

“INGO ARMENIA” insurance closed joint stock company
Financial statements
31 December 2014

Statement of profit or loss and other comprehensive income

In thousand Armenian drams

	Notes	Year ended December 31, 2014	Year ended December 31, 2013
Gross premiums written	22	7,247,048	7,608,469
Change in the gross provision for unearned premiums	22	(135,079)	(179,354)
Gross insurance premium revenue		7,111,969	7,429,115
Written premiums ceded to reinsurers	22	(1,096,035)	(1,152,185)
Reinsurers' share of change in the gross provision for unearned premiums	22	(17,796)	(26,932)
Ceded earned premiums		(1,113,831)	(1,179,117)
Net insurance premium revenue		5,998,138	6,249,998
Net reinsurance commission income	23	170,666	164,611
Subrogation income		256,871	45,791
Net income from investments available-for-sale		337,191	208,505
Investment income	24	781,609	626,447
Other income		78,307	36,573
Total income		7,622,782	7,331,925
Gross claims incurred	25	(3,531,480)	(3,988,559)
Reinsurer's share of gross claims incurred	25	310,764	103,684
Net insurance claims incurred		(3,220,716)	(3,884,875)
Acquisition costs	26	(1,252,596)	(1,326,872)
Other commission expenses		(2,607)	(5,777)
Financial expenses	27	(434,676)	(338,713)
Impairment charge	28	(406,189)	(20,203)
Depreciation and amortization	6,7	(146,267)	(606,344)
Staff costs	29	(830,670)	(957,057)
Other operating and administrative expenses	30	(738,604)	(659,713)
Foreign currency translation net losses of non-trading assets and liabilities		(1,747)	(1,782)
Net losses from trading in foreign currency		(2,802)	(1,542)
Total expenses		(7,036,874)	(7,802,878)
Profit/(loss) before income tax		585,908	(470,953)
Income tax expense	31	(135,064)	(77,225)
Profit/(loss) for the year		450,844	(548,178)
Other comprehensive income:			
<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		(539,521)	547,404
Net gains realized to net profit or loss on disposal of available-for-sale instruments		(337,191)	(208,505)
Income tax relating to reclassified items		175,342	(67,780)

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Net gains/(losses) from items that will be reclassified subsequently to profit or loss	(701,370)	271,119
 <i>Items that will not be reclassified subsequently to profit or loss</i>		
Revaluation of PPE	-	22,054
Income tax relating to items not reclassified	-	(4,411)
<i>Net income from items that will not be reclassified subsequently to profit or loss</i>	-	17,643
 Other comprehensive income for the year, net of tax	 (701,370)	 288,762
Total comprehensive income for the year	(250,526)	(259,416)

The accompanying notes on pages 8 to 54 are an integral part of these financial statements.