



KENYA RE

Kenya Reinsurance Corporation Limited



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AS AT 30TH JUNE 2021

	Unaudited Short term Business 2021 KShs '000	Unaudited Long term Business 2021 KShs '000	Unaudited Total 2021 KShs '000	Unaudited Total 2020 KShs '000
INCOME				
Gross premiums written	8,654,931	933,699	9,588,630	9,073,816
Less: change in unearned premiums	(129,776)	0	(129,776)	(157,604)
Less: retrocession premiums	(769,583)	(321)	(769,904)	(256,037)
NET EARNED PREMIUMS	7,755,572	933,378	8,688,950	8,660,175
Investment income	1,394,261	502,245	1,896,506	1,904,899
Commissions recovered	114,840	96	114,936	23,030
Fair value gains on revaluation of investment properties	0	0	0	0
Other income	31,927	0	31,927	25,593
Share of associate profits	0	0	0	0
TOTAL INCOME	9,296,600	1,435,719	10,732,319	10,613,697
CLAIMS AND BENEFITS				
Gross claims incurred and policy holder benefits	(5,750,138)	(740,623)	(6,490,761)	(5,226,495)
Less: Re-insurers share of claims and policy holder benefits	207,589	0	207,589	78,015
NET CLAIMS AND BENEFITS	(5,542,549)	(740,623)	(6,283,172)	(5,148,480)
Cedant acquisition costs	(1,931,873)	(283,330)	(2,215,203)	(2,146,006)
Operating and other expenses	(956,906)	(103,232)	(1,060,138)	(956,943)
Provision for doubtful debts	(411,373)	0	(411,373)	(270,993)
TOTAL CLAIMS, BENEFITS, AND OTHER EXPENSES	(8,842,700)	(1,127,185)	(9,969,885)	(8,522,422)
PROFIT BEFORE TAX	453,900	308,534	762,434	2,091,275
INCOME TAX EXPENSE	(136,170)	(92,560)	(228,730)	(522,819)
PROFIT FOR THE YEAR	317,731	215,974	533,704	1,568,456
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Share of gain on property revaluation of associate	0	0	0	0
Remeasurement gains/ (losses) on defined benefit plans, net of tax	0	0	0	0
Items that may be reclassified subsequently to profit or loss:				
Reclassification adjustment relating to available-for-sale financial assets disposed in the year	0	0	0	0
Net gains / (losses) on revaluation of available-for-sale quoted equity instruments	122,476	0	122,476	(421,601)
Net gains on revaluation of available-for-sale government securities	0	0	0	0
Translation reserve	3,482	0	3,482	0
Share of movement in associate reserves:				
- currency translation	0	0	0	0
- fair value reserve	0	0	0	0
TOTAL OTHER COMPREHENSIVE INCOME	125,958	0	125,958	(421,601)
TOTAL COMPREHENSIVE INCOME	443,689	215,974	659,662	1,146,855
EARNINGS PER SHARE - basic and diluted			0.19	0.56
Key Ratios				
Capital Adequacy Ratio			875%	875%
Solvency Ratio			707%	789%
Claims Ratio			72%	59%
Expense Ratio			12%	11%

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2021

	Unaudited Short term Business 30.06.2021 KShs '000	Unaudited Long term Business 30.06.2021 KShs '000	Unaudited Total 30.06.2021 KShs '000	Audited Total 31.12.2020 KShs '000
EQUITY				
Share capital	6,499,491	500,000	6,999,491	6,999,491
Revaluation reserve	20,468	0	20,468	20,468
Fair value reserve	(389,634)	(48,160)	(437,794)	(560,270)
Translation reserve	693,980	0	693,980	690,498
Statutory reserve	0	6,603,444	6,603,444	6,387,470
Retained earnings	21,177,397	0	21,177,397	20,859,668
TOTAL EQUITY	28,001,702	7,055,283	35,056,986	34,397,325
ASSETS				
Property and equipment	84,773	0	84,773	92,729
Intangible assets	86,378	140,933	227,311	297,764
Mortgage loans	750,185	0	750,185	776,835
Investment properties	10,488,547	1,729,061	12,217,608	12,175,000
Investment in associate	5,761,432	0	5,761,432	5,761,432
Employee defined benefit asset	0	0	0	0

Unquoted equity instruments	214,480	0	214,480	209,674
Corporate bonds	45,281	0	45,281	0
Reinsurance Receivables	3,149,461	273,866	3,423,327	3,320,655
Premium and loss reserves	240,700	0	240,700	153,294
Other receivables	586,745	0	586,745	493,185
Quoted equity instruments	1,023,387	285,210	1,308,597	1,186,121
Government securities	13,846,997	4,507,459	18,354,456	17,258,062
Inventory	18,792	0	18,792	14,265
Deferred acquisition costs	715,595	0	715,595	737,689
Deposits with financial institutions	1,843,200	5,375,393	7,218,593	8,306,552
Cash and bank balances	2,631,181	109,633	2,740,814	2,453,326
Income Tax Receivable	329,353	0	329,353	0
TOTAL ASSETS	41,816,487	12,421,555	54,238,042	53,236,583
LIABILITIES				
Long term reinsurance contract liabilities	0	2,738,820	2,738,820	2,721,542
Short term reinsurance contracts liabilities	9,635,440	0	9,635,440	9,340,902
Reinsurance payables	1,591,792	152,722	1,744,514	1,602,217
Deferred tax liability	(1,193,202)	2,474,729	1,281,527	1,281,527
Other payables	602,658	0	602,658	709,728
Income tax payable	21,081	0	21,081	156,101
Unearned premiums	2,981,105	0	2,981,105	2,851,330
Defined benefit liability	175,911	0	175,911	175,911
TOTAL LIABILITIES	13,814,786	5,366,271	19,181,056	18,839,258
NET ASSETS	28,001,702	7,055,283	35,056,986	34,397,325

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30TH JUNE 2021

	Share capital KShs '000	Revaluation reserve KShs '000	Fair value reserve KShs '000	Translation reserve KShs '000	Statutory reserve KShs '000	Retained earnings KShs '000	Total KShs '000
At 1 January 2020	6,999,491	17,530	(91,488)	288,983	5,754,183	18,982,026	31,950,725
Profit for the year	0	0	0	0	633,287	2,309,635	2,942,922
Other comprehensive income	0	2,938	(468,782)	401,515	0	(152,013)	(216,342)
Total comprehensive income	0	2,938	(468,782)	401,515	633,287	2,157,622	2,726,580
Dividends declared - 2019						(279,980)	(279,980)
At 31 December 2020	6,999,491	20,468	(560,270)	690,498	6,387,470	20,859,668	34,397,325
At 1 January 2021	6,999,491	20,468	(560,270)	690,498	6,387,470	20,859,668	34,397,325
Profit for the period 30.06.2021	0	0	0	0	215,974	317,729	533,703
Other comprehensive income (loss)/income	0	0	122,476	3,482	0	0	125,958
Total comprehensive income	0	0	122,476	3,482	215,974	317,729	659,661
Dividends declared - 2020						0	0
At 30th June 2021	6,999,491	20,468	(437,794)	693,980	6,603,444	21,177,397	35,056,986

CONSOLIDATED STATEMENT OF CASH FLOWS AS AT 30TH JUNE 2021

	Unaudited 2021 KShs '000	Audited 2020 KShs '000
Net cash generated from operations	(982,011)	1,010,730
Interest received on corporate bonds	0	11,620
Interest received on government securities	1,041,954	2,058,283
Interest received on staff mortgages and loans	13,894	25,474
Interest received on deposits with financial institutions	208,701	555,126
Interest received on commercial mortgages	10,811	24,075
Tax paid in the year	0	(45,039)
Net cash generated from operating activities	293,349	3,640,269
Cash flows from investing activities		
Purchase of investment property	(41,326)	(131,403)
Purchase of property and equipment	(2,078)	(34,989)
Purchase of intangible assets	(8,272)	(15,577)
Purchase of government securities	(2,226,139)	(2,692,338)
Proceeds on maturity of government securities	1,160,414	2,675,246
Purchase of quoted equity instruments	0	(27,134)
Proceeds on sale of quoted equity instruments	0	10,255
Proceeds on redemption of corporate bonds	0	155,512
Purchase of corporate bonds	(45,200)	0
Dividends received on quoted equity instruments	68,781	88,712
Net cash generated from/ (used in) investing activities	(1,093,821)	28,284
Cash flows used in financing activities		
Dividends paid	0	(279,980)
Net increase/ (decrease) in cash and cash equivalents	(800,471)	3,388,573
Cash and cash equivalents at 1 January	10,759,878	7,371,305
Effect of unrealised exchange rate changes	-	-
Cash and cash equivalent at 30th June 2021	9,959,407	10,759,878



