

Statement of profit or loss and other comprehensive income

“30” June 2018

“INGO ARMENIA” insurance closed joint stock company

In thousand Armenian drams	Notes	April - June 2018	January - June 2018	April - June 2017	January - June 2017
Gross premiums written	21	1,509,815	5,246,070	1,700,005	4,361,604
Change in the gross provision for unearned premiums	21	1,096,285	(117,402)	461,773	(158,674)
Gross insurance premium revenue		2,606,100	5,128,668	2,161,778	4,202,930
Impairment charge of premiums	21, 27	6,099	(14,774)	2,027	(22,430)
Gross insurance premium revenue, after impairment charge		2,612,199	5,113,894	2,163,805	4,180,500
Written premiums ceded to reinsurers	21	(375,818)	(881,114)	(392,259)	(751,355)
Reinsurers' share of change in the gross provision for unearned premiums	21	(345,891)	(477,527)	(188,607)	(333,326)
Ceded earned premiums		(721,709)	(1,358,641)	(580,866)	(1,084,681)
Net insurance premium revenue		1,890,490	3,755,253	1,582,939	3,095,819
Subrogation income		22,230	46,241	19,224	31,026
Impairment charge of subrogation	27	(2,391)	1,307	(8,637)	(12,557)
Subrogation income, after impairment charge		19,839	47,548	10,587	18,469
Net reinsurance commission income	22	70,628	136,444	59,485	112,915
Net income from investments available-for-sale		45,873	80,615	93,769	136,545
Investment income	23	142,916	278,352	165,859	339,513
Other income		1,999	3,955	3,419	3,546
Total income		2,171,745	4,302,167	1,916,058	3,706,807
Gross claims incurred	24	(1,211,764)	(2,449,841)	(736,636)	(1,927,910)
Reinsurer's share of gross claims incurred	24	(20,083)	(7,228)	(180,592)	94,958
Net insurance claims incurred		(1,231,847)	(2,457,069)	(917,228)	(1,832,952)
Acquisition costs	25	(249,310)	(508,804)	(301,546)	(572,976)
Financial expenses	26	(19,992)	(34,318)	(24,494)	(47,213)
Impairment charge	27	-	21	472	308
Depreciation and amortization	6, 7	(22,927)	(49,212)	(30,400)	(61,437)
Staff costs	28	(284,671)	(567,418)	(262,904)	(482,149)
Other operating and administrative expenses	29	(227,986)	(485,643)	(244,524)	(380,297)
Foreign currency translation net losses of non-trading assets and liabilities		(43)	4,762	24	652
Net losses from trading in foreign currency		(1,058)	(1,794)	(936)	(1,622)
Total expenses		(2,037,834)	(4,099,475)	(1,781,536)	(3,377,686)
Profit/(loss) before income tax		133,911	202,692	134,522	329,121
Income tax expense	30	(63,730)	(66,142)	(35,221)	(79,943)
Profit/(loss) for the year		70,181	136,550	99,300	249,178
Other comprehensive income:					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Revaluation of PPE		-	-	-	-
Income tax relating to items not reclassified		-	-	-	-
Net income from items that will not be reclassified subsequently to profit or loss		-	-	-	-
<i>Items that will be reclassified subsequently to profit or loss</i>					
Net unrealized gains/(losses) from changes in fair value of available-for-sale financial assets		(25,154)	32,182	85,074	143,240
Net gains realized to net profit or loss on disposal of available-for-sale instruments		(45,873)	(80,615)	(93,768)	(136,545)
Income tax relating to reclassified items		14,205	9,687	1,739	(1,339)
Net gains/(losses) from items that will be reclassified subsequently to profit or loss		(56,822)	(38,746)	(6,956)	5,356
Other comprehensive income for the year, net of tax		(56,822)	(38,746)	(6,956)	5,356
Total comprehensive income for the year		13,359	97,804	92,345	254,534

Arevshat Melikstyan
Executive Director

Alvina Balbabyan
Chief Accountant