2.749

2018

2018

2017

3,437



#### **Bahrain National Holding Company**

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 31 December 2018

	2018	2017
ASSETS		
Cash and cash equivalents	11,181	3,097
Placements with banks	3,497	9,333
Insurance and other receivables	10,324	9,600
Financial investments	31,764	29,839
Equity accounted investees	17,633	16,934
Reinsurers' share of insurance technical reserves	12,442	9,980
Deferred acquisition cost	634	576
Investment properties	2,774	2,936
Intangible assets	275	211
Property and equipment	3,728	3,676
Statutory deposits	125	125
Total assets	94,377	86,30
LIABILITIES		
Insurance technical reserves	31,328	26,428
Insurance payables	4,599	3,973
Other provisions and liabilities	7,096	5,586
Total liabilities	43,023	35,987
Net assets	51,354	50,320
EQUITY		
Share capital	11,918	11,350
Treasury shares	(1,868)	(1,868
Share premium	3,990	3,990
Statutory reserve	5,959	5,675
General reserve	13,585	13,585
Fair value reserve	2,698	3,35
Retained earnings	12,568	11,754
Equity attributable to shareholders of		
the Parent Company	48,850	47,841
A CONTRACTOR OF THE CONTRACTOR	2,504	2,479
Non-controlling interest		

# CONSOLIDATED STATEMENT OF CASH FLOWS For the year ended 31 December 2018 (In thousands of Bahraini Dinars)

	2018	2017
OPERATING ACTIVITIES		
Insurance operations		
Premiums and service fees received, net of acquisition costs		29,278
Payments to insurance and reinsurance companies	(15,771)	(12,155)
Claims paid to policyholders	(20,918)	(22,999)
Claims recovered from reinsurers and salvage recoveries	11,368	11,592
Cash flows from insurance operations	8,487	5,716
Investment operations		
Dividends and interest received	1,724	1,240
Proceeds from sale and redemptions of financial		
investments	14,813	6,928
Payments for purchases of financial investments	(16,909)	(8,789)
Bank deposits with maturities of more than three month: Redemption proceeds from bank deposits		(9,458)
Proceeds from partial sale of investment in equity	9,333	9,121
accounted investees	_	343
Dividends received from equity accounted investees	1.152	1.353
Payment for investment properties	(2)	(5)
Rent received	341	289
Cash flows from investment operations	6,955	1,022
Expenses paid	(5,286)	(5,781)
Cash flows from operating activities	10,156	957
INVESTMENT ACTIVITIES		
Purchase of property, equipment and intangible asset	ts (531)	(664)
Cash flows used in investment activities	(531)	(664)
FINANCING ACTIVITIES		
Dividends paid to shareholders	(1,411)	(2,207)
Dividends paid to non-controlling interest	(102)	-
Donations paid	(28)	(37)
Cash flows used in financing activities	(1,541)	(2,244)
Net increase / (decrease) in cash and cash		
equivalents	8,084	(1,951)
Cash and cash equivalents at 1 January	3,097	5,048

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS For the year ended 31 December 2018 (In thousands of Bahraini Dinars)

	2018	2017
Gross insurance premiums	33,581	28,887
Reinsurers' share of gross insurance premiums	(16,267)	(12,702)
Retained premiums	17,314	16,185
Net change in reserve for unearned premiums	(613)	(365)
Net premiums earned	16,701	15,820
Gross claims paid	(21,394)	(22,478)
Claims recoveries	10,768	11,974
Outstanding claims adjustment - gross	(2,141)	(1,748)
Outstanding claims adjustment - reinsurance	784	(36)
Net claims incurred	(11,983)	(12,288)
Gross underwriting profit	4,718	3,532
Actuarial adjustment on life assurance obligation	19	(35)
Net commission and fee income	60	102
General and administration expenses - underwriting	(4,106)	(4,031)
Other income	33	-
Net underwriting profit / (loss)	724	(432)
Net investment income	2,319	1,889
Impairment losses on investment	(50)	(308)
Share of profit of equity accounted investees	2,098	2,676
Gains on partial sale of investment in equity accounted inv	vestees -	114
Net income from road assist services	125	97
General and administration expenses - non-underwriting	(1,729)	(1,783)
Other income	5	-
Profit for the year	3,492	2,253
Profit attributable to:		
Parent company	3,279	2,095
Non-controlling interest	213	158
	3,492	2,253
Basic and diluted earnings per share	29.4 fils	18.8 fils

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 December 2018

	2018	2017
Profit for the year	3,492	2,253
Other comprehensive income:		
Items that may be reclassified to profit or loss:		
Available-for-sale securities:		
- Change in fair value	47	1,02
- Transfer to statement of profit or loss on impairment		
of securities	21	308
- Transfer to statement of profit or loss on disposal		
of securities	(805)	(322
Share of other comprehensive income of equity		
accounted investees	(6)	17
Other comprehensive income	(743)	1,18
Total comprehensive income	2,749	3,43
Total comprehensive income attributable to:		
Parent company	2,622	3,18
Non-controlling interest	127	25

### **CONSOLIDATED STATEMENT OF CHANGES IN EQUITY** For the year ended 31 December 2018

" " December										
(In thousands of Bahraini Dinars)		At	tributable t	o the share	holders of	the Parent c	ompany			
2018	Share capital	Treasury shares	Share premium	Statutory reserve	General reserve	Fair value reserve	Retained earnings	Total	Non-controlling Interest	Total Equity
Balance at 1 January, as previously reported Adjustment on initial application of IFRS 15	11,350	(1,868)	3,990	5,675	13,585	3,355	11,754	47,841	2,479	50,320
by non-insurance subsidiary Adjustment on initial application of IFRS 9 by	-	-	-	-	-	-	(75)	(75)	-	(75)
non-insurance equity accounted investee	-	-	-	-	-	-	(241)	(241)	-	(241)
Restated balance at 1 January	11,350	(1,868)	3,990	5,675	13,585	3,355	11,438	47,525	2,479	50,004
Profit for the year Other comprehensive income	-	-	-	-	-	(657)	3,279	3,279 (657)	213 (86)	3,492 (743)
Total comprehensive income	-	-	-		-	(657)	3,279	2,622	127	2,749
Bonus shares issued	568	-	-	-	-	-	(568)	-	=	-
Transfer to statutory reserve	-	-	-	284	-	-	(284)	-	-	-
Dividends declared for 2017	-	-	-	-	-	-	(1,287)	(1,287)	(102)	(1,389)
Donations declared for 2017	-	-	-	-	-	-	(10)	(10)	-	(10)
Appropriations approved by shareholders	s 568	-	-	-	-	-	(2,149)	(1,297)	(102)	(1,399)
Balance at 31 December	11,918	(1,868)	3,990	5,959	13,585	2,698	12,568	48,850	2,504	51,354

		Attributable to the shareholders of the parent company								
2017	Share capital	Treasury shares	Share premium	Statutory reserve	General reserve	Fair value reserve	Retained earnings	Total	Non-controlling Interest	Total Equity
Balance at 1 January	11,350	(1,868)	3,990	5,675	13,585	2,263	11,854	46,849	2,229	49,078
Profit for the year	-	-	-	-	-	-	2,095	2,095	158	2,253
Other comprehensive income	-	-	-	-	-	1,092	-	1,092	92	1,184
Total comprehensive income	-	-	-	-	-	1,092	2,095	3,187	250	3,437
Dividends declared for 2016	-	-	-	-	-	-	(2,145)	(2,145)	-	(2,145)
Donations declared for 2016	-	-	-	-	-	-	(50)	(50)	-	(50)
Appropriations approved by shareholders	-	-	-	-	-	-	(2,195)	(2,195)	-	(2,195)
Balance at 31 December	11,350	(1,868)	3,990	5,675	13,585	3,355	11,754	47,841	2,479	50,320

STATEMENT OF PROFIT OR LOSS

Farooq Yusuf Almoayyed - Chairman

For the year ended 31 December 2018 (In thousands of Bahraini Dinars)

As at 31 December 20 (In thousands of Bahraini Dinars)	18	
	2018	2017
ASSETS		
Cash and cash equivalents	8,603	1,354
Placements with banks	2,822	6,357
Insurance and other receivables	8,181	7,897
Reinsurers' share of insurance tech	nnical	
reserves	10,198	8,459
Deferred acquisition cost	472	447
Financial investments	22,279	20,955
Intangible assets	140	100
Property and equipment	732	686
Statutory deposits	75	75
Total assets	53,502	46,330
LIABILITIES		
Insurance technical reserves	24,491	21,061
Insurance payables	3,998	3,090
Other provisions and liabilities	3,846	2,529
Total liabilities	32,335	26,680
Net assets	21,167	19,650
EQUITY		
Share capital	6,500	6,500
Statutory reserve	3,250	3,250
General reserve	4,155	4,155
Investment fair value reserve	3,471	3,880
Retained earnings	3,791	1,865
Total equity	21,167	19,650

**Bahrain National Insurance** 

STATEMENT OF FINANCIAL POSITION

STATEMENT OF CASH FLOWS
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For the year ended 31 December 2018

,		
(In thousands of Bahraini Dinars)	2018	2017
OPERATING ACTIVITIES	20.0	2017
Premiums received, net of acquisition costs	25,441	23,087
Payments to insurance and reinsurance		
companies	(10,360)	(8,371)
Claims paid to policyholders	(15,822)	(18,007)
Claims recovered from reinsurers and salvage		
recovered	7,560	7,539
Expenses paid	(3,208)	(3,572)
Cash flows from operating activities	3,611	676
INVESTMENT ACTIVITIES		
Dividends and interest received	1,589	1,314
Proceeds from sale and redemption of securities	es 9,100	4,883
Payments for purchase of securities	(10,386)	(6,003)
Payments for purchase of property &		
equipment and intangible assets	(186)	(590)
Proceeds from sale of equipment and		
intangible assets	-	6
Bank deposits with maturities of more than		
three months	(2,822)	(6,357)
Proceeds from redemption of bank deposits		
with maturities of more than three months	6,357	7,262
Cash flows from investment activities	3,652	515
FINANCING ACTIVITIES		
Dividend paid	-	(2,470)
Donations paid	(14)	(20)
Cash flows used in financing activities	(14)	(2,490)
Net change in cash and cash equivalents		
during the year	7,249	(1,299)
Cash and cash equivalents at 1 January	1,354	2,653
Cash and cash equivalents at 31 December	r 8.603	1.354

Profit for the year	1,926	164
General and administration expenses - non-underwriting	(486)	(486)
Impairment losses on investments	(16)	(219)
Net investment income	2,061	1,724
Net underwriting profit	367	(855)
Other income	21	-
General and administration expenses - underwriting	(3,331)	(3,467)
Net commission and fee income	316	372
Gross underwriting profit	3,361	2,240
Net claims incurred	(10,388)	(11,504)
Outstanding claims adjustment - Reinsurance	208	353
Outstanding claims adjustment - Gross	(1,282)	(2,209)
Claims recoveries	6,970	7,893
Gross claims paid	(16,284)	(17,541)
Net earned premiums	13,749	13,744
Net unearned premiums adjustment	(283)	(250)
Retained premiums	14,032	13,994
Reinsurers' share of gross insurance premiums	(11,190)	(8,577)
Gross insurance premiums	25,222	22,571

STATEMENT OF COMPREHENSIVE INCOME		
For the year ended 31 December 2018		
(In thousands of Bahraini dinars)		
	2018	2017
Profit for the year	1,926	164
Other comprehensive income:		
Items that may be reclassified to profit or loss:		
Available-for-sale securities:		
- Change in fair value	174	629
- Transfer to profit or loss on impairment of securities	-	219
- Transfer to profit or loss on disposal of securities	(583)	(330
Total other comprehensive income	(409)	518
Total comprehensive income	1,517	682

STATEMENT OF CHANGES IN EC	QUITY					
For the year ended 31 December 2	2018					
(In thousands of Bahraini dinars)	61			Investment		
2018	Share capital	Statutory reserve			Retained earnings	
Balance at 1 January	6,500	3,250	4,155	3,880	1,865	19,650
Profit for the year	-	-	-	-	1,926	1,926
Other comprehensive loss	-	-	-	(409)	-	(409)
Balance at 31 December	6,500	3,250	4,155	3,471	3,791	21,167
2017						
Balance at 1 January	6,500	3,250	4,155	3,362	4,191	21,458
Profit for the year	-	-	-	-	164	164
Other comprehensive income	-	-	-	518	-	518
Dividends declared for 2016	-	-	-	-	(2,470)	(2,470)
Donations declared for 2016	-	-	-	-	(20)	(20)
Balance at 31 December	6,500	3,250	4,155	3,880	1,865	19,650

#### **Bahrain National Life Assurance**

### STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

	2018	2017
ASSETS		
Cash and cash equivalents	2,032	845
Placements with banks	675	2,022
Insurance and other receivables	1,840	1,495
Reinsurers' share of insurance		
technical reserves	2,244	1,521
Deferred acquisition costs	161	129
Financial investments	11,843	11,358
Intangible assets	32	26
Equipment	27	10
Statutory deposits	50	50
Total assets	18,904	17,456
LIABILITIES		
Insurance technical reserves	6,925	5,420
Insurance payables	601	883
Other provisions and liabilities	1,400	1,266
Total liabilities	8,926	7,569
Net assets	9,978	9,887
Net assets EQUITY	9,978	9,887
EQUITY	<b>9,978</b> 5,000	9,887 5,000
	.,	
EQUITY Share capital	5,000	5,000
EQUITY Share capital Statutory reserve	5,000 712	5,000 627
EQUITY Share capital Statutory reserve General reserve	5,000 712 11	5,000 627 11

#### STATEMENT OF CASH FLOWS

For the year ended 31 December 2018 (In thousands of Bahraini Dinars)

in thousands of bankann binars)		
	2018	2017
PERATING ACTIVITIES		
remiums received, net of acquisition costs	8,043	5,815
ayments to insurance and reinsurance companies	(5,574)	(3,915)
companies furrenders and claims paid to policyholders	(5,314)	(5,355)
laims recovered from reinsurers	3,850	4,116
ayments made for general and administration		4,110
expenses	(598)	(592)
Cash flows from operating activities	407	69
NVESTMENT ACTIVITIES		
Dividends and interest received	570	464
roceeds from sales and redemptions of		
financial investments	5,697	2,277
ayments for purchases of financial investmen		(2,982)
urchase of equipment and intangible assets	(9)	(5)
roceeds from sale of equipment and		2
intangible assets lank deposits with maturities of more than	-	2
three months	(675)	(2,022)
roceeds from redemption of bank deposits w		(2,022)
maturities of more than three months	2,022	1,533
Cash flows from / (used in) investment activi	ties 1,194	(733)
INANCING ACTIVITIES		
Dividends paid	(410)	-
Oonations paid	(4)	(12)
Cash flows used in financing activities	(414)	(12)
let change in cash and cash equivalents		
during the year	1,187	(676)
ash and cash equivalents at 1 January	845	1,521

mber 2,032

#### STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2018 (In thousands of Bahraini Dinars)

Gross insurance premiums	8,574	6,529
Reinsurers' share of gross insurance premiums	(5,241)	(4,266)
Retained premiums	3,333	2,263
Net change unearned premium reserve	(331)	(115)
Net premiums earned	3,002	2,148
Gross claims paid	(5,364)	(5,305)
Reinsurance recoveries	3,842	4,153
Outstanding claims adjustment - Gross	(893)	457
Outstanding claims adjustment - Reinsurance	577	(389)
Net claims incurred	(1,838)	(1,084)
Gross underwriting profit	1,164	1,064
Net commission expenses	(257)	(271)
General and administration expenses - underwriting	(586)	(464)
Actuarial adjustment on life assurance obligation	19	(35)
Other income	12	-
Net underwriting profit	352	294
Net investment income	639	534
Impairment losses on investments	(34)	(89)
General and administration expenses – non-underwriting	(105)	(105)
Profit for the year	852	634

### STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2018 (In thousands of Bahraini dinars)

Profit for the year

Other comprehensive income:		
Items that are or may be reclassified to profit or loss:		
Available-for-sale securities:		
- Change in fair value	(137)	399
- Transfer to statement of profit or loss on impairment of securities	21	89
- Transfer to statement of profit or loss on disposal of securities	(225)	(121)
Other comprehensive income	(341)	367
Total comprehensive income	511	1,001

#### STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2018 (In thousands of Bahraini Dinars)

2018	Share : capital			nvestment fair value reserve		Total
Balance at 1 January	5,000	627	11	618	3,631	9,887
Profit for the year	-	-	-	-	852	852
Other comprehensive income	-	-	-	(341)	-	(341)
Transfer to statutory reserve	-	85	-	-	(85)	-
Dividends declared for 2017	-	-	-	-	(410)	(410)
Donations declared for 2017	-	-	-	-	(10)	(10)
Balance at 31 December	5,000	712	11	277	3,978	9,978

2017						
Balance at 1 January	5,000	564	11	251	3,070	8,896
Profit for the year	-	-	-	-	634	634
Other comprehensive income	-	-	-	367	-	367
Transfer to statutory reserve	-	63	-	-	(63)	-
Donations declared for 2016	-	-	-	-	(10)	(10)
Balance at 31 December	5,000	627	11	618	3,631	9,887

Audited by: KPMG Fakhro

Abdulhussain Khalil Dewani

Sami Mohamed Zainal Vice Chairman

Masood Bader

Audited by: KPMG Fakhro

Abdulrahman Mohamed Juma Redha Abdulla Ali Faraj

Enas Asiri