/(loss) for the period, net of tax	178,687	(6,147)
Total comprehensive income	310,679	552,546

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	2020	2019
	TZS '000	TZS '000
CAPITAL AND RESERVES		
Share capital	2,300,000	2,300,000
Statutory reserve:		
-Capital reserve	1,072,778	1,072,778
-Contingency reserve	339,831	271,964
FVOCI reserves	172,540	(6,147)
Retained earnings	851,246	787,121
Total equity	4,736,395	4,425,716
REPRESENTED BY:		
Assets		
Furniture and equipment	685,390	792,262
Right-of-use assets	307,672	465,649
Intangible assets	15,788	23,241
Government securities at amortised cost	11,020,342	10,676,616
Government securities at fair value through other comprehensive income	7,350,080	2,346,562
Deposits with financial institutions	4,452,857	6,332,591
Other receivables	923,769	1,813,345
Deferred income tax	-	991
Corporate income tax recoverable	97,899	181,276
Reinsurers' share of insurance liabilities	1,347,443	1,496,039
Receivables arising out of direct insurance arrangements	228,942	269,242
Cash and bank balances	240,673	570,559
Total assets	26,670,855	24,968,373
Liabilities		
Insurance contract liabilities	8,051,801	6,420,179
Payable under deposit administration contracts	11,619,846	11,909,473
Payables arising from reinsurance arrangements	731,691	824,935
Lease liabilities	352,438	555,080
Other payables	1,107,092	832,990
Deferred income tax	71,592	-
Total liabilities	21,934,460	20,542,657
Total net assets	4,736,395	4,425,716

The financial statements were approved for issue by the board of directors on 23 March 2021 and were signed on its behalf by:

Shabir Abji
Chairman

Amyr Lalji
Director

STATEMENT OF CHANGES IN EQUITY

	Share capital	General reserves	Contingency reserve	FVOCI reserves	Retained earnings	Total
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Year ended 31 December 2020						
At 1 January 2020	2,300,000	1,072,778	271,964	(6,147)	787,121	4,425,716
Comprehensive Income						
Net Profit for the year	-	-	-	-	131,992	131,992
Other comprehensive income:						
Changes in fair value of government securities at FVOCI	-	-	-	178,687	-	178,687
Total comprehensive income for the year	-	-	-	178,687	131,992	310,679
Transfer to contingency reserve	-	-	67,867	-	(67,867)	-
At 31 December 2020	2,300,000	1,072,778	339,831	172,540	851,246	4,736,395

Year ended 31 December 2019

	Share capital	General reserves	Contingency reserve	FVOCI reserves	Retained earnings	Total
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
At 1 January 2019	2,300,000	1,072,778	214,228	-	286,164	3,873,170
Comprehensive Income						
Net Profit for the year	-	-	-	-	558,693	558,693
Other comprehensive income:						
Changes in fair value of government securities at FVOCI	-	-	-	(6,147)	-	(6,147)
Total comprehensive income for the year	-	-	-	(6,147)	558,693	552,546
Transfer to contingency reserve	-	-	57,736	-	(57,736)	-
At 31 December 2019	2,300,000	1,072,778	271,964	(6,147)	787,121	4,425,716

STATEMENT OF CASH FLOWS

	2020	2019
	TZS '000	TZS '000
Cash flows from operating activities		
Profit before income tax	329,066	827,487
Adjustments for:		
Depreciation of furniture and equipment	130,430	114,261
Amortisation of right-of-use asset	210,590	210,589
Amortisation of intangible assets	7,453	6,863
Foreign exchange gain	(879)	(257)
Increase in provision for doubtful debts	5,176	12,732
Interest expense on lease liabilities	27,989	41,382
Investment income	(1,432,010)	(1,333,493)
Operating cash flows before capital changes	(722,185)	(120,436)
Decrease in insurance contract and other receivables	929,876	365,754
Decrease in reinsurer's share of technical provisions	148,596	610,027
Increase in insurance contract and other payables	1,812,480	229,727
(Decrease)/Increase in deposit administration contracts	(289,627)	111,457
Cash generated from operations	1,879,140	1,196,529
Income tax paid	(574,336)	(634,991)
Net cash generated from operating activities	1,304,804	561,538
Cash flows from investing activities		
Purchase of furniture, fittings and equipment	(23,558)	(100,271)
Purchase of intangible assets	-	(257)
Deposits with financial institutions	(1,006,583)	(614,868)
Net investment in government securities	(5,347,244)	654,609
Interest received	2,365,360	2,057,360
Net cash used in investing activities	(4,012,025)	1,996,573
Cash flows from financing activities		
Lease payments	(230,631)	(162,540)
Net cash generated from financing activities	(230,631)	(162,540)
Net (decrease)/increase in cash and cash equivalents	(2,937,852)	2,395,571
Cash and cash equivalents at beginning of year	3,780,830	1,385,259
Cash and cash equivalents at end of year	842,978	3,780,830