

Statement of profit or loss and other comprehensive income

“31”December 2017

“INGO ARMENIA” insurance closed joint stock company

In thousand Armenian drams	Notes	October - December 2017	January - December 2017	October - December 2016	January - December 2016
Gross premiums written	21	2,879,059	9,261,066	2,909,806	8,647,769
Change in the gross provision for unearned premiums	21	(276,129)	(167,503)	(805,811)	(564,639)
Gross insurance premium revenue		2,602,930	9,093,563	2,103,995	8,083,130
Impairment charge of premiums	21, 27	(13,963)	(44,443)	(596)	(42,247)
Gross insurance premium revenue, after impairment charge		2,588,967	9,049,120	2,103,400	8,040,883
Written premiums ceded to reinsurers	21	(1,062,910)	(2,271,542)	(1,408,882)	(2,414,184)
Reinsurers' share of change in the gross provision for unearned premiums	21	463,715	(7,583)	873,624	512,254
Ceded earned premiums		(599,195)	(2,279,125)	(535,258)	(1,901,930)
Net insurance premium revenue		1,989,772	6,769,995	1,568,141	6,138,953
Subrogation income		64,733	112,870	20,970	100,142
Impairment charge of subrogation	27	3,566	(25,028)	(13,459)	(68,333)
Subrogation income, after impairment charge		68,298	87,842	7,512	31,809
Net reinsurance commission income	22	61,798	234,732	58,226	216,631
Net income from investments available-for-sale		70,082	240,359	119,180	402,519
Investment income	23	137,420	626,535	178,557	637,230
Other income		77,814	93,164	752	5,015
Total income		2,405,184	8,052,627	1,932,369	7,432,157
Gross claims incurred	24	(1,532,379)	(4,730,770)	(1,032,329)	(3,494,781)
Reinsurer's share of gross claims incurred	24	182,908	533,948	62,940	246,602
Net insurance claims incurred		(1,349,472)	(4,196,822)	(969,389)	(3,248,179)
Acquisition costs	25	(299,144)	(1,191,112)	(301,107)	(1,205,286)
Financial expenses	26	(17,485)	(88,823)	(34,017)	(123,617)
Impairment charge	27	402	621	(219)	140
Depreciation and amortization	6, 7	(30,600)	(121,577)	(30,916)	(126,353)
Staff costs	28	(267,753)	(967,680)	(267,183)	(946,080)
Other operating and administrative expenses	29	(197,291)	(823,421)	(199,735)	(564,358)
Foreign currency translation net losses of non-trading assets and liabilities		(4,234)	(3,773)	(11,082)	(17,865)
Net losses from trading in foreign currency		(377)	(3,196)	(3,488)	(4,819)
Total expenses		(2,165,953)	(7,395,783)	(1,817,137)	(6,236,417)
Profit/(loss) before income tax		239,231	656,844	115,233	1,195,740
Income tax expense	30	(46,860)	(155,773)	(23,890)	(256,275)
Profit/(loss) for the year		192,371	501,071	91,343	939,465
Other comprehensive income:					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Revaluation of PPE		17,934	17,934	19,574	19,574
Income tax relating to items not reclassified		(3,587)	(3,587)	(3,915)	(3,915)
Net income from items that will not be reclassified subsequently to profit or loss		14,347	14,347	15,659	15,659
<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		94,852	263,017	127,326	794,992
Net gains realized to net profit or loss on disposal of available-for-sale instruments		(70,082)	(240,359)	(119,180)	(402,519)
Income tax relating to reclassified items		(4,954)	(4,532)	(1,629)	(78,495)
Net gains/(losses) from items that will be reclassified subsequently to profit or loss		19,816	18,126	6,517	313,978
Other comprehensive income for the year, net of tax		34,163	32,473	22,176	329,637
Total comprehensive income for the year		226,534	533,544	113,519	1,269,102