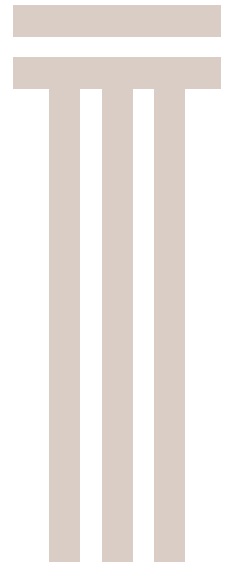


ቡና ኢንሹራንስ ኢ.ማ  
BUNNA INSURANCE S.C

ዓመታዊ ሪፖርት  
**ANNUAL  
REPORT**  
2022/2023



# GENERAL INSURANCE

Group & Personal Accident



Pecuniary



Property



Engineering



Travel



Liability



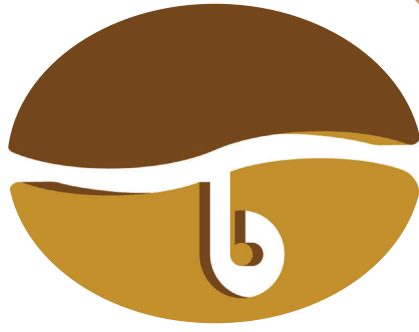


# Life INSURANCE

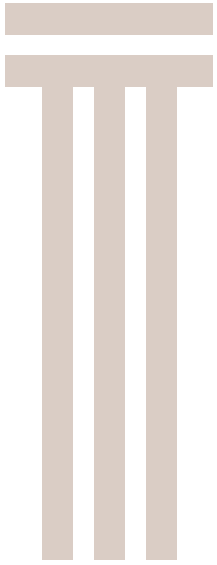


Betelhem Refera  
Life Insurance Business Manager

*We provided life Assurance to all*



# ቡና ኢንሹራንስ አ.ማ BUNNA INSURANCE S.C



ዋናው መስኔ ሴት ፡ - ሌት ክፍለ-ሀገር ዲሞክራሲ  
ጎዳና ፣ ክፍለ-ሀገር ፣  
ቡና ኢንሹራንስ ህንጻ

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*Fax: - +251-111-119207 /P.O.Box 81189*

*Addis Ababa, Ethiopia*

*Email: - [info@bunnainsurance.com](mailto:info@bunnainsurance.com)*

*Website: - [www.bunnainsurance.com](http://www.bunnainsurance.com)*



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# Company Information

## ፊደል

እኔስ በ2034 በኢትዮጵያ ከሚገኙ አምስት ምርጥ የግል የመድሀን ሰጪ ተቋማት ውስጥ አንዱ መሆን

## ተልዕኮ

ሁሉን አቀፍ የመድሀን አገልግሎቶችን ዘመነ-በደረሰበት ቴክኖሎጂ እና ብቁ የሰው ኃይል በመታገዝ በመስጠት የባለድርሻ አካላትን ፍላጎት ማርካት እና ማህበራዊ ኃላፊነቱን በመወጣት የመድሀን አገልግሎትን ለሁሉም ተደራሽ ማድረግ ::

## እሴቶች

- ማህበራዊ ሀላፊነትን መወጣት
- ታማኝነት
- የቡድን ስራ
- ቴክኖሎጂ ተኮር
- ስራተኛ አካታች
- የአገልግሎት ጥራት
- ግልፅነት

## ድርጅታዊ መሪ ቃል

ልዩነታችን አገልግሎታችን

## OUR VISION

To be one of the top five private insurers in Ethiopia by 2034.

## OUR MISSION

Deliver diversified insurance services through state-of-the art IT and competent human resources so as to meet the interests of all stakeholders and enhance access to the uninsured while discharging its corporate social responsibility.

## The 'FITTEST' Core Value of BIC

- Fulfill Social Responsibility
- Integrity
- Teamwork
- Technology Oriented
- Employee Engagement
- Service Quality
- Transparency

## OUR MOTTO

Our Difference is Our Service



**የቡና ኢንቨራንስ አ/ማህበር የባለአክሲዮኖች 10ኛ መደበኛ ጠቅላላ ጉባዔ እና 7ኛ አስቸኳይ ጠቅላላ ጉባዔ አጀንዳ**

የቡና ኢንቨራንስ አክሲዮን ማኅበር 10ኛ መደበኛ ጠቅላላ ጉባዔ እና 7ኛ አስቸኳይ ጠቅላላ ጉባዔ ቅዳሜ ህዳር 8 ቀን 2016 ዓ.ም ከጠዋቱ 2:00 ሰዓት ጀምሮ በሚከተሉት አጀንዳዎች ላይ ይካሄዳል።

**I/ የ10ኛው ዓመታዊ መደበኛ ጠቅላላ ጉባዔ አጀንዳዎች፤**

1. ድምጽ ቆጣሪዎችን መሰየም፤
2. በድምጽ ቆጣሪዎች ውጤት መሰረት ምልዓተ ጉባዔ መገኘቱን በንግድ ሕጉ መሠረት ማረጋገጥ፤
3. የዕለቱን የስብሰባ አጀንዳ ማጽደቅ፤
4. እ.ኤ.አ በ2022/2023 በጀት ዓመት በኩባንያው ውስጥ የተደረጉ የአክሲዮን ዝውውሮችን እና አዲስ አክሲዮን ሽያጮችን መቀበል፤
5. እ.ኤ.አ የ2022/2023 የዳይሬክተሮች ቦርድ ዓመታዊ ሪፖርት ማዳመጥ፤
6. እ.ኤ.አ የ2022/2023 የውጭ አዲተሮች ዓመታዊ ሪፖርት ማዳመጥ፤
7. የቀረበውን የውጭ አዲተሮች ሪፖርት ተወያይቶ ማጽደቅ፤
8. የቀረበውን የዳይሬክተሮች ቦርድ ሪፖርት ተወያይቶ ማጽደቅ፤
9. እ.ኤ.አ የ2022/2023 የተጣራ ትርፍ ድርሻ ላይ የቀረበውን ውሳኔ ኃሳብ ተወያይቶ ማጽደቅ፤
10. በኢትዮጵያ ብሔራዊ ባንክ በተሻሻለው መመሪያ ቁጥር SIB/46/2018 መሰረት እ.ኤ.አ የ2023/2024 የዳይሬክተሮች ቦርድ ወርሃዊ አበልና የ2022/2023 የዳይሬክተሮች ቦርድ ዓመታዊ የሥራ ዋጋ መወሰን፤
11. እ.ኤ.አ ለ2023/2024፣ 2024/2025 እና 2025/2026 ለተከታታይ ሦስት ዓመታት የሚያገለግሉ የውጭ አዲተር መሾምና አበላቸውን መወሰን፤
12. የጉባዔውን ቃለ-ጉባዔ ማጽደቅ፤

**II/ የ7ኛ አስቸኳይ ጠቅላላ ጉባዔ አጀንዳዎች፤**

1. ድምጽ ቆጣሪዎችን መሰየም፤
2. በድምጽ ቆጣሪዎች ውጤት መሰረት ምልዓተ ጉባዔ መገኘቱን በንግድ ሕጉ መሠረት ማረጋገጥ፤
3. የዕለቱን የስብሰባ አጀንዳ ማጽደቅ፤
4. በስድስተኛው አስቸኳይ ጠቅላላ ጉባዔ የኩባንያውን ካፒታል እንዲያድግ በተወሰነው መሠረት የአክሲዮን ሽያጭና አከፋፈሉ ላይ ተወያይቶ መወሰን፤
5. የጉባዔውን ቃለ-ጉባዔ ማጽደቅ፤

ቡና ኢንቨራንስ አ/ማህበር የዳይሬክተሮች ቦርድ

## Board of Directors



Ato Wubetu Assefa  
Board Director



Abere Mihrete (H. Dr)  
Board Chairman



Ato Lewtie Tirusew  
Board Director



Ato Dereje Mekonnen  
Board Director



Ato Getachaw Gebrie  
Board Director



Dr. Alemayehu Kebede  
Board Director



Ato Kifleyohanes Yimer  
Board Director



Engineer Demisew Abate  
Board Director



Ato Yebekal Tefera  
Board Director

# Executive Management



Ato Sangeorge Dessalegn  
Deputy CEO



Ato Dagnachew Mehari  
Chief Executive Officer



Ato Endalkachew Tesfaye  
Marketing Planning & BD-EO



W/ro Hindeya Zekeria  
Finance Department-EO



Ato Wagaye Tafere  
Engeneering  
Department -EO



W/ro Kidist Fetene  
Branch Opration &  
Reinsurance-EO



Ato Semere Atakilt  
Information Technology  
Department-EO



Ato Naod Getachew  
Claims Management  
Department-EO



Ato Abebayehu Abebe  
HR & Facility Management  
Department-EO





### የዳይሬክተሮች ቦርድ ሊቀመንበሩ መልዕክት

የተከበራቸው የቡና ኢንሹራንስ አ.ማ ባለአክሲዮኖች፤ ከሁሉ አስቀድሜ በራሴ እና በዳይሬክተሮች ቦርድ አባላት ስም እንኳን ለአስረኛው መደበኛ እና ለሰባተኛው አስቸኳይ ጠቅላላ ጉባዔ በደህና አደረሰን።

በመጀመሪያ እንደ አደራጅና መሥራች አባል ቡና ኢንሹራንስ ኩባንያ አክሲዮን ማኅበር ዛሬ የደረሰበት ቁመት ላይ ደርሶ በማየቴ የሚሰማኝን ላቅ ያለ ደስታ ለመግለጽ እወዳለሁ። የዛሬ 11 ዓመት በብር 6,715,000 ካፒታልና በአራት ሠራተኞች የተጀመረ ኩባንያ ዛሬ ብር 302,021,300 የተከፈለ ካፒታል፣ ጠቅላላ ሀብት ብር 2,068,849 እና 233 ጠንካራ ሠራተኞች ይዞ የሚንቀሳቀስ ሆኗል። በገበያ ድርሻውም በምስረታው መጀመሪያ አመታት ከነበረበት አሥራ ሰባተኛ ደረጃ አሁን ወደ ዘጠነኛ ደረጃ አድጎ የሚገኝ ኢንሹራንስ ለመሆን በቅቷል። በየዓመቱም ተከታታይነት እና ዘላቂነት ያለው እድገት ከማሳየት ወደኋላ አላለም።

በተጠናቀቀው የ2014/15 በጀት ዓመትም ኩባንያችን ብዙ ፈተናዎችን ማለትም ዓለም አቀፍ የኢኮኖሚ መቀዛቀዝ፣ ፖለቲካው አለመረጋጋት፣ በአገራችን በሰሜኑ ክፍል የተከሰተው ጦርነትን እና ሌሎች ፈታኝ የሆኑ ችግሮችን ተቋቁሞ ያስመዘገበው የ88 በመቶ የአረቦን እና የ31.72 በመቶ ጠቅላላ ትርፍ ዕድገት አጥጋቢና አበረታች መሆኑን ስንልፀ ከፍ ያለ ደስታ እየተሰማኝ ነው።

በበጀት ዓመቱ ኩባንያው የአገሪቱን ደንበኞች እና የብሔራዊ ባንክን መመሪያዎች እንዲሁም የኩባንያውን የውስጥ መመሪያዎች በሚገባ አክብሮ እንዲሠራ፤ የመልካም አስተዳደር ሂደት የበለጠ እንዲጠናከር እና ኩባንያው በቴክኖሎጂ የታገዘ

## Message of the Director's Board Chairperson

Dear esteemed shareholders of Bunna Insurance S.C., On behalf of myself and the Board of Directors, I extend a warm welcome to our 10th regular and 7th extraordinary general assembly.

First of all, as an organizer and founding member, I would like to express my great happiness to see Bunna Insurers Company S.Co. reach the status it has reached today. A company established 11 years ago with a capital of Birr 6,715,000 and with only four employees; today operates with a paid-up capital of Birr 302,021,300, total assets of Birr 2,068,849 and with 233 strong employees. In terms of market share, it has grown from the seventeenth position in the early years of its establishment to the ninth position. It has not failed to show consistent and sustainable growth every year.

I am delighted to report that despite numerous challenges such as macroeconomic factors, political instability, and the northern war, our company has achieved an impressive growth of 88% in gross written premium and 31.72% in gross profit for the 2022/23 budget year.

Throughout the fiscal year, the Board of Directors has consistently provided support and guidance to the management team to ensure the successful execution of our company's tasks. Our commitment to upholding the laws of the land, adhering to national bank directives, and following internal directives has allowed us to enhance good governance and elevate our competitiveness through the implementation of cutting-edge technologies. The board of directors has approved a five-year strategic plan crafted by hiring external consultants with the full participation and monitoring of the man-



ሥራ በመሥራት ተወዳዳሪነቱን እንዲያሳድግ የዳይሬክተሮች ቦርድ ቀጣይነት ያለው ድጋፍ እና ስኬታማ የሆነ አመራር ሰጥቷል። የዳይሬክተሮች ቦርድ የኩባንያውን እድገት ዘላቂነት ባለው እና በአስተማማኝ ሁኔታ ለመምራት የሚያስችለውን መደላድል ለመፍጠር የአምስት አመት መሪ እቅድ የውጪ አማካሪ ባለሙያዎችን በመቅጠር እና የማናጅመንቱን ሙሉ ተሳትፎና ክትትል በማቀናጀት እንዲዘጋጅ በማድረግ አፅድቆ ከ2016 የሥራ ዘመን ጀምሮ ኩባንያው በመሪ እቅዱ መሠረት እንዲመራ ለማድረግ ተችሏል። ከዚህ በተጨማሪም የዳይሬክተሮች ቦርድ ኩባንያው ሥራውን በቴክኖሎጂ የተደገፈ ማድረግ ለኩባንያው ዋና እና ወሳኝ ነው ብሎ አጥብቆ ስለሚያምን የኢንፎርሜሽን ቴክኖሎጂ ልማት ፕሮጀክት ሥራን ለማጠናቀቅ ተገቢውን ክትትል በማድረግ ፕሮጀክቱ የመጨረሻው ምዕራፍ ላይ ይገኛል።

የዳይሬክተሮች ቦርድ በሚሰጠው አቅጣጫ እና በማኔጅመንቱና ሠራተኛው ጠንካራ አመራር ኩባንያችን ተከታታይ ዕድገት በማስመዝገብ ላይ የሚገኝ በመሆኑ በዚህ በጀት ዓመት ጠቅላላ የሀብት መጠን ከብር 2 ቢሊዮን በላይ ደርሷል። ይህም ከአለፈው የበጀት ዓመት ጋር ሲነፃፀር የ91.66 በመቶ ዕድገት ያሳያል።

ኩባንያችን የባለ አክሲዮኖችን ሀብት ከማሳደግ ባሻገር ማህበራዊ ኃላፊነቱን መወጣት ትልቁ ዓላማው በመሆኑ አገራችን ኢትዮጵያ በየጊዜው የሚያጋጥሙትን ተፈጥሯዊና ሰው ሠራሽ አደጋዎች ለመቋቋም በሚደረግለት ጥሪም ሆነ በራሱ ተነሳሽነት በርካታ የገንዘብ ድጋፎች እያደረገ ሲሆን፣ በዚህ በጀት ዓመትም በተመሳሳይ መልኩ ከብር 1.9 ሚሊዮን በላይ የገንዘብና የቁሳቁስ ድጋፍ አድርጓል።

ሳይጠቀስ ሊታለፍ የማይገባው ጉዳይ በተጠናቀቀው የበጀት ዓመት ኩባንያው ለስመዘገባቸው አበረታች ውጤቶች እና ስኬቶች የተለያዩ ባለድርሻ አካላት ጥረት እና ተሳትፎ ውጤት በመሆኑ የዳይሬክተሮች ቦርድ ለደንበኞቹ፣ ለባለአክሲዮኖች፣ ለኩባንያው ሥራ አመራር እና ሠራተኞች፣ ለሽያጭ ወኪሎች እና ብሮከሮች፣ ለጠለፋ ዋስትና ሰጪዎች፣ ለኢትዮጵያ ብሔራዊ ባንክ እና ለሌሎች ድጋፍ ሰጪ ተባባሪዎቻችን በራሴና በዳይሬክተሮች ቦርድ ስም ላይ ያለ ምስጋና አቀርባለሁ።

በመጨረሻም ለኢትዮጵያና ለኢትዮጵያ ህዝቦች ሰላምና ብልጽግናን ከልብ እመኛለሁ።

**አመሰግናለሁ!!!**  
**አበረ ምህረቴ (የክ/ዶክተር)**  
**የዳይሬክተሮች ቦርድ ሊቀመንበር**

ልዩነታችን አገልግሎታችን  
*Our Difference is Our Service*

agement and make the company to be directed by the plan from 2023/24 budget on wards in order to enable the company's growth sustainable and reliable. Moreover, by recognizing the critical role that technology plays in maintaining a competitive edge, the Board of Directors has closely follows the information technology development project and it is on the verge of finalization.

Through visionary leadership from the Board of Directors, effective management from our leadership team, and the hard work of all our employees, we have managed to raise our assets to over Birr 2 billion at the end of this budget year. This represents a remarkable growth of 91.66% in assets compared to the previous budget year.

Besides increasing total equity of the company, the company has also been discharging its corporate social responsibilities both by its own initiation and by responding for national calls. In this regard, the company has made different financial and material supports which worth more than Birr 1.9 million in support of different natural and manmade disasters happened in different parts of the country during the ended budget year.

It is worth to mention here that the role of different stakeholders for this encouraging achievements and successes attained by the company during the budget year is very crucial. Therefore, I would like to express my utmost gratitude on behalf of myself and the board of directors to esteemed clients, shareholders, company management and staff, sales agents and brokers, reinsurers, National Bank of Ethiopia and other supporting partners.

Finally, I sincerely wish peace and prosperity for Ethiopia and Ethiopian people.

**Thank You**  
**Abere Mihretie Ho/Dr.**  
**Chairman, Board of Directors**





## Chief Executive Officer's Message

I feel proud to relay brief message regarding the 2022/2023 annual performance of our company to the honorable shareholders.

As we all know, the 2022/2023 operational year (budget year) was very challenging, if not bleak, due to domestic and international vicissitudes. Each of these scenarios was found to be significant negative events, if not only, to make our business environment uneasy. These exogenously given facts are common to all players; but, some variables are harder for relatively new companies than established and capitalized companies.

Despite these and other factors which cannot be listed on this brief message, our company has been managing to keep its historical growth trend in this budget years as well.

In respect of Gross Written Premium (GWP), the company able to register Birr 880.20 million From General Insurance businesses and Birr 22.54 million from long-Term Insurance business which makes the company underwrite total Birr 902.72 million. This achievement is an 88% growth compared to last year performance of Birr 480.22 million. It shows the company keeps the momentum of its continuous and sustainable growth.

Without produce prevailing regulations (directives) of the regulatory Body of Ethiopian Financial Sector - National Bank of Ethiopia, the company has managed to reach total investment of Birr 224 million which shows 41% growth from last year total investment of Birr 158.87 million by managing to invest in good return ventures.

### የዋና ስራ አስፈጻሚው መልዕክት

የተከበራችሁ ባለአክሲዮኖች የ2014/2015ዓ.ም የኩባንያችን አመታዊ አፈጻጸምን በተመለከተ ይህን አጭር መልእክት ሳስተላልፍ ኩራት ይሰማኛል።

ሁላችንም እንደምናውቀው የ2014/2015 የስራ ዘመን (የበጀት አመት) በአለም አቀፍ እና በአገር ደረጃ ያለው የፖለቲካ አለመረጋጋት በጣም ፈታኝ ነበር። እነዚህ ሁኔታዎች የንግድ ስራውን አስቸጋሪ ማድረግ ብቻ ሳይሆን በጉልህ የሚታይ አሉታዊ ተጽዕኖ አሳድረዋል። ውጫዊ ተለዋዋጭ ሁኔታዎች ለኢትዮጵያ ኢንሹራንስ ኢንዱስትሪ ተመሳሳይ ቢሆኑም ነገር ግን እነዚህ ተለዋዋጭ ውጫዊ ሁኔታዎች የካፒታል መጠናቸው ትልቅ ከሆኑት ይልቅ ለአዳዲስ እና የካፒታል መጠናቸው ትንንሽ በሆኑ ኩባንያዎች ላይ የበለጠ ተፅዕኖ የሚያሳድሩ ሆነው ይታያሉ።

በእነዚህ እና በዚህ አጭር መልዕክት ውስጥ ለመዘርዘር የሚያስቸግሩ ሌሎች ምክንያቶች ቢኖሩም ፤ ኩባንያችን በዚህ የበጀት አመትም እንደከዚህ ቀደም የበጀት አመታት ሁሉ ተከታታይነት እና ዘላቂነት ያለው የዕድገት ጉዞውን ለማስቀጠል ችሏል።

በተጠናቀቀው በጀት ዓመት ኩባንያችን 880.20 ሚሊዮን ብር ከጠቅላላ መድን ሥራ እንዲሁም 22.54 ሚሊዮን ብር ከሕይወት መድን ሥራ በድምሩ 902.72 ሚሊዮን ብር ለማስመዝገብ ችሏል። ይህ ስኬት ካለፈው አመት የ480.22 ሚሊዮን ብር የአረቦን አፈጻጸም ጋር ሲነጻጸር የ88 በመቶ እድገት አስመዝግቧል። ይህም ኩባንያችን በተከታታይ



እያስመዘገበ የመጣውን የአረባን እድገት አስቀጥሎ መሄዱን ያመለክታል።

የፋይናንስ ዘርፍ ተቆጣጣሪ አካል የሆነውን የኢትዮጵያ ብሔራዊ ባንክ ያወጣቸውን ሕጎች በመከተል ኩባንያው በበጀት ዓመቱ ጥፋ ገቢ በሚያስገኙ የኢንሸስትመንት ሥራዎች ላይ መዋለ ንዋይ ያፈሰሰ ሲሆን የኢንሸስትመንት መጠኑን ብር 224 ሚሊዮን በማድረስ ካለፈው ዓመት የ158.87 ሚሊዮን ብር ጋር ሲነፃፀር የ41 በመቶ እድገት አሳይቷል።

የዓረባን እና ሌሎች ከላይ የተገለጹ ተግባራት በማደጋቸው ምክንያት በተጠናቀቀው የበጀት ዓመት ያልተጣራ ትርፍ 59.38 ሚሊዮን ብር የተገኘ ሲሆን ይህም ከባለፈው ዓመት የ45.08 ሚሊዮን ብር ጠቅላላ ትርፍ ጋር ሲነፃፀር የ31.72 በመቶ እድገት አሳይቷል።

የእድገቱን ሂደት ለመጠበቅ እና ተወዳዳሪ ኩባንያ ለመሆን፣ ኩባንያው በቴክኖሎጂ ላይ የተመሰረተ አገልግሎት መስጠት ለምርጫ የሚያቀርበው ጉዳይ አይደለም። ፡ በመሆኑም ኩባንያው ይህንን እውነታ ከተገነዘበ በኋላ የኢንፎርሜሽን ቴክኖሎጂ ትግበራ ፕሮጀክት ጀምሮ በሂደት ላይ ይገኛል። በያዝነው የበጀት አመት የሙከራ እና ሌሎች ስራዎች ተጠናቀው በሚቀጥለው የበጀት ዓመት የጠቅላላ መድን ሥራ እና የህይወት የመድሀን ስራዎች በቴክኖሎጂ በመታገዝ አገልግሎት እንዲሰጡ የማስቻል ስራ ተግባራዊ ይሆናል።

በተጨማሪም ኩባንያችን በቀጣይ አስር አመታት ውስጥ ከአምስት ትላልቅ የግል መድሀን ሰጪዎች ውስጥ አንዱ ለመሆን የሚያስችለውን ርዕይ ነድፎ የቀረፀውን የአምስት አመት መሪ እቅድ በዳይሬክተሮች ቦርድ ያፀደቀ ሲሆን ከያዝነው የ2015/16 በጀት አመት ጀምሮ ለቀጣዮቹ አምስት አመታት በዚህ የረጅም ጊዜ መሪ እቅድ መሰረት ኩባንያውን ለመምራት የመጀመሪያው አመት ትግበራ የተጀመረ መሆኑን ለምግለፅ እወዳለሁ።

**የተከበራችሁ ባለአክሲዮኖች!**

በዚህ በጀት ዓመት የኩባንያው ሁለንተናዊ ተግባራት እና ስኬቶች ያለተግዳሮቶች እና እድሎች የተገኙ አይደሉም፣ ይሁንና ከተገኙ አጋጣሚዎች ይልቅ እንቅፋቶች የሞሉበት ዓመት በመሆኑ በዚህ አጭር መልዕክት ውስጥ እጅግ አናሳ የሆኑና ለስኬት የማያበቁ አጋጣሚዎች ባላነሳ የሚያስወቅስ ይሆናል የሚል ዕምነት የለኝም። ይልቁንም በዓመቱ ውስጥ ያጋጠሙን አንዳንድ ተግዳሮቶች እጅግ ከባድና የሚያስደነግጡ ነበሩ ማለት ይቻላል።

As a result of growth in premium and other activities, gross profit for the year ended is registered to be Birr 59.38 million which is 31.72% growth compared to last year profit of Birr 45.08 million.

In order to keep the growth momentum and to be competitive company, technology based service rendering platform in the company is a must not a choice. Having realized this fact across top down structure of the company, information technology implementation project is in progress. By finalizing user acceptance test and other remaining tasks, in the next budget year, the core insurance solution with various deliverables will be implemented.

Moreover I would like to announce you that first year implementation of the five year strategic plan crafted with a vision of ‘To be one of the top five private insurers in Ethiopia by 2034’ is launched on 2023/24 budget year.

**Venerated Shareholders!**

The company’s comprehensive activities and what has been achieved during this budget year is not without challenges and opportunities, though I would say with regret that the latter is very fine and not really worthwhile to mention here as a consumption of this short message. Challenges we face in the budget year were too cumbersome and even some of them were staggering.

One of these challenges was exorbitantly claim cost rise in motor claims due to inflationary pressure which is remotely incomparable with the premium pool eroded by stiff price competition of the industry. To tackle this minimum motor rate was studied by actuaries hired by Ethiopian Insurers Association and the same was copied to the National Bank of Ethiopia. However it cannot be implemented at full level due to lack of cooperation by some insurers and invalidation of the

በዋናነት ከሚጠቀሱ ተግዳሮቶች ውስጥ አንዱ በመድን ኢንዱስትሪው ትክክለኛ ባልሆነ ፍክክር ምክንያት ከሚገኘው የቀጨጨ አረብን መጠን ጋር ሊወዳደር በማይችል ሁኔታ በዋጋ ግሽበት ምክንያት የተሸከርከረ መድን የካሳ ወጪ በከፍተኛ ሁኔታ መጨመር ይገኝበታል። ይህን ተከትሎ ተመጣጣኝ የአረብን መጠን እንዲኖር ለማስቻል በኢትዮጵያ መድን ሰጪዎች ማህበር አማካኝነት በውጪ አማካሪ ድርጅት የተጠናውንና የኢትዮጵያ ብሄራዊ ባንክ እንዲያውቀው የተደረገውን የተሸከርከረዎች ዝቅተኛ የአረብን ተመን ተግባር ላይ ለማዋል ተሞክሮ የነበረ ቢሆንም ፤ በአንዳንድ ኩባንያዎች ትብብር ማነስ እና ከደንበኞች በቀረበ ቅሬታ መሰረት የኢትዮጵያ ብሄራዊ ባንክ የተጠናው ዝቅተኛ ተመን ህጋዊ አይደለም በማለቱ ተመኑ ስራ ላይ አለመዋሉ የበጀት አመቱ ትልቅ ተግዳሮት ነበር።

የኩባንያው የረጅም ጊዜ ደምበኛ በመሆን ከፍተኛ አረብን ከፋይ የነበሩ ደምበኞቻችን ሃገሪቱ ላይ በነበረው የፖለቲካ ለውጥ እና ለውጡን ተከትሎ በተከሰቱ የፖለቲካ አለመረጋጋቶች ምክንያት የንግድ እንቅስቃሴአቸው በከፍተኛ ሁኔታ በመዳከሙ እና የአንዳንዶቹ በመቋረጡ እንዲሁም በሌሎች ምክንያቶች የታጣውን ገቢ ለመተካት አሁንም ያለው ነባራዊ ሁኔታ ባለመፍቀዱ በስራችን ላይ ጉል አሉታዊ ተፅዕኖ አሳድሯል።

በሀገሪቱ ያለው የፖለቲካ አለመረጋጋት ለፋይናንስ ሴክተር በአጠቃላይ እና በተለይም ለኢንሹራንስ ኢንዱስትሪው ሌላ ፈታኝ ሁኔታ ሆኖ ቀጥሏል። በዚህም ምክንያት ደንበኞቹ እንደገቡት ኢንሹራንስ ውል ሸፋን እና ሁኔታዎች የሚስተናገዱ በመሆኑና ይህም እንደውሉ ሁኔታ እንጅ እንደመድን ደምበኞች ፍላጎት ባለመሆኑ በኩባንያው ግንኙነት ላይ አሉታዊ ተፅዕኖ ማሳደሩ አልቀረም።

ከላይ የተጠቀሱት እና ሌሎች በዚህ መልዕክት ውስጥ ያልተጠቀሱ ፈተናዎች ቢኖሩም የኩባንያው አመራር እና ስራተኞች ለሚያጋጥሙ ችግሮች እና አደጋዎች ተገቢውን ስትራቴጂካዊ እርምጃዎችን ለመውሰድ በበቂ ሁኔታ ዝግጁነት ያለው መሆኑን ለመግለፅ እወዳለሁ። ውስጣዊ ጥንካሬን በማጎልበትና ልዩ ችሎታን ማረጋገጥ የሚፈጠሩ እድሎችን መጠቀም እና ለውጫዊ ተግዳሮቶች ሙያዊ ምላሽ መስጠት ከመደበኛ የስራ ሂደት በተጨማሪ የኩባንያው ባህል እየሆነ መጥቷል።

በመጨረሻም ደንበኞቻችን በኩባንያው ላይ ያላቸውን እምነት እና ከእኛ ጋር አብረው በመስራት የኩባንያውን ዓላማ እንዲሳኩ ላደረጉት ምስጋና እና ክብር ማቅረብ እፈልጋለሁ። በተጨማሪ እውቀታቸውን እና ጊዜያቸውን መስዋዕት በማድረግ እና ኩባንያውን ለመምራት ሁሌም ያለሰለሰ ጥረት ለሚያደርጉ እንዲሁም ለኩባንያው ስኬታማ እድገት ድጋፍ

rate by National Bank of Ethiopia based complains it received from some customers.

Failure to replace businesses lost due significant business volume decline and business shut down of our major clients who were enjoying our services for several years due to the overall economic slowdown following the political instability of the country was another challenge which the company is obliged to take.

The ongoing political instability of the country conflict has been continuing to be another distress for the financial sector as a whole and for the insurance industry in particular. The company has faced a lot of business trouble with its various clients whose properties were sustained different level damages.

Besides all mentioned and unmentioned challenges, I would like to unveil the fact that the management and the employees of the company are remained to be with adequate readiness to face and respond to challenges and risks with appropriate strategic measures. Internal strength with distinctive capability assurance is either to tap opportunities and professional responding of external challenges has been becoming the culture of the company beyond formal work procedures.

Finally, I would like to salute and give gratitude to our customers for their confidence on the company and working alongside with us and enabling the company's objective to be realized. I would also like to forward my heartfelt admiration to board of directors of the company who are sacrificing their time and knowledge and making efforts to lead the company and are supporting the management towards the successful growth of the company. The employees of the company deserve unrestricted gratitude and admiration to carry on their frontier roles towards the company's development journey. Very great appreciation goes to the National Bank

ለሚያደርጉ የኩባንያው የዳይሬክተሮች ቦርድ አባላት ልባዊ አድናቆትን ላስተላልፍ እወዳለሁ። የኩባንያው ስራተኞች እደተለመደው ለኩባንያው የእድገት ጉዞ ግንባር ቀደም ሆነው ሚናቸውን ስለሚወጡ ያልተገደበ ምስጋና እና አድናቆት ይገባቸዋል።

ሁልጊዜም ቢሆን ለጥያቄያችን ምላሽ እየሰጠን እና ተጨማሪ ሙያዊ ድጋፍ እያደረገልን ላለው የኢትዮጵያ ብሔራዊ ባንክ ሙድን ቁጥጥር ዳይሬክቶሬት ታላቅ አድናቆት እና ልዩ ምስጋና አቀርባለሁ። ከሌሎች ባለድርሻ አካላት ባላነሰ ሁኔታ ለጠለፋ ዋስትና ሰጪዎች፣ የኢንሹራንስ ደላሎች እና የድርጅታችን ሽያጭ ወኪሎች ያለማቋረጥ ላደረጉት አስተዋጾ እና ለድጋፋቸው እንደዚሁ ምስጋናዬን ማቅረብ እፈልጋለሁ።

ፈጣሪ ሀገራችንንና ህዝባችንን ይባርክ!

ዳኛቸው መሃሪ

የኩባንያው ዋና ሥራ አስፈጻሚ

of Ethiopia Insurance Supervision Directorates who are responding to our requests without any reservation and was providing additional professional support. Last but not least, I would like to forward my gratitude to Re-insurers, insurance brokers and our company's sales agents to the contributions they continuously made and for their support.

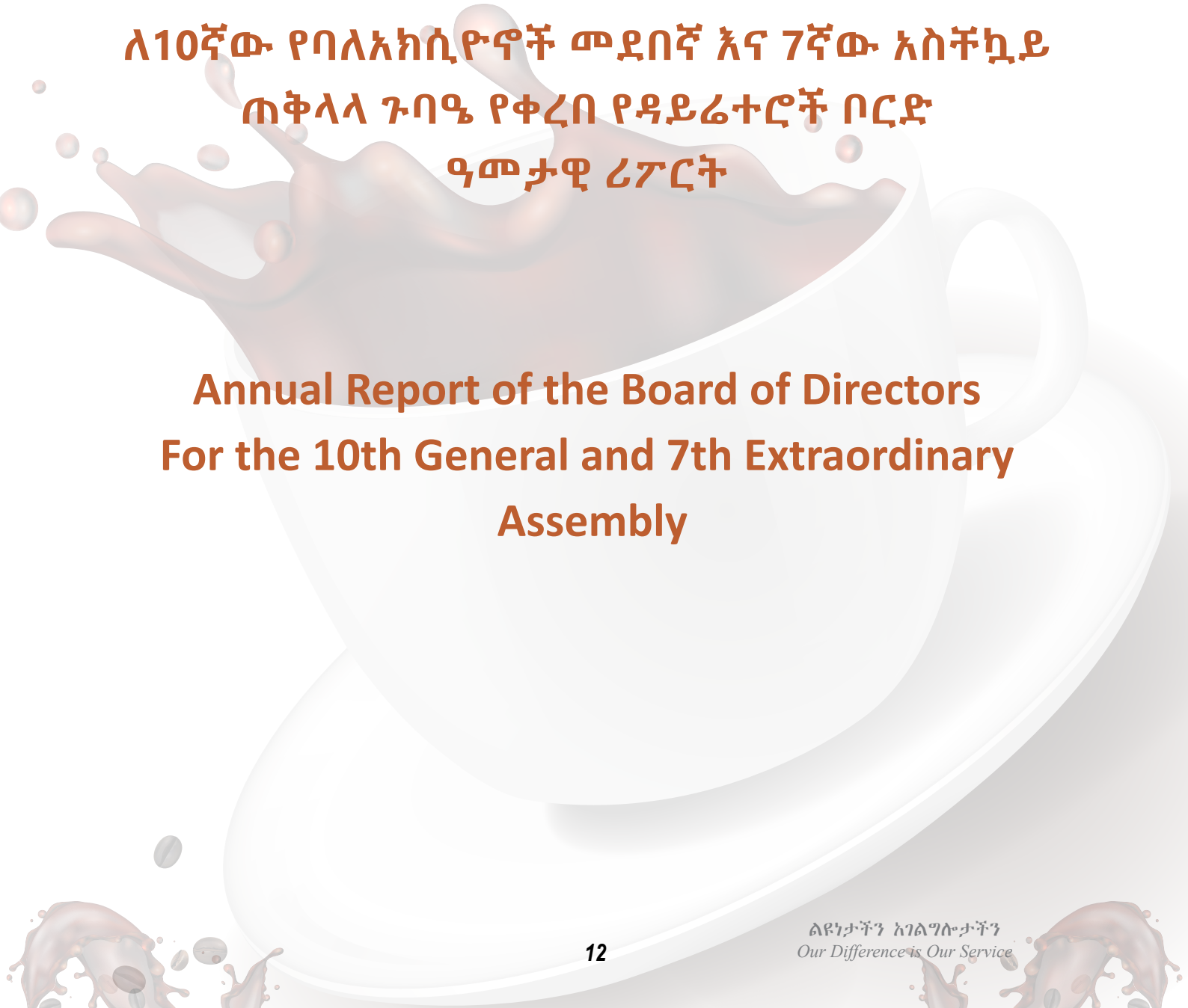
*May God Bless Our Country and Our people!!*

**Ato Dagnachew Mehari**  
**Chief Executive Officer**





**ለ10ኛው የባለአክሲዮኖች መደበኛ እና 7ኛው አስቸኳይ  
ጠቅላላ ጉባዔ የቀረበ የዳይሬክቶች ቦርድ  
ዓመታዊ ሪፖርት**



**Annual Report of the Board of Directors  
For the 10th General and 7th Extraordinary  
Assembly**

## 1. መግቢያ

የቡና ኢንሹራንስ የዳይሬክተሮች ቦርድ ሰኔ 23 ቀን 2015 ዓ.ም የተጠናቀቀውን የ2014/2015 በጀት ዓመት የሂሳብና አጠቃላይ የሥራ እንቅስቃሴውን ለኩባንያው ባለአክሲዮኖች ሲያቀርብ ደስታ ይሰማዋል። የኩባንያው አዲት የተደረገ ዓመታዊ የፋይናንሺያል መግለጫ በዚህ ዘገባ ውስጥ ተካቷል።

## 2. ኢኮኖሚ ምልከታ

### 2.1. አለም አቀፍ ኢኮኖሚ

የአለም አቀፍ ኢኮኖሚ ዕድገት በ2014 ከነበረው 3.5 በመቶ በ2015/16 ወደ 3.0 በመቶ ዝቅ ይላል የሚል ግምት አለ። ይህ የ2015 ግምታዊ ትንበያ በተወሰነ መልኩ የአለም ኢኮኖሚ ምልከታ (ደብሊው.ኢ.አ) በሚያዝያ 2015 ከተነበየው አንጻር ጋር ሲወዳደር ከፍ ያለ ሆኖ የምናገኘው የነበረ ሲሆን ነገር ግን ይህ ትንበያ በታሪካዊ ስታንዳርዶች ዝቅተኛ ሆኖ ተገኝቷል። የማእከላዊ ባንክ ፖሊሲ ተመን የዋጋ ግሽበትን ለመከላከል የሚደረገው ጥረት የኢኮኖሚ እንቅስቃሴዎችን የማነቃቃት ሂደቱ ቀጥሏል። በአለም አቀፍ ደረጃ ያለው የዋጋ ግሽበት መጠን ከ8.7 በመቶ በ2014 ከነበረው ወደ 6.8 በመቶ በ2015 እና 5.2 በመቶ በ2016 ዓ.ም ዝቅ ይላል የሚል ትንበያ አለ። በዋነኝነት የሚስተዋለው የዋጋ ግሽበት ቀስ በቀስ እንደሚቀንስ የተገለፀ ሲሆን በ2016 የተደረገው የዋጋ ግሽበት ክለሳ ደግሞ ከፍ የሚል መሆኑን አሳይቷል።

በቅርብ ጊዜ የዩናይትድ ስቴት መንግስት ያስቀመጠው የዕዳ ጣሪያ እና በዚህኛው ዓመት መጀመሪያ ይኔስ አሜሪካ ውስጥ ሁከትን ለመቆጣጠር የሚያስፈልጉ ጠንካራ እርምጃዎችን እና የሲዊዝ ባንክን ከፋይናንስ ሴክተሩ ጋር በተገናኘ የሚነሱ ችግሮችን ስጋት

## 1. Introduction

The Board of Directors of Bunna Insurance Share Company is pleased to present this annual report of the company with audited annual financial statement to its esteemed shareholders covering financial and non-financial activities for 2022/23 budget year ended on June 30, 2023.

## 2. Economy Outlook

### 2.1 Global Economy

Global growth is projected to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. While the forecast for 2023 is modestly higher than predicted in the April 2023 World Economic Outlook (WEO), it remains weak by historical standards. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Global headline inflation is expected to fall from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. Underlying (core) inflation is projected to decline more gradually, and forecasts for inflation in 2024 have been revised upward.

The recent resolution of the US debt ceiling standoff and, earlier this year, strong action by authorities to contain turbulence in US and Swiss banking reduced the immediate risks of financial sector turmoil. This moderated adverse risks to the outlook. However, the balance of risks to global growth remains tilted to

ለመቀነስ የራሱን እርምጃ ወስዷል። ይህ ደግሞ በዘርፉ የሚታውን አሉታዊ ስጋት እንዲቀንስ አድርጎታል። ይሁን እንጂ በአለም አቀፍ ደረጃ የሚታው ሁኔታም እያሸቆለቆ እየመጣ ስለመሆኑ ነው። ዋጋ ግሽበት እስካሁን ጊዜ ድረስ እየጨመረ ያለ ሲሆን ይህም ደግሞ በዩክሬን ውስጥ እየተደረገ ያለው ጦርነት መስፋፋት ጋር በቀጥታ የሚገናኝ እና ከአየር ንብረት ጋር የተያያዙ ከፍተኛ ችግሮች ወሰኑ የተገደበ የሞኒተሪንግ ፖሊሲ ተግባራዊ እንዲሆን አስገድዷል። የፋይናንስ ችግር ገበያው በተጨማሪ ፖሊሲ እርምጃ በማዕከላዊ ባንኩ እንዲወሰድ ሲደረግም እንዲባባስ ሆኗል። የቻይና መልሶ ማገገም ዘገምተኛ የሆነበት ምክንያት ያልተፈቱ ሪል ስቴት ጉዳዮች በከፊል ያሉ በመሆናቸው ሲሆን ከዚህም ጋር ተያይዞ ድንበርን አቋርጦ የሚሄዱ አሉታዊ የሆኑ የንግድ እንቅስቃሴዎች በመኖራቸው ነው። ሀገራችን ያለባቸው የብድር ጫና በሰፊ ኢኮኖሚያዊ ውስጥ እየተስተዋለ መጥቷል። ከፍተኛውን ደረጃ ስንመለከተው ከተገመተው በላይ ዋጋ ግሽበት እየቀነሰ የመጣ መሆኑን እና ጥብቅ የሆነ የሞኒተሪንግ ፖሊሲ መጠቀም አስፈላጊነትን እና የሀገር ውስጥ ፍጆታ ደግሞ በድጋሚ እየተስተካከለ የመጣ መሆኑን ለማየት ይቻላል።

በአብዛኛው ኢኮኖሚ ቅድሚያ የሚሰጠው ተግባር የዋጋ ግሽበትን ያረጋጋ ዘላቂ የፋይናንስ ሴክተር እንደተፈጠረ ማረጋገጡ ላይ ያተኮረ ጉዳይ ነው። ስለዚህ ማእከላዊ ባንኮች ትኩረታቸውን ዋጋን የተረጋጋ ማድረግ፣ ጥብቅ የሆነ የፋይናንስ ቁጥጥር መዘርጋት እና ስጋትን መቆጣጠር ላይ ማድረግ አለባቸው። የፋይናንስ ገበያው የቁስ ንብረት የመሻሻጥ ችግር ሲያጋጥመው ሀገራት የገንዘብ ስርጭት በመጨመር የሰዎችን በጊዜአዊ ጥቅም የማጭበርብር አደጋን መከላከል ማስቻል አለባቸው። የፊሲካል ወሰንን ማስቀመጥ ያለባቸው ሲሆን ይህም ከፍተኛ ተጋላጭ የሆኑትን ለይቶ ለማገዝ እንዲያስችል የፊሲካል ካሳ ማስተካከያን መርህ ተከትሎ ተግባሩን ማከናወን አለበት። በአቅርቦት በኩል ያለውን የኢኮኖሚ ዘርፍ ማሻሻያ

the downside. Inflation could remain high and even rise if further shocks occur, including those from an intensification of the war in Ukraine and extreme weather-related events, triggering more restrictive monetary policy. Financial sector turbulence could resume as markets adjust to further policy tightening by central banks. China's recovery could slow, in part as a result of unresolved real estate problems, with negative cross-border spillovers. Sovereign debt distress could spread to a wider group of economies. On the upside, inflation could fall faster than expected; reducing the need for tight monetary policy, and domestic demand could again prove more resilient.

In most economies, the priority remains achieving sustained disinflation while ensuring financial stability. Therefore, central banks should remain focused on restoring price stability and strengthen financial supervision and risk monitoring. Should market strains materialize, countries should provide liquidity promptly while mitigating the possibility of moral hazard. They should also build fiscal buffers, with the composition of fiscal adjustment ensuring targeted support for the most vulnerable. Improvements to the supply side of the economy would facilitate fiscal consolidation and a



እንዲደረግበት ለማድረግ የፊሊፒንስ ማህበረሰብ ድርሻ ያለው ሲሆን ይህም ዋጋ ግሽበት በታቀደላቸው ደረጃዎች ዝቅ እንዲሉ ያስችላል።

smoother decline of inflation toward target levels.

**መረጃው የተገኘው፤ ከ2015/2016 የአለም አቀፍ ኢኮኖሚ ምልክታ ነው።**

# World Economic Outlook Growth Projections

| (Real GDP, annual percent change)               | PROJECTIONS |            |            |
|---|-------------|------------|------------|
|   | 2022        | 2023       | 2024       |
| <b>World Output</b>                             | <b>3.5</b>  | <b>3.0</b> | <b>3.0</b> |
| <b>Advanced Economies</b>                       | <b>2.7</b>  | <b>1.5</b> | <b>1.4</b> |
| United States                                   | 2.1         | 1.8        | 1.0        |
| Euro Area                                       | 3.5         | 0.9        | 1.5        |
| Germany   | 1.8         | -0.3       | 1.3        |
| France  | 2.5         | 0.8        | 1.3        |
| Italy   | 3.7         | 1.1        | 0.9        |
| Spain   | 5.5         | 2.5        | 2.0        |
| Japan   | 1.0         | 1.4        | 1.0        |
| United Kingdom                                  | 4.1         | 0.4        | 1.0        |
| Canada  | 3.4         | 1.7        | 1.4        |
| Other Advanced Economies                        | 2.7         | 2.0        | 2.3        |
| <b>Emerging Market and Developing Economies</b> | <b>4.0</b>  | <b>4.0</b> | <b>4.1</b> |
| Emerging and Developing Asia                    | 4.5         | 5.3        | 5.0        |
| China   | 3.0         | 5.2        | 4.5        |
| India   | 7.2         | 6.1        | 6.3        |
| Emerging and Developing Europe                  | 0.8         | 1.8        | 2.2        |
| Russia  | -2.1        | 1.5        | 1.3        |
| Latin America and the Caribbean                 | 3.9         | 1.9        | 2.2        |
| Brazil  | 2.9         | 2.1        | 1.2        |
| Mexico  | 3.0         | 2.6        | 1.5        |
| Middle East and Central Asia                    | 5.4         | 2.5        | 3.2        |
| Saudi Arabia                                    | 8.7         | 1.9        | 2.8        |
| Sub-Saharan Africa                              | 3.9         | 3.5        | 4.1        |
| Nigeria   | 3.3         | 3.2        | 3.0        |
| South Africa                                    | 1.9         | 0.3        | 1.7        |
| <b>Memorandum</b>                               |             |            |            |
| Emerging Market and Middle-Income Economies     | 3.9         | 3.9        | 3.9        |
| Low-Income Developing Countries                 | 5.0         | 4.5        | 5.2        |

Source: IMF, World Economic Outlook Update, July 2023

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2022/2023 (starting in April 2022) shown in the 2022 column. India's growth projections are 6.6 percent in 2023 and 5.8 percent in 2024 based on calendar year.

## 2.2. የአፍሪካ ኢኮኖሚ

የአፍሪካን ኢኮኖሚ በተመለከተ በ2015ዓ.ም. የታተሙ እትሞች የሚያመለክቱት አፍሪካ ከተለያዩ የኢኮኖሚ ተግዳሮቶች ጋር እየታገለች ያለች መሆኗን ሲሆን ከእነዚህም ውስጥ የኮቪድ 19 ወረርሽኝ፣ ራሺያ ዩክሬንን ከመውረድ ጋር ተያይዞ የመጣው አለም አቀፍ የአቅርቦት ትስስር መዛባት እና የአለም አቀፍ የፋይናንስ ሁኔታዎች ጥብቅ እየሆኑ መምጣት የሚጠቀሱ ናቸው፡፡ እነዚህ ተግዳሮቶች አሁን ሲገኙ ያላትን የሃገር ውስጥ ምርት እድገት በ2014ዓ.ም ከነበረው 4.8 በመቶ በ2015ዓ.ም. ወደ 3.8 በመቶ ዝቅ እንዲል አድርጎታል፡፡ ይሁን እንጂ የአፍሪካ ኢኮኖሚ እስካሁን በማደግ ላይ ያለ ሲሆን የእድገት መጠኑ በ2015/16 በአማካኝ 4.1 በመቶ እንደሚሆን ይገመታል፡፡

የዕድገት ምልክታት ከዚህ በታች የተዘረዘሩትን የሚያካትት ዋና ዋና የጎንዮሽ ስጋት የተጋረጠበት መሆኑ ይታመናል፡-

- 1) የአፍሪካ የውጪ ንግድ ጫናን ሊያባብስ የሚችል እና የአለም አቀፍ የፋይናንስ ሁኔታዎች የብድር አገልግሎት ወጪዎችን የሚያንፋ መሆናቸው
- 2) በአየር ንብረት ለውጦች ምክንያት የሚከሰቱ ተደጋጋሚ ውድመት እና ኪሳራዎች የበጀት ጫናውን የሚያባብሱ መሆናቸው፡፡
- 3) የተራዘመው የራሺያ ዩክሬንን የመውረድ ዘመቻ የአለም አቀፍ እርግጠኝነት አለመኖርን በከፍተኛ ደረጃ እንዲቀጥል ማድረግ
- 4) በአለም አቀፍ አቅርቦት ትስስር ውስጥ ከፍተኛ የሆነ ዘላቂነት ያለው አለመረጋጋት መፈጠር፡፡

## 2.2. Africa's Economy

The African Economic Outlook 2023 is being published as African countries are dealing with multiple shocks, including the effects of the COVID-19 pandemic, disruptions to global supply chains due to Russia's prolonged invasion of Ukraine and a tightening of global financing conditions. These shocks have reduced the continent's real GDP growth from 4.8 percent in 2021 to 3.8 percent in 2022. However, African economies remain resilient, with average growth projected to stabilize at 4.1 percent in 2023-24. The growth outlook is subject to significant downside risks, including

- I) subdued global growth weighing on Africa's exports, persistence of tight global financial conditions exacerbating debt servicing costs;
- II) Significant losses and damages due to frequent extreme weather events exacerbating fiscal pressures;
- III) The prolongation of Russia's invasion of Ukraine, which is increasing global uncertainty; and
- IV) Persistent disruptions to global supply chains. Other factors include elevated geopolitical risks due to upcoming national elections in some countries. The African Economic Outlook 2023 underscores the urgency to fast-track climate action and green transitions to drive the continent's inclusive and sustainable development.



ሌሎች ሊጠቀሱ የሚችሉት ምክንያቶች ደግሞ በአንዳንድ ሀገራቶች ብሔራዊ ምርጫ መምጣት ጋር ተያይዞ ሊከሰቱ ይችላሉ ተብሎ የሚገመቱ ጂኦፖለቲካዊ ስጋቶች ናቸው። የአፍሪካ ኢኮኖሚ ምልክታ በ2015 ይዘት የተነሳው ከፍተኛው የሆነ የአየር ንብረት ለውጥ ዕርምጃን በመውሰድ ውጤት ማስመዝገብ እና አህጉሪቱን በአረንጓዴ ሽግግር ውስጥ በማሳተፍ ቀጣይነት ያለው ልማት እንድታስመዘግብ ማድረግ ነው።

**የመረጃው ምንጭ፡ የ2015/2016 የአፍሪካ ኢኮኖሚ ምልክታ**

**2.3. የኢትዮጵያ ኢኮኖሚ**

የኢትዮጵያ ኢኮኖሚ በተመለከተ በ2014ዓ.ም. ከነበረበት 5.6% በ2015ዓ.ም. ወደ 5.3% ዝቅ ያለ ቢሆንም ከምስራቅ አፍሪካ አማካኝ ደግሞ ከፍተኛ ሆኗል (በ2014ዓ.ም. 4.7% እና በ2015ዓ.ም. ደግሞ 4.4% ነው)። እድገቱን ከአቅርቦት አቅጣጫ የሚመሩት የኢንዱስትሪ እና አገልግሎት ዘርፎች ሲሆኑ ከፍላጎት አቅጣጫ ደግሞ የግል ፍጆታዎች እና ኢንቨስትመንት ይመሩታል። የዋጋ ግሽበት በ2014ዓ.ም. ከነበረበት 26.6 በመቶ በ2015ዓ.ም. ወደ 34 በመቶ ከፍ ብሏል። ዕድገቱ እና የዋጋ ግሽበቱ በውስጥ ግጭቶች፣ በድርቅ እና በራሽያ ዩክሬንን ጦርነት ባስከተለው የዕቃ ዋጋ መዋዠቅ አሉታዊ ተፅዕኖ አድርገዋል። የበጀት ጉድለቱ ከሃገር ውስጥ ምርት በ2014ዓ.ም. ከነበረበት 2.8 በመቶ በ2015ዓ.ም. ወደ 4.2 በመቶ ሊያድግ የቻለው ለመከላከያ ወጪ በተደረገው ከፍተኛ ወጪ እና ዝቅተኛ አፈፃፀም ባሳየው የገቢ አሰባሰብ ምክንያት ነው። የባንክ ሴክተር በመንግስት ባንክ ተፅዕኖ ስር ያለ ቢሆንም የተበላሽ ብድር ንፃሬ በ2014ዓ.ም. ከሚፈለገው 5.0% በላይ 5.4% የነበረ ሲሆን ይህም ሊሆን የቻለው ግጭቶች ባስከተሉት የፕሮጀክቶች መቋረጥ ምክንያት ነው። ከውጪ በሚገቡ እቃዎች ዋጋ መናር ምክንያት አሁን ያለው ተንቀሳቃሽ

**Source: African economy outlook 2023**

**2.3. Ethiopian Economy**

Real GDP growth fell to 5.3% in 2022 from 5.6% in 2021 but remained above East Africa's average (4.7% in 2021 and 4.4% in 2022). Supply-side drivers of growth were industry and services, and demand-side drivers were private consumption and investment. Inflation rose to 34% in 2022 from 26.6% in 2021. Both growth and inflation were adversely impacted by internal conflict, drought, and the effects of Russia's invasion of Ukraine on commodity prices. The fiscal deficit widened to 4.2% of GDP in 2022 from 2.8% in 2021 due to higher defense spending and weak revenue performance. The banking sector, dominated by state-owned banks, is stable, although the nonperforming loans ratio was 5.4% in 2021, above the required 5.0% due to conflict-induced project stalling. The current account deficit deteriorated to 4.0% of GDP in 2022 from 3.2% in 2021 due to higher prices for commodity imports. International reserves declined to about 1 month of import cover in 2022 from 2.2 months in 2021. Public and publicly guaranteed debt declined to 50.1% of GDP (with external debt at 23.6% of GDP) in 2022 from 51.0% in 2021. Ethiopia benefited from the G20 Debt Service Suspension Initiative in 2020–

ሒሳብ ጉድለት በ2014ዓ.ም. ከነበረበት 3.2% በ2015ዓ.ም. ወደ 4.0% የሃገር ውስጥ ምርት እድገት ድርሻ ከፍ ማለት ችሏል። አለም አቀፍ መጠባበቂያው በ2014ዓ.ም. ከነበረው የ2.2 ወራቶች የውጪ ንግድ መሸፈኛ በ2015 ወደ 1 ወር ጊዜ ዝቅ ሊል ችሏል። የመንግስት እና የመንግስት ዋስትና ዕዳ ለሃገር ውስጥ ምርት እድገት ያለው ድርሻ በ2014ዓ.ም ከነበረው 51% (የውጪ ዕዳ ከሃገር ውስጥ ምርት 23.6% ሆኖ) በ2015 ዓ.ም ወደ 50.1% ዝቅ ብሏል ፡ ፡ በ2013/14 ኢትዮጵያ ከቡድን 20 ሀገራት የዕዳ ስረዛ አገልግሎት ተጠቃሚ ሆኖ ነበር፡ ፡ ይሁን እንጂ ኢትዮጵያ በ2014ዓ.ም. ለቡድን 20 ሀገራቶች የጋራ ተጠቃሚነት መርሃ ግብር የብድር ማስተካከያ ጥያቄ ማቅረቢያ የነበራትን ሉአላዊነት ልኬት ከቢ ወደ ሲሲሲ ዝቅ አድርጎታል፡ ፡ በ2015ዓ.ም. የነበረው የነፍስ ወከፍ ገቢ ተመን በ2.7% ያደገ ሲሆን ነገር ግን በውስጥ ግጭቶች እና በተከሰቱ ድርቆች ምክንያት የሚያስፈልጉ ሰብአዊ ዕርዳታዎች በ2014 ከነበረበት 15.8 ሚሊዮን ሰዎች በ2015 ወደ 20 ሚሊዮን ከፍ እንዲል አድርጎታል።

የሃገር ውስጥ ምርት እድገት በ2015 በ5.8% እንዲሁም በ2016 ደግሞ በ6.2% ያድጋል ተብሎ የተገመተ ሲሆን ይኸውም በኢንዱስትሪው፣ በግል ፍጆታው እና በኢንቨስትመንት የሚመራ ይሆናል፡ ፡ የሰላም ድርሻ፣ የቱሪዝም መልሶ ማንሰራራት እና በርካታ ሴክተሮችን ነጻ የገበያ መርህ ተከትለው እንዲተገበሩ ይደረጋል የሚለው አመለካከት ዕድገቱን ለማምጣት እንደምክንያት ይቆጠራሉ፡ ፡ የሰላም መምጣትን ተከትሎ የዋጋ ግሽበት በ2016 ወደ 28.1% እና በ2017 ወደ 20.1% ዝቅ ይላል የሚል ግምት አለ። የመንግስት የሀገር ውስጥ ገቢ በሚደረጉ የሃገር ውስጥ የመዋዕለ ነዋይ እንቅስቃሴዎች ምክንያት ሊሻሻል መቻሉ፣ የፈሲካል ማጠናከሪያ ስትራቴጂ ተግባራዊነት እና ከለጋሾች የሚፈሱ መዋዕለ ነዋሮችን እንደ አዲስ

21. However, Ethiopia’s application for the G20 Common Framework for debt restructuring in 2021 saw Fitch and S&P downgrade its sovereign rating from B to CCC. Income per capita grew 2.7% in 2022, but internal conflict and drought increased humanitarian support requirements from 15.8 million people in 2021 to 20 million in 2022.

GDP is projected to grow 5.8% in 2023 and 6.2% in 2024, driven by industry, private consumption, and investment. The peace dividend, rebounding tourism, and prospect of liberalizing more sectors are expected to boost the growth outlook. Inflation is projected to decline to 28.1% in 2023 and 20.1% in 2024, following the peace dividend. The fiscal deficit is projected to grow to 3.1% in 2023 and 2.5% in 2024 due to the expected increase in government revenue driven by domestic resource mobilization improvements, implementation of the fiscal consolidation strategy, and resumption of donor inflows. The current account deficit is expected to narrow to 3.7% of GDP during 2023–24 as merchandise and service exports and foreign direct investment rise and imports of capital inputs continue to decline. Headwinds include interethnic conflicts in different parts of the country, drought, debt vulnerabilities, and the impact of Russia’s invasion of Ukraine.

**Source: African Economic Outlook (AEO) 2023**

መጨመር ምክንያቶች የበጀት ጉድለቱ በ2015 ከሚኖረው 3.1% በ2016 ደግሞ ወደ 2.5% ዝቅ ይላል የሚል ግምት አለ። አሁን ያለው የተንቀሳቃሽ ሒሳብ ጉድለት ደግሞ በ2015/16 በጀት ዓመት ከአጠቃላይ የሀገር ውስጥ ምርት እድገት ወደ 3.7% ዝቅ ይላል ተብሎ ይገመታል። ለዚህም በዋነኝነት የሚጠቀሱት ምክንያቶች የሸቀጥ እና አገልግሎት የውጪ ንግድ እንዲሁም የቀጥታ የውጪ ኢንቨስትመንት ከፍ ማለት እና የካፒታል ግብዓቶች ወደ ሀገር ውስጥ መግባት እየቀነሱ ይመጣሉ ከሚል እሳቤ ነው። በአሁን ሰዓት እተስተዋሉ ያሉ ችግሮች በተለያዩ የሀገሪቱ ክፍሎች እየተከሰቱ ያሉ የብሔር ለብሔር ግጭቶች፣ ድርቅ፣ ለብድር ተጋላጭነቶች እና የራሺያ በዩክሬን ላይ ያስከተላቸው ወረራ ተፅዕኖዎች ናቸው።

**የመረጃው ምንጭ፡ የ2015/2016 የአፍሪካ ኢኮኖሚ ምልከታ**

**2.4. የመድን ኢንደስትሪ**

መድን ሰጪዎች ከፍተኛ የሆነ የማይክሮ ኢኮኖሚ እና ጂኦፖለቲካል ተግዳሮቶች ያጋጠማቸው ሲሆን እነዚህም ተግዳሮቶች ለዕድገታቸው እና ለትርፋማነታቸው ጋሬጣ በመሆን ላይ የሚገኙ ሲሆን ከእነዚህም መካከል በአለም አቀፍ ደረጃ የሚስተዋለው ኢኮኖሚ መቀዛቀዝ፣ የራሺያን ዩክሬን ወረራ ተከትሎ የመጣውን አለመረጋጋት እና ከሺድ-19 ወረራ ሽኝ መከሰት ናቸው።

ይሁን እንጂ መድን ሰጪዎች በወረራ ሽኝ ወቅት በአግባቡ ስራቸውን ለመከወን እራቅ ባለ ስፍራ የሚገኙ የስራ ሀይሎችን በመጠቀም እንዲሁም ደንበኞቻቸውን እና አሰራጮችን በኤሌክትሮኒክ የመገናኛ ዘዴ በማግኘት ዲጂታል መሰረተ ልማትን ተጠቅመው ውጤታማ የሆኑ ሲሆን በዚህም ወቅት ደንበኞቻቸው የሚፈልጉትን ምርቶች፣ የምርት

**2.4. The Insurance Industry**

Insurers are facing a host of macroeconomic and geopolitical challenges likely to inhibit growth and profitability—including the looming threat of global recession, continuing fallout from Russia’s invasion of Ukraine, and lingering COVID-19 concerns.

However, insurers that effectively transitioned during the pandemic to a remote workforce, as well as virtual customer and distributor engagement, could be better positioned to capitalize on a more agile digital infrastructure in meeting evolving expectations for customized products, channels, and services.

In setting strategic plans, investment priorities, and budgets, insurers should therefore strive to maintain the momentum of creative adaptation established over the past few years, accelerating upgrades in systems, talent, and culture while becoming increasingly proactive, innovative, and customer-centric.

While technology and resulting improvements in risk selection and pricing are likely to remain the primary drivers of improved bottom-line performance, insurers should expect to be increasingly judged by stakeholders on their response to broader sustainability priorities



ማስተላለፊያ መስመሮች እና አገልግሎቶች በተሳካ ሁኔታ ሲጠቀሙባቸው ኖረዋል።

የስትራቴጂ ፕላኖችን፣ ኢንቨስትመንት አማራጮችን እና በጀቶችን በተመለከተ ቀደም ብሎ የነበራቸውን የፈጠራ ክምችት ተግባራዊ ያደረጉ ሲሆን ይህም በሲስተማቸው ውስጥ አመርቂ ውጤት እንዲያመጡ፣ ክህሎታቸውን እንዲጠቀሙ ባህላቸውን እንዲሳድጉ የፈጠራ ክህሎታቸውን ተግባራዊ እንዲያደርጉ እና ደንበኛን ማዕከል ያደረገ አገልግሎት እንዲሰጡ አድርጓቸዋል።

የቴክኖሎጂ አጠቃቀም፣ የስጋት መረጣን ማሻሻል እና የአረቦን አተማመናቸው ዋናዎቹ የትርፍ ማሻሻያ ግብአቶች ሆነው የቀጠሉ ቢሆኑም ፤ ከዚህ በኋላ መድን ሰጪዎች በባለድርሻ አካላት ይገመገማሉ ተብሎ የሚጠበቀው እንደ የአየር ንብረት ለውጥ ስጋት፣ ብዝሃነት እና አሳታፊነት ፤ ማህበራዊ እኩልነት ፤ እና የአስተዳደር ግልፅኝነትን ተግባራዊ በማድረጋቸው ሲሆን እኚህም የሰለጠነ የሰው ሃይል እና ኢንቨስተሮችን ለመሳብ እንዲሁም የገበያ ድርሻን ለማሳደግ በሚደረገው ውድድር ወሳኝ የመወዳደሪያ ሚና ይጫወታሉ።

**የመረጃው ምንጭ፡ የ2015/2016 የመድሀን ምልከታ፣ ዲኦላት**

በኢትዮጵያን የመድሀን ኢንዱስትሪ ውስጥ 18 የመድሀን ሰጪ ኩባንያዎች ያሉ ሲሆን፣ ከእነዚህም ውስጥ 17 የግል ሲሆኑ አንዱ የመንግስት ነው። የቅርንጫፎቻቸውም ቁጥር ከ1 ዓመት በፊት ከነበረበት 673 ወደ 732 ያደገ ሲሆን ከአጠቃላይ ቅርንጫፎች ውስጥ 56.4 በመቶው በአዲስ አበባ ከተማ ተከማችተው የሚገኙ ናቸው። የእነዚህ የመድሀን ሰጪ ኩባንያዎች ጠቅላላ ካፒታል

such as climate risk, diversity and inclusion, social equity, and transparent governance—all of which could become competitive differentiators in the battle for talent, investors, and market share.

**Source: 2023 Insurance outlook, Deloitte**

Insurance companies numbered 18, of which 17 were private and 1 state owned. While the number of insurance companies remained static, their branches went up to 732 from 673 a year ago showing an 8.8 percent annual expansion. Of the total branches, about 56.4 percent were located in Addis Ababa signifying their concentration in a single capital city. Likewise, total capital of insurance companies increased to Birr 15.3 billion from 12.5 billion last year, of which private insurance companies accounted for 77.6 percent.

**Source: 3<sup>rd</sup> Quarter 2022/23 NBE report**

Ethiopian insurance industry registered a GWP of Birr 21.68 billion during 2022/23 budget year from the general insurance business which is 41.4 percent growth compared to last year performance of Birr 15.33 billion. On the other hand, life business was Birr 1.31 billion which shows 5 percent growth compared to last year performance of Birr 1.25 billion. Bunna Insurance S.C has got 10<sup>th</sup> place in terms of market share by contributing 3.9% of the total premium.

15.3 ቢሊዮን ብር ሲሆን ከዚህ ውስጥ የግል የመድሀን ሰጪ ኩባንያዎች ድርሻ 77.6 በመቶ ነው።

ምንጭ፡-የ2015 ዓ.ም. 3ኛ ፋብ አመት የኢ.ብ.ባ. ሪፖርት

የኢትዮጵያ የመድሀን ኢንዱስትሪ በ2015 ዓ.ም በጀት አመት ከአጠቃላይ መድሀን ስራ 21.68 ቢሊዮን ብር አረቦን ገቢ የተሰበሰበ ሲሆን እድገቱ ካለፈው አመት የ15.33 ቢሊዮን ብር አረቦን ጋር ሲወዳደር 41.4% እድገት ያለው ሲሆን በሌላ በኩል የህይወት መድን ስራ 1.31 ቢሊዮን ብር አረቦን ገቢ የተሰበሰበ ሲሆን እድገቱ ካለፈው አመት የ1.25 ቢሊዮን ብር አረቦን ጋር ሲወዳደር 5% እድገት አሳይቷል። ቡና ኢንሹራንስ አ.ማ ከአጠቃላይ አመታዊ አረቦን ገቢ ውስጥ 3.9% ድርሻ በመውሰድ በገበያው 10ኛ ደረጃን ይዟል።

### 3. የኩባንያው ዓመታዊ አጠቃላይ የሥራ ክንውን

#### 3.1 የኦፕሬሽን ሥራ ክንውን 3.1.1 አጠቃላይ የመድን አረቦን

በበጀት ዓመቱ 880.20 ሚሊዮን ብር አጠቃላይ የመድን አረቦን ገቢ በማግኘት አምና ተመዝግቦ ከነበረው የ468.74 ሚሊዮን ብር ገቢ የ88 በመቶ እድገት ማስመዘገብ ተችሏል። ይህ ክንውን በበጀት ዓመቱ በዕቅድ ተይዞ ከነበረው የ527.16 ሚሊዮን ብር አጠቃላይ አረቦን ገቢ ጋር ሲነፃፀር የ67% ከእቅድ በላይ አፈፃፀም ያሳያል። በተጨማሪም ከህይወት መድን 22.54 ሚሊዮን ብር የተገኘ ሲሆን ይህም በበጀት ዓመቱ በዕቅድ ተይዞ ከነበረው የ12.84 ሚሊዮን ብር ጋር ሲነፃፀር በ75.51% እንዲሁም አምና ተመዝግቦ ከነበረው 11.36 ሚሊዮን ብር ጋር ሲነፃፀር በ98.4% ከእቅድ በላይ አፈፃፀም ያሳያል። ኩባንያው በድምሩ 902.72 ሚሊዮን ብር አጠቃላይ የመድን አረቦን ገቢ ማግኘት ችሏል።

### 3. OPERATIONAL AND FINANCIAL PERFORMANCE OF BIC

#### 3.1 OPERATIONAL PERFORMANCE

##### 3.1.1 Gross Written Premium Income

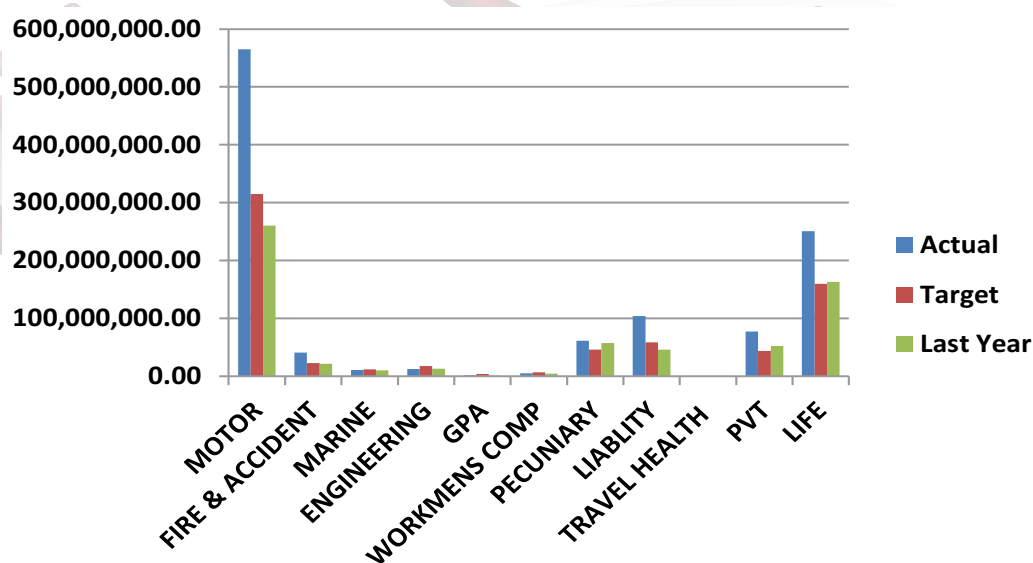
During the fiscal year, the Company has underwrite a Gross Written Premium (GWP) of Birr 880.20 million from general insurance Business which shows 88% growth from last year of Birr 468.74 million and 67% above the targeted premium of Birr 527.16 million and the Life business had registered a total premium income of Birr 22.54 million. Which shows 75.51% over the targeted of Birr 12.84 million and 98.4% growth from last year of Birr 11.36 million. The company underwrites a composite Growth Written Premium of Birr 902.72 million.

Portfolio mix of the premium production from general insurance business has been 64% from motor, 12% from Liability, 9% from PVT, 7% from Pecuniary, 5% from fire and 3% from the remaining classes of business. Detail performance by class of business and life business is shown in **Figure-1** below:

በበጀት ዓመቱ የተገኘው የአረቦን ገቢ በዋስትና ዓይነቶች ስብጥር ሲታይ 64% ከተሸከርካሪ ዋስትና፣ 12% ከሕጋዊ ኃላፊነት፣ 9% ከፖለቲካዊ አመፅና ሽብር፣ 7% ከገንዘብ ነክ ዋስትና፣ 5% ከእሳትና ተያያዥ አደጋዎች ዋስትና የያዙ ሲሆን የተቀሩት የዋስትና ዓይነቶች በድምር የ3% አረቦን ድርሻ አስተዋፆ አድርገዋል።

ከዚህ በታች በተመለከተው ምስል 1 ላይ የየዋስትና ዓይነቶች አፈፃፀም ከእቅድ እና ከላፈው ዓመት አፈፃፀም በንፅፅር ቀርቧል።

**ምስል-1: ጠቅላላ የአረቦን ገቢ በዋስትና ዓይነት ከበጀት እና ከአምና ጋር በንፅፅር**



**3.1.2 የካሣ አፈፃፀም**

በተጠናቀቀው የበጀት ዓመት የ295.37 ሚሊዮን ብር የካሳ ክፍያ የተፈፀመ ሲሆን ይህም በእቅድ ከተያዘው የ226.31 ሚሊዮን ብር ዕቅድ አንፃር በ30.52 በመቶ ከፍ ያለ ክፍያ መፈፀሙን ያሳያል፡ ለበጀት ዓመቱ መጨረሻ በእንጥልጥል ያሉ የካሳ ጥያቄዎች 189.34 ሚሊዮን ብር የደረሱ ሲሆን ይህም በእቅድ ተይዞ ከነበረው 113.9 ሚሊዮን

**3.1.2 Claims**

During the budget year the Company has paid a net claim of Birr 295.37 million which is 30.52% over the targeted Birr 226.31 million claims payment. As at June 30, 2023 net outstanding claims of the company reached Birr 189.34 million which

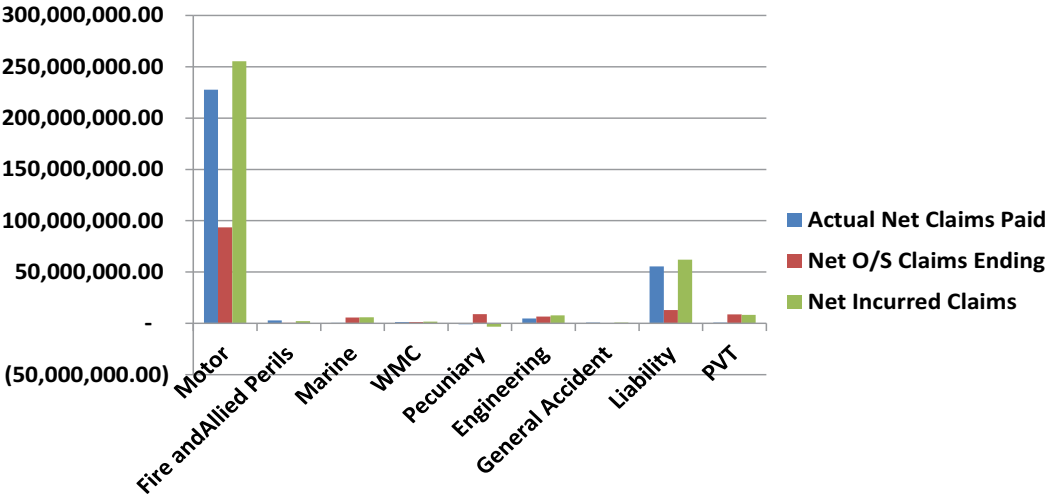


ብር 67.42 በመቶ ብልጫ እንዳለው ያሳያል፡ ፡ በአመቱ አጠቃላይ ትክክለኛው የተመዘገበ ጠቅላላ የካሣ ጥያቄ መጠን 313.93 ሚሊዮን ብር ሲሆን ይኸውም በበጀት በእቅድ ተይዞ ከነበረው 260.32 ሚሊዮን ብር ጋር ሲነፃፀር የ20.59% ብልጫ አለው። ከዚህ በታች በተመለከተው **ምስል 2** የካሣ ክፍያ የተፈፀመባቸው ፣ በእንጥልጥል ላይ የሚገኙ እና በበጀት አመቱ የቀረቡ ጠቅላላ የካሣ ጥያቄዎችን በዋስትና ዓይነቶች በንፅፅር ያሳያል።

is 67.42% over the planned Birr 113.9 million outstanding claims. At the end of the budgeted year, Actual gross claim incurred is Birr 313.93 million which is 20.59% over the planned incurred claim of Birr 260.32 million. Detailed claims data by class of business is presented in **Figure 2** below.

**Figure 2: Annual Claims data by Class of Business**

**ምስል 2:- የአመቱ የካሳ መረጃ በዋስትና ዓይነቶች**



**3.2 የፋይናንስ ክንውኖች**  
**3.2.1 አጠቃላይ የአስተዳደር ወጪዎች**

ከታች በሰንጠረዥ 1 ላይ እንደተመለከተው በተጠናቀቀው የበጀት ዓመት የኩባንያችን አጠቃላይ አስተዳደራዊ ወጪ 139.16 ሚሊዮን ብር ሲሆን ይህም ለበጀት ዓመቱ ከተበጀተው የ132.73 ሚሊዮን ብር እቅድ ጋር ሲነፃፀር በ5 በመቶ ከተያዘው በጀት በላይ ጥቅም ላይ እንደዋለ ያሳያል።

**3.2 Finance performance**  
**3.2.1 General and Administration Expenses**

The company has incurred 5% over the budget held for general and administration expense during 2022/23 budget year. Total incurred expense is Birr 139.16 million while the budget is Birr 132.73 million. Annual expense summarized by major expense categories is tabulated below on **Table-1**.

**ሰንጠረዥ 1 ዓመታዊ ዋና ዋና ወጪዎች**

**Table-1: Annual Expenses by Major Categories**

| Bunna Insurance S.Co  |                    |               |  |
|---|--------------------|---------------|--|
| General & Administrative Expenses   |                    |               |  |
| (JULY 01, 2022-JUNE 30, 2023)   |                    |               |  |
| የወጪ አይነት<br>Expense Type  | ወጪ የተደረገ<br>Actual | ዕቅድ Budget    | በጥቅም ላይ የዋለ በጀት ከዕቅድ አንጻር በመቶ<br>Actual Vs Budget %age |
| የሰራተኛ ደመወዝ እና ጥቅማ ጥቅም<br>Salary & Employee Benefit                                  | 83,282,421.50      | 73,801,313.01 | 13   |
| ጥገና እና እድሳት<br>Repair & Maintenance   | 5,722,959.54       | 2,623,260.46  | 118  |
| የባንክ አገልግሎት ክፍያ<br>Financial Charges  | 932,835.52         | 405,000.00    | 130  |
| የረጅም ጊዜ የባንክ ብድር እና የሊዝ ወለድ ወጪ<br>Interest Expense on Long term Bank loan and Lease | 3,738,963.35       | 6,204,622.04  | -40  |
| በአርድና የሚመጡ ወጪዎች<br>Depreciation & Amortization                                      | 15,057,046.06      | 16,110,095.14 | -7   |
| ሌሎች ጠቅላላ ወጪዎች<br>Other General Expenses   | 30,428,247.45      | 33,590,540.74 | -9   |
| ጠቅላላ/Total  | 139,162,473.42     | 132,734,831   | 5  |

ከላይ በሰንጠረዥ መመልከት እንደሚቻለው አጠቃላይ አመታዊ በጀት አጠቃቀም ከእቅድ በላይ መሆኑን ያሳያል። የረጅም ጊዜ የባንክ ብድርና የሊዝ ወለድ ወጪ፣ ሌሎች ጠቅላላ ወጪዎች እና በእርጅና የሚመጡ ወጪዎች እንደ ቅደም ተከተላቸው በ40፣ በ9 እና በ7 በመቶ ከበጀት በታች አፈፃፀም ያሳያሉ። የጥገና እና እድሳት ወጪ፣ የባንክ አገልግሎት ክፍያ እንዲሁም የሰራተኛ ደመወዝ እና ጥቅማ ጥቅም የወጪ መደቦች እንደ ቅደም ተከተላቸው በ118፣ በ130 እንዲሁም በ13 በመቶ ከበጀት በላይ አፈፃፀም ያሳያሉ። ለዚህም የመኪናዎች የጥገና እና መለዋወጫ ዋጋ መጨመር፣ ለኢንፎርሜሽን ቴክኖሎጂ ልማት ፕሮጀክት የውጭ ምንዛሬ ለማዘዋወር የወጡ ወጪዎች እና አዳዲስ ሰራተኞች ቅጥር የተፈፀመው ክፍያ ከታቀደው በላይ መሆን እንደ ምክንያት ይጠቀሳሉ።

As evident from the above table, overall incurred expense shows above the budget utilization. Interest expense on long term bank loan and lease, other general expenses and depreciation & amortization shows under budget utilization by 40%, 9%, and 7% respectively. While due to appreciation of spare part cost repair and maintenance Expense and due to transfer of foreign currency to IT project & re-insurance financial charge over budget of 118% and 130% is occurred respectively, in human resource related budget, promotion and hiring of new employees with negotiated salary brought over budget utilization by 13%.

**3.2.2 ከመድን ሥራ የተመዘገበ ውጤት**

በዓመቱ የተመዘገበው የኩባንያው አጠቃላይ የመድህን ውል ውጤት 81.63 ሚሊዮን ብር ሲሆን፣ ይህም በእቅድ ከተያዘው የ89.44 ሚሊዮን ብር አንፃር 10 በመቶ ከበጀት በታች አፈፃፀም አለው።

**3.2.2 Underwriting Result**

Underwriting surplus of Birr 81.63 million is registered during 2022/23 fiscal year which is 10% under the targeted Birr 89.44 million.

### 3.2.3 ሌሎች ገቢዎች

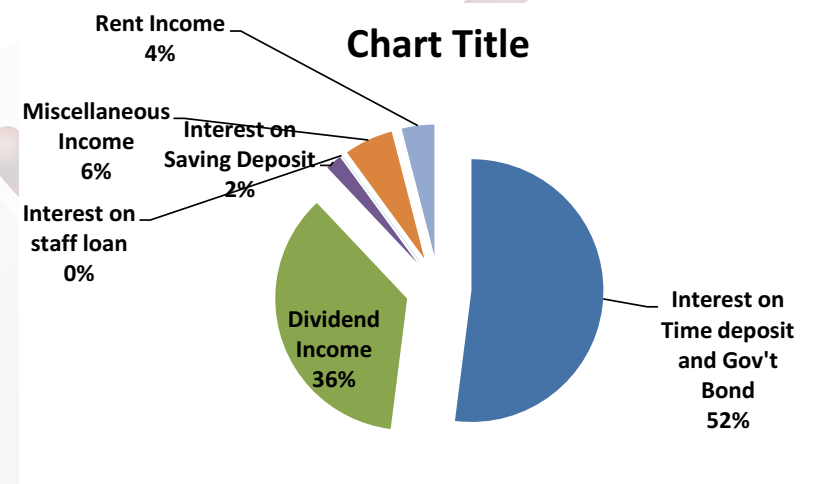
በተጠናቀቀው የበጀት ዓመት ከሌሎች የገቢ ምንጮች 65.33 ሚሊዮን ብር ገቢ የተገኘ ሲሆን በበጀት አመቱ ይሰበሰባል ተብሎ ከተያዘው የ63.3 ሚሊዮን ብር የልዩ ልዩ ገቢ ጋር ሲነፃፀር ከእቅዱ የ3.2 በመቶ ከበጀት በላይ አፈፃፀም አለው። ዋና ዋናዎቹ የሌሎች ገቢ ምንጮች ከጊዜ ገደብ ተቀማጭ እና ከመንግስት የተቀማጭ በንድ የተገኘ ወለድ፣ ከተንቀሳቃሽ ቁጠባ የተገኘ ወለድ፣ ከኢንቨስትመንት የተገኘ አላባ፣ የኪራይ ገቢ እና ሌሎች ልዩ ልዩ ገቢዎች ናቸው። ከተለያዩ ምንጮች የተገኘው ገቢ በምስል 3 ላይ ቀርቧል።

### 3.2.3 Other Income

During 2022/23 fiscal year, Birr 65.33 million has been collected as other income which is 3.2% over the planned Birr 63.3 million. Sources of other income are Interest income on time deposit and government bond, interest on saving deposit, dividend income, rent income, and other miscellaneous incomes. Their contribution is depicted in **figure 3** below.

**Figure-3: Source of Other Income**

**ምስል-3:-ከሌሎች የገቢ ምንጮች የተገኙ ገቢዎች**



### 3.2.4 ትርፍ እና ኪሳራ

ኩባንያችን በጀት አመቱን ከታክስ በፊት ያልተጣራ 59.39 ሚሊዮን ብር ትርፍ በማስመዝገብ አጠናቋል። ከተመዘገበው ትርፍ 52.07 ሚሊዮን ብር ትርፍ ከጠቅላላ የመድን ስራ የተገኘ ሲሆን ቀሪው 7.32 ሚሊዮን ከህይወት መድን ስራ የተገኘ ነው። የተመዘገበው ትርፍ በእቅድ ተይዞ ከነበረው የ69.4 ሚሊዮን ብር ትርፍ በ14.43 በመቶ ያነሰ ሲሆን ከላፈው ዓመት አፈፃፀም ጋር ሲነፃፀር የ31.7 በመቶ ዕድገት ተመዝግቧል።

### 3.2.4 Profit/ Loss

During 2022/23 fiscal year, the company registered a gross profit of Birr 59.39 million; of which Birr 52.07 million is contributed by general business; the remaining Birr 7.32 million is from life business. And it is by 14.43% under the targeted Birr 69.4 million profit and 31.7% over last year profit of Birr 45.08 million.



### 3.2.5 ሀብት እና እዳዎች

ሰኔ 23 ቀን 2015ዓ.ም በተጠናቀቀው በጀት ዓመት የኩባንያችን አጠቃላይ ሀብት 2.07 ቢሊዮን ብር የደረሰ ሲሆን በሌላ በኩል ደግሞ የኩባንያው አጠቃላይ እዳ 1.69 ቢሊዮን ብር ሆኖ ተመዝግቧል። የኩባንያው ዋና ዋና እዳዎች የኢንሹራንስ ውል እዳዎች፣ የውል ዘመናቸው ላልተጠናቀቁ ውሎች የተያዙ መጠበባቂያዎች፣ በእንጥልጥል ያሉ የካሣ ጥያቄዎች እና ያልተሰበሰቡ የኮሚሽን ገቢዎች ናቸው።

### 3.2.6 ካፒታል እና ኢንቨስትመንት

እ.ኤ.አ. ሰኔ 30 ቀን 2023 የኩባንያው የተከፈለ ካፒታል ካለፈው ዓመት 197.91 ሚሊዮን ብር ወደ 302 ሚሊዮን ብር ከፍ ማለት ችሏል። ድርጅቱ በበጀት ዓመቱ ተጨማሪ የአጭር ጊዜ ኢንቨስትመንት ብር 98.90 ሚሊዮን በጊዜ ተቀማጭ ገንዘብ ላይ በመጨመሩ እና የ65.15 ሚሊዮን ብር የአክሲዮን ግዢ ላይ ኢንቨስት በማድረግ የኩባንያውን አጠቃላይ የጊዜ ገደብ ተቀማጭ ሒሳብ 321.04 ሚሊዮን ብር እና እንዲሁም አጠቃላይ የአክሲዮን ኢንቨስትመንቱ ብር 214.55 ሚሊዮን ሊደርስ ችሏል።

ምስል-4 የባለአክሲዮኖች የገንዘብ መዋቅር

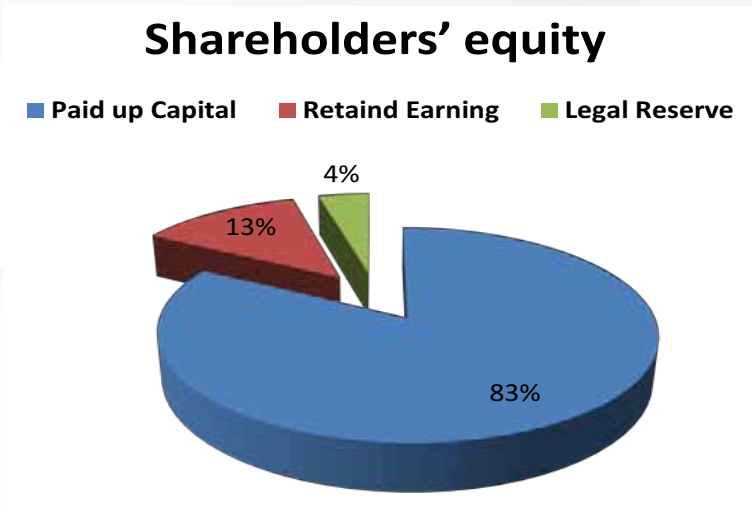
### 3.2.5 Asset and Liability

As at June 30, 2023 total assets and total liability of the Company reached to Birr 2.07 Billion and Birr 1.69 billion, respectively. Total liability of the company primarily includes Insurance contract liabilities, provision for unearned premium, insurance payables, differed commission income.

### 3.2.6 Capital and Investment

The company's paid up capital has increased to Birr 302 million as at June 30, 2023 from last year paid up capital of Birr 197.91. The company has invested additional short term investment of Birr 98.90 million on time deposit and investment on share of Birr 65.15 million during the budget year which makes total time deposit balance of the company Birr 321.04 million and total investment on share of Birr 214.55 million. The Shareholders' Fund structure as at June 30, 2023 is shown in **Figure-4**.

Figure-4: Shareholders' Fund Structure



### 3.3 የማርኬቲንግ፣ ፕላንንግ እና ቢዝነስ ዲቪዥን ተግባራት በተመለከተ

#### 3.3.1 የኩባንያውን ስም እና ገጽታ መገንባት

በበጀት ዓመቱ የኩባንያውን ስም እና ገጽታ ለመገንባት የተለያዩ ሥራዎች ታቅደው ተግባራዊ ተደርገዋል። ከነዚህም ውስጥ የተወሰኑትን ለመጥቀስ ያህል የሬዲዮ እና የሕትመት ሚዲያ ማስታወቂያ፣ ልዩ ልዩ የስፓንሰርሺፕ ስራዎች እንዲሁም የኩባንያችን ስም እና አርማ የታተመባቸው የስጦታ እቃዎች በማዘጋጀት እና ለደንበኞች በማከፋፈል የኩባንያውን ስም እና አገልግሎቶች በገበያው ከፍ ለማድረግ ተሰርቷል።

#### 3.3.2 የአገልግሎት መስጫ መረቦችን ማደራጀትና መዘርጋት

##### ➤ የቅርንጫፍ ማስፋፊያ

እ.ኤ.አ. ሰኔ 30 ቀን 2023 የኩባንያው አጠቃላይ ቅርንጫፎች ቁጥር 33 የደረሰ ሲሆን ከዚህ ውስጥ 20 ቅርንጫፎች በአዲስ አበባ የሚገኙ ሲሆን ቀሪዎቹ 13ቱ በክልል ከተሞች ላይ ይገኛሉ። በዓመቱ ሶስት ተጨማሪ ቅርንጫፎች በአዲስ አበባ ተከፍተዋል።

##### ➤ ከኢንሹራንስ አገናኞች እና ከሌሎች አጋሮች ጋር ያለ ግንኙነት

በበጀት አመቱ ስልጠና ከወሰዱ አራት እና አምስት አመት ለሆናቸው የሽያጭ ወኪሎች የማነቃቂያ ስልጠና የተሰጠ ሲሆን ተጨማሪ 10 አዳዲስ የሽያጭ ወኪሎች ስልጠና ወስደዋል። ከዚህም በተጨማሪ በኩባንያችን አመራሮች በተመረጡ ብሮከሮች የስራ ጉብኝት በማድረግ አጥጋቢ ውይይት ለማድረግ ተችሏል።

### 3.3 Marketing, Planning & Business Development

#### 3.3.1 Companies Image Building

During 2022/23 budget year, various activities were planned and implemented by the company to build its image. To mention some of them different advertisements on Radio, Printing media, etc. has been done, various sponsorship of event has been held and different giveaway materials were prepared and distributed to major customers to enhance the name and services of the company in the market.

#### 3.3.2 Organize and Create Distribution Networks

##### • Branch Expansion

The total number of branches of the company as at June 30 2023 stood at 33. Of this 20 branches are located in Addis Ababa and the remaining 13 are regional towns. During the year three additional branches were opened.

##### • Intermediary and Corporate Relationships

The company has recruited and trained Ten new sales agents, conduct sales agents seminar and also provides refresher training for agents who have completed four or five years of service. In addition, management conducts courtesy business visits to selected brokers.

### 3.3.3 እቅድ

በበጀት አመቱ የኩባንያው አመታዊ፣ የግማሽ አመት፣ የሩብ አመት እና ወርሃዊ ሪፖርቶች ተዘጋጅተዋል።

## 3.4 የሰው-ሀብት እና ንብረት አስተዳደር

### 3.4.1 የሠራተኞች መረጃ

በተጠናቀቀው የበጀት ዓመት የድርጅቱ ሠራተኞች ብዛት 233 የደረሰ ሲሆን ከዚህም ውስጥ 109ኙ ሴቶች ሲሆኑ የተቀሩት 124ቱ ወንዶች ናቸው። ፡ በዓመቱ 45 አዳዲስ ቋሚ ሠራተኞች በተለያዩ የስራ መደቦች ላይ የተቀጠሩ ሲሆን፣ 21 ሠራተኞች በራሳቸው ፈቃድ እና በኩባንያው በኩል የሥራ ውላቸው በመቋረጡ ምክንያት ከኩባንያው ተሰናብተዋል። ቀጥሎ በተመለከተው **ምስል-5** ላይ የሠራተኞችን ስብጥር በትምህርት ደረጃ ማየት ይቻላል።

**ምስል-5: የሰው ኃይል ስብጥር በትምህርት ደረጃ**

### 3.3.3 Planning

Gathering and consolidating company performance data on a monthly, quarterly, and annual basis.

## 3.4 Human Resource & Facility Management

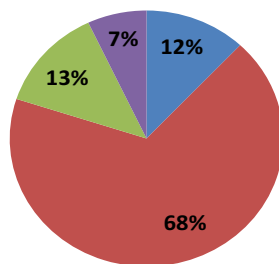
### 3.4.1 Employees Data

As at June 30, 2023 total number of staffs of the Company reached 233 out of which 109 are Females and the remaining 124 are Male. During the year 45 permanent employees were hired and 21 employees resigned from the company. **Figure-5** depicts number of staff by Educational Background.

**Figure-5: Manpower by Educational Background**

### Manpower By Educational Background

■ 2nd Degree ■ 1st Degree ■ Diploma ■ Under Diploma



### 3.4.2 ስልጠና እና ክህሎት ማጎልበቻ

በተጠናቀቀው በጀት ዓመት 221 ሠራተኞች በተለያዩ ዘርፎች ስልጠና እና ወርክሾፖች ተሰጥቷል።

### 3.4.2 Training and Development

During 2022/23 budget year 221 staffs took training on different insurance and other areas and participated on workshops.



### 3.4.3 የግዢ እና ንብረት አስተዳደር

የኩባንያው የሥራ እንቅስቃሴዎች እየተስፋፋ መሄድን እና የቅርንጫፍ ማስፋፊያውን ተከትሎ የመጣውን የመገልገያ እቃዎች ፍላጎት የማሟላት ስራ በጥንቃቄ ተከናውኗል። ገበያው ላይ የተሻለ የዋጋ ቅናሾችን በሚገኙበት መልኩ አመታዊ አጠቃላይ ግዢዎች ተፈፀመዋል።

### 3.5 የኢንፎርሜሽን ቴክኖሎጂ ልማት

#### የተቀናጀ የጠቅላላ መድሀን አስተዳደር ሥርዓት ፕሮጀክትን በተመለከተ

የተቀናጀ የጠቅላላ መድሀን ስራ አስተዳደር ሥርዓት አፈጻጸም ውል ነሐሴ 27 2014 ዓ.ም ከአሜሪካ ሶፍትዌር ሊሚትድ ጋር በፈራረም አቅራቢውን ያካተተ የፕሮጀክት አስተዳደር ቢሮ ከተዘጋጀ በኋላ ፕሮጀክቱ በይፋ ተጀምሯል። ከዚያም አጠቃላይ ስልጠና ተካሂዷል። የሶፍትዌርን ክፍተት የመተንተን ስራ ከመስከረም 11 ቀን 2015 ዓ.ም እስከ ህዳር 2 ቀን 2015 ዓ.ም. ድረስ የተካሄደ ሲሆን ክፍተቶችን የማረም ስራ በአቅራቢው ድርጅት በኩል የተሰራ ሲሆን አሁን በተጠቃሚዎች የፍተሻ ሂደት በማካሄድ ላይ ይገኛል።

#### የቀናጀ የሕይወት እና ህክምና መድሀን ስራ አስተዳደር ሥርዓት ፕሮጀክትን በተመለከተ

የተቀናጀ የሕይወት እና ህክምና መድሀን ስራ አስተዳደር ሥርዓት አፈጻጸም ውል ግንቦት 30 ቀን 2015 ዓ.ም ከአሜሪካ ሶፍትዌር ሊሚትድ ጋር በፈራረም ሰኔ 5 ቀን 2015 ዓ.ም ክፍተትን የመተንተን ስራ ተሰርቷል። አሁን የመተግበሪያ መስፈርቶች ሰነድ ተሟልቶ በመታየት ላይ ይገኛል።

### 3.4.3 Facility and Property Administration

In order to support the company's growth and expansion different activities are done to fulfill increasing logistics needs. It includes strategic bulk purchasing of necessary items to secure competitive pricing and discounts.

### 3.5 Information Technology Development

#### General Insurance integrated insurance Management System Project

The contract for the implementation of integrated insurance management system for general insurance business was signed with amity Software Limited on September 2, 2022 and after creating BIC & Vendor Inclusive project management office, the project was officially kick off and then Overview Training was conducted. The gap analysis phase of the project was conducted from September 21, 2022 to November 11, 2022 and the customization was started after the approval of Functional requirement document and now the project is underway in conducting user acceptance testing.

#### Life and medical Insurance integrated insurance management system project

The contract for the implementation of integrated insurance management

## የመረጃ መዕከል አውታረመረብ እና ደህንነት መሠረተ ልማት ፕሮጀክትን በተመለከተ

የጨረታው ሂደት ከየካቲት 19 ቀን 2015 ዓ.ም እስከ ግንቦት 21 ቀን 2015 ዓ.ም የተደረገ ሲሆን በቂ ተጨራጭ ባለሙያዎች ምክንያት ለሶስት ጊዜ ጨረታው በድጋሚ እንዲወጣ ተደርጓል። በአሁን ሰዓት የጨረታው ውጤት በመታየት ላይ ይገኛል።

### 4. የአምስት ዓመት ስልታዊ ዕቅድ ቀረጻ

“እ.ኤ.አ. በ2034 ከአምስት ምርጫ የግል ኢንሹራንስ ድርጅቶች አንዱ መሆን” በሚል ራዕይ የተቀረጸው የኩባንያው የአምስት አመት ስልታዊ እቅድ እ.ኤ.አ በ2023/24 በጀት ዓመት ጀምሮ ተግባራዊ መሆን ይጀምራል።

### 5. የድርጅት ማህበራዊ ሃላፊነት

ቡና እንደ ኮርፖሬት ዜጋ ማህበረሰብን መሰረት ያደረገ የልማት እና ማህበራዊ ሃላፊነት በመሳተፍ ከፍተኛ አስተዋፅኦ አበርክቷል። ድርጅታችን የሚከተለውን ድርጅት ስፖንሰር አድርጓል።

- ✓ ሕብር ደረጃ 1 የትራንስፖርት ማህበር
- ✓ የጋሞ ዞን ትራንስፖርት ቢሮ
- ✓ ሜሪ ጆይ ኢትዮጵያ /ሃዋሳ ከተማ/

system for life and medical business was signed with amity Software Limited on June 7, 2023 then the gap analysis phase of the project was conducted from June 12, 2023 and currently the bid is under review.

### Datacenter Network & Security Information Technology Development

The bidding process was conducted from February 26, to May 29, 2023 and due to insufficient bid participation the bid floated for the third time and it is now under review.

### 4. Five Year Strategic Plan Formulation

Five years strategic plan with vision of “To be one of the top five private insurer in Ethiopia by 2034” is crafted and implemented starting from 2023/24 budget year.

### 5. Corporate Social Responsibility

Bunna has been contributed a lot by participating deferent community based development and social responsibility as a corporate citizen. Our company sponsored the following organization.

- Heber Level 1 transport association
- Gamo Zone transport office and
- Mary Joy Ethiopia /Hawassa town/



## 6. ሌሎች ክንውኖች

- ✓ እ.ኤ.አ ለ2023/2024 የበጀት አመት የተሻለ የጠለፋ ዋስትና ድርድር እና ስምምነት ተደርጓል።
- ✓ እ.ኤ.አ. የ2023/2024 ዓመታዊ በጀት ተዘጋጅቶ ፀድቋል።

## 7. ዋና ዋና ተግዳሮቶች

በበጀት ዓመቱ ኩባንያው የሚከተሉት ዋና ዋና ተግዳሮቶች አጋጥመውታል፡-

- ✓ በሃገሪቱ የተለያዩ ክፍሎች ያለው የፖለቲካ አለመረጋጋት
- ✓ ምቹ ያልሆነ ዓለም አቀፋዊ የፖለቲካ ሥርዓት (የዩክሬን ጦርነት)፤
- ✓ የእጅ ዋጋ እና የመኪና መለዋወጫ እቃዎች ዋጋ መጨመር በተቃራኒው ግን የአርቦን ዋጋ ከጊዜ ወደ ጊዜ መቀነስ፤
- ✓ ከሜጋ ፕሮጀክት መቋረጥ ጋር ተያይዞ / የቦንድ የይገባኛል ጥያቄዎች መምጣት፤
- ✓ የከፍተኛ የፖለቲካ ጥሰት እና ሽብርተኝነት የፒ.ቪ.ቲ የካሳ ይገባኛል ጥያቄዎች፤
- ✓ የሕይወት ኢንሹራንስን በተመለከተ በቂ ግንዛቤ አለመኖር፤
- ✓ በዘርፉ የሚታየው የተማረ የሰው ሃይል እጥረት፤

## 6. Other Achievements

- ✓ Better Reinsurance negotiation and treaty agreement is made for 2023/24 budget year.
- ✓ Annual budget for the year 2023/24 budget year is prepared.

## 7. Major Challenges Faced

During the period, the following challenges were observed and faced accordingly:

- Political unrest in different parts of the country.
- International unfavorable political order (Ukraine War).
- Continuous escalation of vehicles repair cost as well as spare part cost which increase claims cost.
- Termination of Mega Project and sustained mega claims
- Emergency of high PVT claims.
- Insufficient knowledge regarding the advantages of life insurance.
- Lack of skilled manpower in the labor market.

## 8. የወደፊት ስትራቴጂ ዕቅዶች

የዳይሬክተሮቹ በርድ እና የኩባንያው ሥራ አመራር ከፊት ለፊት የተጋረጡትን ችግሮች ተጋፍጦ በቀጣዩ የ2015/16 በጀት ዓመት ከፍተኛ ውጤት ለማስመዝገብ ከምን ጊዜም የበለጠ ጥረት ማድረጉን ይቀጥላል።

ስለሆነም የሚከተሉት አበይት ዕቅዶች ለ2015/16 በጀት ዓመት የቀረቡ ናቸው።

- ✓ በአጠቃላይ የኩባንያውን በባንክ ያለ ተቀማጭ ጥሬ ገንዘብ መጠንን ማሻሻል እና የብሄራዊ ባንክን መመሪያዎችን ሙሉ በሙሉ ማክበር፤
- ✓ በአዲስ አቀራረብ የኩባንያውን ስምና ገጽታ መገንባት
- ✓ በጥናት ላይ ተመስርቶ ትርፋማ ኢንቨስትመንት አማራጮች ላይ ኢንቨስት ማድረግ
- ✓ የኩባንያው አመታዊ እቅድ አፈፃፀም በአምስት አመት ስትራቴጂክ እቅድን መሰረት እንዲተገበር ጥብቅ ክትትል ማድረግ፤
- ✓ ኩባንያው ለኢትዮጵያ ብሔራዊ ባንክ እና ሌሎች የመንግስት ደንቦች ያለውን ተገዥነት አጠናክሮ መቀጠል።
- ✓ መንግስት የሚያወጣውን መመሪያ እና አቅጣጫ በመከተል በካፒታል ማርኬት ውስጥ ተሳትፎ ማድረግ

## 9. ምስጋና

በመጨረሻም፤ በተጠናቀቀው የበጀት ዓመት ኩባንያው ያገኛቸው ውጤቶች እና ስኬቶች የተለያዩ ባለ ድርሻ አካላት የጋራ ጥረት ፍሬዎች ናቸው። ፡ በመሆኑም የዳይሬክተሮች በርድ ለደንበኞቹ፣ ለባለአክሲዮኖች፣ ለኩባንያው ስራ አመራር እና

## 8. Future Strategic Directions

The Board of Directors and the management are planned to exert maximum efforts in the next budget year of 2023/24, by taking into consideration the challenges it has faced so far.

Accordingly the following strategic measures would be taken for the budget year 2023/24:

- Improve liquidity position of the company in general and fully comply liquidity Directives of NBE.
- New approaches for our marketing, promotion & advertising activities.
- Conduct feasibility study and invest on profitable ventures
- Conduct strict follow up on implementation of corporate action plan based on the five years strategic plan.
- Strengthening compliance of NBE and other government regulation.
- Participate in capital market following government directives in respect of the subject matter.

## 9. Acknowledgement

The board of Directors would like to extend its sincere appreciation to the shareholders, customers,

ሠራተኞች፣ ለሽያጭ ወኪሎች እና ብሮከሮች፣ ለጠለፋ ዋስትና ሰጪዎች፣ ለኢትዮጵያ ብሔራዊ ባንክ እና ለሌሎች ድጋፍ ሰጪ ተባባሪዎቻችን ላቅ ያለ ምስጋናውን ያቀርባል።

reinsurers, insurance brokers, sales agents, management, and staff of Bunna Insurance s.c, along with the National Bank of Ethiopia. Their invaluable contributions greatly contributed to the remarkable performance of the company during the 2022/23 budget year.



**አበረ ምህረቱ (የክ/ዶክተር)**

**የዳይሬክተሮች ቦርድ ሊቀመንበር**

**ህዳር 8/2016 ዓ/ም**

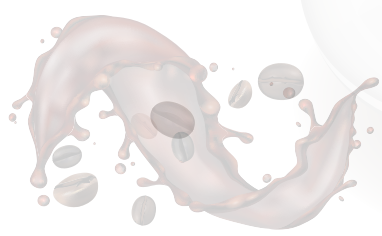
**Abere Mihretie Ho/Dr.**

**Chairman, Board of Directors**

**November 18, 2023**



**የውጭ ኢኮኖሚ ሪፖርት**





# የገለልተኛ አዲተሮች ሪፖርት

## ቡና ኢንሹራንስ አክሲዮን ማህበር

### አስተያየት

ከዚህ ሪፖርት ጋር ተያይዘው የቀረቡትን የቡና ኢንሹራንስ አክሲዮን ማህበር ሰኔ 23 ቀን 2015 ዓ.ም. (ጁን 30 ቀን 2023) በተጠናቀቀው የሂሳብ ዓመት የማህበሩን የሂሳብ መግለጫዎች ማለትም የሐብት እና እዳ መግለጫ፤ የሂሳብ ዘመኑ ትርፍ እና ኪሳራ እና ሌሎች ጠቅላላ ገቢዎች መግለጫ፤ የተጣራ ሐብት መግለጫ፤ የገንዘብ ፍሰት መግለጫ እና የማህበሩ የሚከተላቸውን ሂሳብ አሰራር ፖሊሲዎች እና ማብራሪያዎች መርምረናል።

በእኛ አስተያየት ከዚህ ሪፖርት ጋር ተያይዘው የቀረቡት የሂሳብ መግለጫዎች እና ማብራሪያዎች ዓለም አቀፍ የፋይናንስ ሪፖርት አቀራረብ ደረጃዎች መሰረት ሰኔ 23 ቀን 2015 ዓ.ም. ላይ የሚታየው የማህበሩ የሂሳብ አቋም (ሐብት እና እዳ)፤ የሂሳብ ዓመቱን ውጤት (ትርፍ እና ኪሳራ)፤ የተጣራ ሐብት እና የገንዘብ ፍሰት በተገቢ ሁኔታ ያሳያሉ።

### የአስተያየታችን መሰረት

የሂሳብ መግለጫዎቹን የመረመርነው በዓለም አቀፍ የአዲት ደረጃዎች መሰረት ነው። በእነዚህ ደረጃዎች መሰረት የሚጠበቅብን ኃላፊነት በተመለከተ ከዚህ በታች የአዲተሮች ኃላፊነት በሚለው ርዕስ ስር ተመልክቷል፡ ፡ በተጨማሪም የአዲት ስራችንን ስናከናውን የዓለም አቀፍ የስነምግባር መመዘኛዎች በርድ ዮፕሮፌሽናል አካውንታንቶች የስነምግባር ደንብ እንዲሁም በሚመለከታቸው የኢትዮጵያ ህጎች መሰረት ከማህበሩ ገለልተኝነታችንን በመጠበቅ የስነምግባር ኃላፊነቶቻችንን አሟልተናል።

ከዚህ በላይ የሰጠው አስተያየት በተጠቀሰው የአዲት ደረጃ እና በተሰጡን የአዲት ማስረጃዎች መሰረት ሲሆን እነዚህ ማስረጃዎች ለአስተያየታችን በቂ እና ተገቢ ናቸው ብለን እናምናለን።

### ቁልፍ የአዲት ጉዳዮች

ቁልፍ የአዲት ጉዳዮች የሚባሉት በእኛ ሙያዊ ምዘና ለተጠናቀቀው የሂሳብ ዓመት ሂሳብ መግለጫዎች አዲት ጉልህ የሆኑ ጉዳዮች ሲሆኑ እነዚህ ጉዳዮች በአጠቃላይ የአዲት ስራችን ሪፖርት ላይ የተካተቱ በመሆናቸው በእነዚህ ጉዳዮች ላይ የተለየ አስተያየት አልሰጠንም።

### በሂሳብ መግለጫዎቹ ላይ የማህበሩ ስራ አመራር በርድ ኃላፊነት

የሂሳብ መግለጫዎቹን በዓለም አቀፍ የፋይናንስ ሪፖርት አቀራረብ ደረጃዎች መሰረት ማዘጋጀት የማህበሩ ስራ አመራር በርድ ኃላፊነት ነው። እነዚህ የማህበሩ ስራ አመራር በርድ ኃላፊነቶች ጉልህ ከሆኑ ግድፈቶች እና ከማጭበርበር ተግባር ነጻ የሆኑ የሂሳብ መግለጫዎችን ለማዘጋጀት እና የሂሳብ መግለጫዎቹን አቀራረብ ዓለም አቀፍ የፋይናንስ ሪፖርት አቀራረብ ደረጃዎች መሰረት ለማድረግ የሚረዱ የውስጥ ቁጥጥር ስርዓት ማቀድ፤ መዘርጋት እና ስራ ላይ መዋሉን ማረጋገጥ፤ አግባብ የሆኑ የሂሳብ አያያዝ ፖሊሲዎችን፤ ግምቶችን ተግባራዊ ማድረግ ያካትታል።



የማህበሩ ስራ አመራር ቦርዱ የማህበሩን ቀጣይነት የመገምገም የፋይናንስ ሪፖርት ሂደት የመከታተል እና ሪፖርቶች ይህን ጉዳይ በሚያሳይ መልኩ መዘጋጀታቸውን የማረጋገጥ ተጨማሪ ኃላፊነት አለበት።

### በሂሳብ መግለጫዎች አዲት ላይ የአዲተሮች ኃላፊነት

የሂሳብ መግለጫዎችን በመመርመር አስተያየት መስጠት የአዲተሮች ኃላፊነት ነው።

የሂሳብ መግለጫዎችን የመረመርነው በዓለም አቀፍ የአዲት ደረጃዎች መሰረት ነው። እነዚህ ደረጃዎች የሂሳብ መግለጫዎች ጉልህ ከሆኑ ግድፈቶች ነጻ መሆናቸውን ተገቢ ማረጋገጫ ለማግኘት በስነምግባር መርሆዎች መሰረት አዲቱን ማቀድ እና መፈጸም እንደሚገባ ይደነግጋሉ። የአዲት ስራ በሂሳብ መግለጫዎች ላይ ለተጠቀሱት አሃዞች እና መግለጫዎች በተመለከተ ማስረጃ ለማግኘት የሚረዱ ዘዴዎችን መጠቀምን ያካትታል። እነዚህ ዘዴዎች የሂሳብ መግለጫዎች እና ማብራሪያዎች ጉልህ ከሆኑ ግድፈቶች እና ከማጭበርበር ተግባር ነጻ ለመሆናቸው አዲተሩ በሚያደርገው የስጋት ምዘና ይወሰናሉ። ይህ ምዘና የሂሳብ መግለጫዎችን ዝግጅት እና አቀራረብ ጋር በተያያዘ ተግባራዊ የሆነውን የውስጥ ቁጥጥር ስርዓት ግምት ውስጥ የሚያስገባ ነው። ይህም አዲተሩ ተገቢ የሆኑ የአዲት ዘዴዎች ለመቀየስ ይረዳዋል። ሆኖም የአዲት ስራው የሚከናወነው ፍጹም መሰረት ባደረገ የአዲት ስርዓት መሰረት ሲሆን የተጠቀሱት እነዚህ የአዲት ዘዴዎች የተቋሙ የውስጥ ቁጥጥር ስርዓት በሙሉ ውጤታማ ለመሆናቸው እንዲሁም በሂሳቡ ሊኖሩ ከሚችሉ ስህተቶች በሙሉ ነጻ ስለመሆናቸው አስተያየት ለመስጠት አያስችሉም። በተጨማሪም የአዲት ስራ የተቋሙ የሂሳብ አያያዝ ፖሊሲዎች አግባብ መሆናቸውን እና አጠቃላይ የሂሳብ መግለጫዎችን መመዘንን ያካትታል።

ዓለም አቀፍ የሂሳብ ባለሙያዎች የስነምግባር ደረጃዎች ቦርድ ለሂሳብ ባለሙያዎች ያወጣው የስነምግባር ኮድ በሚጠይቀው እና በኢትዮጵያ ውስጥ ለተካሄደው አዲት አስፈላጊ በሆኑት የስነምግባር መርሆዎች መሰረት ከማህበሩ ነጻ እና ገለልተኛ ሆነን ስራችንን አከናውናል። እንዲሁም የስነምግባር ደንቡ የሚጠይቃቸውን እና የሚጠበቁብንን ሌሎች ኃላፊነቶች አሟልተናል።

የአዲት ስራ በአይ/ኤ/ኤስ መሰረት ስናከናወን የሚከተሉትን ስልቶች ተከትለናል፤

- ከማጭበርበርም ሆነ በስህተት ምክንያት የሂሳብ መግለጫዎች ጉልህ ግድፈት ስለመኖሩ ስጋቶችን ለይትን አዲት አድርገናል።
- ተገቢ የሆኑ አዲት ስራ ለማከናወን ከአዲት ጋር ተዛማጅ የሆኑ የማህበሩን የውስጥ ቁጥጥር ምልክታዊ ደረግን ቢሆንም ይህ ግን የማህበሩ የውስጥ ቁጥጥር ውጤታማነት በሚመለከት አስተያየት ለማቅረብ አይደለም።
- ጥቅም ላይ የዋሉትን የሂሳብ መዝገብ አያያዝ ፖሊሲዎች ተገቢነት እንዲሁም የሂሳብ መዝገብ አያያዝ ግምቶች አሳማኝነት እና ተዛማጅ የሆኑ በስራ አመራሩ የተሰጡ መግለጫዎችን መመዘን፤
- የማህበሩ ስራ ቀጣይነት ያለው መሆኑን እና የሂሳብ መግለጫዎችም በዚህ መሰረት መዘጋጀታቸውን ማረጋገጥ እና ይህ የማይሆንበት ሁኔታ የሚኖር



ከሆነም በቂ ማብራሪያ ወይም እንደሁኔታው በሪፖርቱ ማካተት፤

- የሂሳብ መግለጫዎችን አቀራረብ አወቃቀር እና ይዘት መገምገምን እና እነዚህ መግለጫዎች መሰረታዊ ግብይቶች እና ክስተቶችን የሚሳዩ እና ትክክለኛ መግለጫዎች መሆናቸውን መመዘን፤

በተጨማሪም የአዲቱን እቅድ፤ ወሰን፤ ጊዜ እና ጠቃሚ የሆኑ ጉልህ የአዲት ግኝቶች እና የውስጥ ቁጥጥር ጉድለቶች በሚመለከት ለስራ አመራሩ እናሳውቃለን።

ሌሎች ህጋዊ ሁኔታዎች ላይ የተሰጠ አስተያየት

የሂሳብ ዘመኑ የማህበሩ የሂሳብ መግለጫዎች ላይ የዳይሬክተሮች ቦርድ ሪፖርትን በሚመለከት በ1243/2021 በወጣው የንግድ ህግ አንቀጽ 349 መሰረት በእኛ በኩል የምንሰጠው የተለየ አስተያየት የሌለን በመሆኑ በጠቅላላ ጉባኤው የሂሳብ መግለጫዎች እንዲጸድቁ አስተያየታችንን እናቀርባለን።



ዘመድሁን አዳነ - ኤፍ. ሲ. ሲ. ኤ.  
ቻርተርድ ሰርቲፋይድ አካውንታንትስ (ለንደን)  
ሰርቲፋይድ አዲት ድርጅት

አዲስአበባ፤ ኢትዮጵያ  
መስከረም 15 ቀን 2016ዓ.ም.



ቡና ኢንሹራንስ አ.ማ.

የትርፍ / ኪሳራ እና ሌሎች አጠቃላይ ገቢዎች መግለጫ

ሰኔ 23 ቀን 2015 (ጁን 30 ቀን 2023) ዓ.ም. ለተጠናቀቀው የሂሳብ ዓመት

|   | ማብራሪያ | ጁን 30/2023<br>ብር'000 | ጁን 30/2022<br>ብር'000 |
|---|-------|----------------------|----------------------|
| ከተሰበሰበ አረቦን የተገኘ ገቢ (ጥቅል)   | 5i )  | 902,720              | 480,216              |
| ለጠለፋ ዋስትና ሰጪዎች የተላለፈ  | 5i )  | (188,989)            | (128,858)            |
| <b>የተጣራ አረቦን</b>  |       | <b>713,730</b>       | <b>351,358</b>       |
| የውል አረቦን እዳ ለውጥ   | (5i)  | (210,215)            | (45,728)             |
|   |       | <b>503,515</b>       | <b>305,629</b>       |
| የኮሚሽን ገቢ  | 7     | 40,543               | 32,044               |
| <b>የተጣራ የመድን ውል ስራ ገቢ</b>   |       | <b>544,058</b>       | <b>337,673</b>       |
| የካሳ ክፍያ   | 26    | 339,807              | 314,262              |
| ከጠለፋ ዋስትና ሰጪዎች የሚተካ   | 26(i) | (44,385)             | (106,949)            |
| የውል እዳ ለውጥ  |       | 583,218              | -                    |
| ለጠለፋ ዋስትና ሰጪዎች የተላለፈ የውል እዳ ለውጥ   |       | (510,029)            | -                    |
|   |       | <b>368,611</b>       | <b>207,314</b>       |
| የመድን ውል ስራ ወጪ   | 8     | 53,314               | 39,894               |
| የኮሚሽን ወጪ  | 9     | 40,501               | 25,900               |
| <b>የመድን ውል ስራ ትርፍ</b>   |       | <b>81,632</b>        | <b>64,565</b>        |
| የኢንሹራንት መንገድ ገቢ   | 11    | 58,435               | 53,353               |
| ሌሎች ገቢዎች  | 11    | 6,799                | -                    |
| <b>የተጣራ ገቢ</b>  |       | <b>146,867</b>       | <b>117,918</b>       |
| የአፕሪክስ እና አስተዳደራዊ ወጪዎች  | 12    | 83,730               | 58,360               |
| የፋይናንስ ወጪ / የባንክ ወለድ  | 13    | 3,739                | 14,477               |
| <b>ከግብር በፊት የተገኘ ትርፍ</b>  |       | <b>59,398</b>        | <b>45,081</b>        |
| የግብር ወጪ   | 14    | 1,943                | 212                  |
| <b>ከግብር በኋላ የተገኘ ትርፍ</b>  |       | <b>57,455</b>        | <b>44,869</b>        |
| <b>ሌሎች አጠቃላይ ገቢዎች</b>   |       |                      |                      |
| ወደፊት ወደ ትርፍ ወይም ኪሳራ የማይካተቱ ለሰራተኞች የአገልግሎት ክፍያ መጠባበቂያ ህዳ ወደፊት የሚታሰብ ተሰብሳቢ / ተከፋይ ግብር | (C )  | (13)                 | (173)                |
|   |       | -                    | -                    |
| <b>ጠቅላላ ሌሎች አጠቃላይ ገቢዎች</b>  |       | <b>57,442</b>        | <b>44,696</b>        |
| <b>በአንድ አክሲዮን (100) ላይ የተገኘ ገቢ</b>  |       | <b>26.34%</b>        | <b>20.13%</b>        |

የዳይሬክተሮች ቦርድ ሰብሳቢ



ዋና ስራ አስፈጻሚ

ቡና ኢንሹራንስ አ.ማ.  
 የሀብት እና እዳ መግለጫ  
 ሰኔ 23 ቀን 2015 (ጁን 30 ቀን 2023) ዓ.ም.

| ሀብት                            | Notes  | ጁን 30/2023<br>Birr'000 | ጁን 30/2022<br>Birr'000 |
|--------------------------------|--------|------------------------|------------------------|
| ቋሚ ንብረት                        | 15     | 175,226                | 165,973                |
| ንብረት የመጠቀም መብት                 | 17     | 8,612                  | 6,154                  |
| ሀጋዊ መጠባበቂያ                     | 20     | 45,303                 | 29,686                 |
| የመዋዕለ ንዋይ ሴኩራቲ                 |        |                        |                        |
| - ሊሸጥ የሚችል                     | 18     | 224,007                | 158,867                |
| - ብድር እና ተሰብሳቢ                 | 19     | 6,730                  | -                      |
| ወደፊት የሚታሰብ የግዥ ዋጋ              | 10 (i) | 26,768                 | 14,880                 |
| ወደፊት የሚታሰብ ተሰብሳቢ ግብር           | 14 (f) | 5,095                  | 30                     |
| የጠለፋ ሰጪዎች የመድን እዳ ድርሻ          | 21     | 715,156                | 167,052                |
| ተሰብሳቢ የመድን ሂሳብ                 | 22     | 115,720                | 135,912                |
| ለሽያጭ የተያዙ ጥቅም ላይ የወደቡ ሌሎች ሀብቶች | 24     | 21,348                 | 40,686                 |
| ሌሎች ሀብቶች                       | 23     | 104,986                | 44,041                 |
| በባንክ እና በእጅ የሚገኝ ጥሬ ገንዘብ       | 25     | 619,897                | 320,757                |
| <b>ጠቅላላ ሀብት</b>                |        | <b>2,068,849</b>       | <b>1,084,036</b>       |
| <b>እዳ እና የተጣራ ሀብት</b>          |        |                        |                        |
| <b>እዳ</b>                      |        |                        |                        |
| ለካሳ ክፍያ የተያዘ መጠባበቂያ            | 26     | 1,304,973              | 472,909                |
| ቅድሚያ የተሰበሰበ ኮሚሽን ገቢ            | 27     | 20,918                 | 15,196                 |
| ወደፊት የሚታሰብ ተከፋይ ግብር            | 14 (e) | 893                    | 2,276                  |
| የዘመኑ የግብር እዳ                   | 14 (c) | 1,943                  | 212                    |
| ለሰራተኞች የአገልግሎት ካሳ መጠባበቂያ       | 26     | 2,975                  | 2,117                  |
| የመድን ተከፋይ እዳ                   | 28     | 227,290                | 218,832                |
| ሌሎች እዳዎች                       | 29     | 129,546                | 49,447                 |
| ብድር                            | 0      | -                      | 71,983                 |
| <b>ጠቅላላ እዳ</b>                 |        | <b>1,688,538</b>       | <b>832,972</b>         |
| <b>የተጣራ ሀብት</b>                |        |                        |                        |
| የተከፈለ ካፒታል                     | 31     | 302,021                | 197,906                |
| የተጠራቀመ እና ያልተከፋፈለ ት            | 34 (a) | 50,025                 | 36,837                 |
| የሀይወት ፈንድ                      | 34 (b) | 2,878                  | 1,414                  |
| ሌሎች መጠባበቂያዎች                   |        | 4,761                  | -                      |
| ሀጋዊ መጠባበቂያ                     | 35     | 20,628                 | 14,907                 |
| <b>ጠቅላላ የተጣራ ሀብት</b>           |        | <b>380,313</b>         | <b>251,064</b>         |
| <b>ጠቅላላ እዳ እና የተጣራ ሀብት</b>     |        | <b>2,068,849</b>       | <b>1,084,036</b>       |



የዳይሬክተሮች ቦርድ ሰብሳቢ

ዋና ስራ አስፈጻሚ

ልዩነታችን አገልግሎታችን  
 Our Difference is Our Service

**ቡና ኢንሹራንስ አ.ማ.**

**የገንዘብ ፍላጎት መግለጫ**

**ሰኔ 23 ቀን 2015 (ጁን 30 ቀን 2023) ዓ.ም. ለተጠናቀቀው የሂሳብ ዓመት**

|  | Notes  | ጁን 30/2023<br>Birr'000 | ጁን 30/2022<br>Birr'000 |
|--|--------|------------------------|------------------------|
| <b>ከስራ እንቅስቃሴ የተገኘ የገንዘብ ፍላጎት</b>            |        |                        |                        |
| ከሰበረራ አእንቅስቃሴ የተገኘ ገንዘብ                      | 36     | 390,848                | 132,412                |
| የተሰበሰበ ወለድ                                   |        | (35,094)               | (29,772)               |
| በነገረ-ብሔራዊ መጠቀም መብተት የተሰለጠነ ወለድ               |        | 1,543                  | (4,660)                |
| የሰበረ-ተጨማሪ ጠጥቀቅ መግጠጥቀቅ                        |        |                        |                        |
| ሀላፊነት መግለጫ ከክፍያ                              |        | (64)                   | (311)                  |
| ለሌሎች መጠበቅ ቁጥጥሮች ሀላፊነት                        |        |                        |                        |
| መግለጫ ከክፍያ                                    |        | -                      | -                      |
| <b>ከስራ እንቅስቃሴ የተገኘ የገንዘብ ፍላጎት - የተጠባረረ</b>   |        | <b>357,233</b>         | <b>97,670</b>          |
| <b>ከኢንሹራንት እንቅስቃሴ የተገኘ የገንዘብ ፍላጎት</b>        |        |                        |                        |
| የአክሲዮን ግዥ                                    |        | (65,140)               | (54,180)               |
| የተሰበሰበ ወለድ                                   | 11     | 35,094                 | 29,772                 |
| የዲቪደንድ ገቢ                                    | 11     | 23,341                 | 20,588                 |
| ቋሚ ንብረት ግዥ                                   | 15     | (7,108)                | (12,338)               |
| የመንግስት ሰነድ ግዥ                                | 19     | (6,730)                |                        |
| የአይ ቲ ፕሮጀክት ወጪ                               | 16     | (11,858)               |                        |
| የተቀማጭ ሂሳብ ለውጥ                                | 20     | (15,617)               | (2,043)                |
| ከቋሚ ንብረት ሽያጭ የተሰበሰበ                          | 36     | 2,789                  | -                      |
| <b>ከኢንሹራንት እንቅስቃሴ የተገኘ የገንዘብ ፍላጎት - የተጣራ</b> |        | <b>(45,230)</b>        | <b>(18,203)</b>        |
| <b>ከፋይናንስ እንቅስቃሴ የተገኘ የገንዘብ ፍላጎት</b>         |        |                        |                        |
| የንብረት መጠቀም መብት ዋጋ ለውጥ                        | 17     | (8,158)                | (953)                  |
| የአክሲዮን ሽያጭ ገቢ                                | 31     | 104,115                | 24,369                 |
| ከባንክ ብድር የተገኘ / የተከፈለ                        | 29 (c) | (71,983)               | (5,260)                |
| የትርፍ ድርሻ ክፍያ                                 | 34     | (36,837)               | (29,960)               |
| <b>ከፋይናንስ እንቅስቃሴ የተገኘ የገንዘብ ፍላጎት</b>         |        | <b>(12,863)</b>        | <b>(11,804)</b>        |
| <b>በዓመተቱ መጀመሪያ የነበረ</b>                      |        | <b>320,757</b>         | <b>253,094</b>         |
| <b>በዓመተቱ የተታየ የገንዘብ አእንቅስቃሴ ስሜት</b>          |        | <b>299,139</b>         | <b>67,662</b>          |
| <b>በዓመተቱ መጨረሻ የመጣ የተጠባረረ</b>                 |        | <b>619,896</b>         | <b>320,757</b>         |

የዳይሬክተሮች ቦርድ ሰብሳቢ

ዋና ስራ አስፈጻሚ



*(Signature)*

*(Signature)*



**ቡና ኢንሹራንስ አ.ማ.**  
**የተጣራ ሀብት ለውጥ መግለጫ**  
**ሰኔ 23 ቀን 2015 (ጁን 30 ቀን 2023) ዓ.ም. ለተጠናቀቀው የሂሳብ ዓመት**

|  | የአክሲዮን            |                |                    |                   |                  |                   |                |
|--|-------------------|----------------|--------------------|-------------------|------------------|-------------------|----------------|
|  | የተከፈለ ካፒታል ብር'000 | ሽያጭ ትርፍ ብር'000 | ያልተከፋፈለ ትርፍ ብር'000 | ህጋዊ መጠባበቂያ ብር'000 | የሀይወት ፈንድ ብር'000 | ሌሎች መጠባበቂያ ብር'000 | ጠቅላላ ብር'000    |
| <b>ሰኔ 23 ቀን 2014 ዓ.ም.</b>              | <b>197,906</b>    | <b>-</b>       | <b>38,251</b>      | <b>14,907</b>     | <b>-</b>         | <b>-</b>          | <b>251,064</b> |
| የተከፈለ ዲቪደንድ                            |                   |                | (36,837)           |                   |                  |                   | (36,837)       |
| የዓመቱ ትርፍ                               |                   |                | 57,455             |                   |                  |                   | 57,455         |
| ወደ ህጋዊ መጠባበቂያ የተለላለፈ                   |                   |                | (5,721)            | 5,721             |                  |                   | -              |
| የዳይሬክተሮች የትርፍ ድርሻ                      |                   |                | (1,350)            |                   |                  |                   | (1,350)        |
| ያለፉት ዓመታት ሂሳብ ማስተካከያ                   |                   |                | 1,105              |                   |                  |                   | 1,105          |
| የአክሲዮን ሽያጭ                             | 104,115           |                |                    |                   |                  |                   | 104,115        |
| ወደ ሀይወት ፈንድ የተለላለፈ                     |                   |                | (2,878)            |                   | 2,878            |                   | -              |
| ወደፊት የሚታሰብ ተሰብሳቢ / ተከፋይ ግብር ሂሳብ ማስተካከያ |                   |                |                    |                   |                  | 4,761             | 4,761          |
| የሠራተኞች ክፍያ ሂሳብ ማስተካከያ                  |                   |                |                    |                   |                  |                   | -              |
|  |                   |                |                    |                   |                  |                   | -              |
| <b>ሰኔ 23 ቀን 2015 ዓ.ም.</b>              | <b>302,021</b>    | <b>-</b>       | <b>50,025</b>      | <b>20,628</b>     | <b>2,878</b>     | <b>4,761</b>      | <b>380,313</b> |


የዳይሬክተሮች ቦርድ ሰብሳቢ

ዋና ስራ አስፈጻሚ



# External Auditor's Report



## ACTUARY CERTIFICATE

I have conducted an actuarial valuation of the general insurance liabilities, life insurance liabilities and severance benefits of Bunna Insurance Company S.C.

The valuation was conducted in accordance with generally accepted actuarial principles. These principles require that prudent provision for future outgo under contracts, generally based upon the assumptions that current conditions will continue. Provision is therefore not made for all possible contingencies.

In completing the actuarial valuation, I have relied upon the data provided and the financial statements by the Company.

In my opinion,

- (i) The actuarial value of the liabilities in respect of all classes of general insurance business of the company reflect a fair value as at 30 June 2023;
- (ii) The actuarial value of the liabilities in respect of all life assurance business did not exceed the amount of reserves of the life assurance business at 30 June 2023; and
- (iii) The severance benefit liability as at 30 June 2023 can be incorporated in the financial statements in line with the International Accounting Standards 19.

Signed in my capacity as an employee of Actuarial Services(EA) Ltd.

**Abed Mureithi**  
**Fellow of the Institute and Faculty of Actuaries**  
**Actuary**



**BUNNA INSURANCE SHARE COMPANY (S.C.)**  
**INDEPENDENT AUDITOR’S REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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Chairman, Board of Directors




Chief Executive Officer



**Bunna Insurance Share company**  
**Directors, Professional Advisors and Registered Office**  
**For the Year Ended 30 June 2023**

**Directors (as of 30 June 2023)**

|  |          |
|--|----------|
| Mr. Abere Mihirete                           | Chairman |
| Dr. Alemayehu Kebede                         | Director |
| Mr. Getachew Gebre                           | Director |
| Mr. Kifleyohannes Yimer                      | Director |
| Mr. Dereje Mekonnen                          | Director |
| Mr. Yibekal Tefera                           | Director |
| Mr. Lewtie Tirusew (Representing Bunna Bank) | Director |
| Mr. Wubetu Assefa                            | Director |
| Mr. Demisew Abate                            | Director |

**Executive management (as of 30 June 2023)**

|                         |   |
|-------------------------|---|
| Mr. Dagnachew Mehari    | Chief executive officer (CEO)                                   |
| Mr. Sangeorge Desalegn  | Deputy Chief executive officer                                  |
| Mrs. Hindeya Zekaria    | Executive officer, Finance Department                           |
| Mr. Naod Getachew       | Executive officer, Marketing, planning and business development |
| Mr. Endalkachew Tesfaye | Executive officer, Claims Department                            |
| Mr. Kidist Fetene       | Executive officer, Reinsurance and Branch operation Department  |
| Mr. Wagaye Tafere       | Executive officer, Engineering Department                       |
| Mr. Ababayehu Abebe     | Executive Office, HR and Faciliaty                              |

**Independent auditor**

Zemedhun Adane, Chartered Certified Accountants  
 Chartered Certified Accountants, London  
 Certified Audit Firm  
 P. O. Box 26578 code 1000  
 Tele +251 118 332934 / +251 911 514799  
 Addis Ababa, Ethiopia  
 E mail - zemedhun\_adane@yahoo.com / adanezemedhun@gmail.com

**Head office**

Bunna Insurance S.C.  
 Bunna Insurance Building  
 P.o Box 81119  
 Tel: +251-111-119635  
 +251-111-576054  
 Fax +251-111-119207  
 Kerkose, Addis Ababa, Ethiopia

**Principal Banker**

Bunna International Bank S.C.  
 Main Branch  
 Africa Venu Road  
 Addis Ababa, Ethiopia

**Reinsurers/Reinsurnace Brokers**

Africa Reinsurance Corportion  
 Ethio Reinsurance Share Company  
 Zep Re ( PTA Reinsurance Company)  
 J.B.Boda Reinsurance Brokers PLC  
 Apex Reinsurance Broker

**Consulting actuaries**

Actuarial Services East Africa Limited  
 26th Floor UAP -Old Mutual Towers  
 Upper Hill Road, Upper Hill  
 Nairobi, Kenya



**Bunna Insurance Share company**  
**For the Year Ended 30 June 2023**  
**Report of the Directors**

The directors submit their report together with the financial statements for the year ended 30 June 2023, to the members of Bunna Insurance Share Company (S.C). This report discloses the financial performance and state of affairs of the Company.

**Incorporation and address**

Bunna Insurance Company (S.C) was registered at commercial registration and obtained its license from National bank of Ethiopia on 21 May 2013 as per insurance Business Proclamation No. 746/2012.

**Principal activities**

The principal activities of the Company is the transaction of general insurance business (non - life) and life and insurance business.

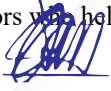
**Results and dividends**

The Company's results for the year ended 30 June 2023 are set out on page 7. The profit for the year has been transferred to retained earnings. The summarised results are presented below.

|   | <b>30 June 2023</b> | <b>30 June 2022</b> |
|---|---------------------|---------------------|
|   | <b>Birr'000</b>     | <b>Birr'000</b>     |
| Net premiums                            | 713,730             | 351,358             |
| Profit /(loss) before income tax        | 59,398              | 45,081              |
| Income tax expense                      | 1,943               | 212                 |
| Profit for the year                     | <b>57,455</b>       | <b>44,869</b>       |
| Other comprehensive income              | (13)                | (173)               |
| Total comprehensive income for the year | <b>57,442</b>       | <b>44,697</b>       |

**Directors**

The directors who held office during the year and to the date of this report are set out on page 1.

  
 Chairman, Board of Directors



  
 Chief Executive Officer



# Bunna Insurance Share Company (S.C.)

## Statement of Board of Directors' Responsibilities

### For the year ended 30 June 2023

In accordance with Financial Reporting Proclamation No. 847 / 2014, Entity prepared the financial statements in accordance with International Financial Reporting Standards (IFRS).

The Board is responsible for the preparation and fair presentation of these financial statements in conformity with International Financial Reporting Standards (IFRS) and applicable national laws as The Commercial Code of Ethiopia, and for such internal control as management determines is necessary to enable financial statements that are free from material misstatement, whether due to fraud or error. The Entity is required to keep such records as are necessary to:

- Exhibit clearly and correctly the state of its affairs,
- Explain its transactions and financial position; and
- Enable regulatory body to determine whether the Entity had complied with the aforementioned proclamation.

The Board of Directors accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards (IFRS) and Commercial Code of Ethiopia.

The Board is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Entity and of its financial performance.

The Board of Directors further accepts responsibility for the maintenance of accounting records that may be relied up on in the preparation of financial statements, as well as adequate systems internal financial control.

Nothing has come to the attention of Directors to indicate that the Entity will not remain a going concern for at least the next 12 months from the date of this statement.

Signed on behalf of the Company by:

  
Chairman, Board of Directors



Accounting and auditing Board of Ethiopia  
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Original Copy Submitted to the Board



Bunna Insurance S.C.  
HO-01

  
Chief Executive Officer

# INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF BUNNA INSURANCE SHARE COMPANY (S.C.)

## Report on the audit of the financial statements

### Opinion

We have audited the accompanying Financial Statements of Bunna Insurance Share Company (S.C.), which comprise the Statement of Financial Position as at 30 June 2023, and the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity / Net Assets and the Statement of Cash Flows for the year then ended, together with significant accounting policies and other explanatory notes to these financial statements set out on pages 9 to 72.

In our opinion, the accompanying Financial Statements present fairly, in all material respects, or give a true and fair view of the Financial Position of the Entity as at 30 June 2023, and its Financial Performance, Changes in Equity and its Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

### Report on Other Legal and Regulatory Requirements

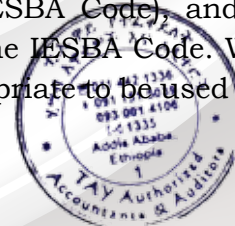
We have no comment to make on the report of the directors related to these financial statements and pursuant to the Commercial Code of Ethiopia, recommend approval of these financial statements of the year ended 30 June 2023.

### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current reporting period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described below under Auditor's Responsibilities for the Audit of the Financial Statements section. We are independent of the organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to be used as a basis for our opinion.



## Responsibilities of Management on the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity, or to cease operations, or has no realistic alternative but to do so.

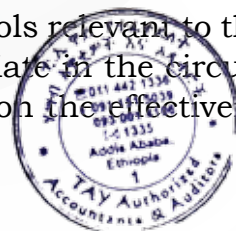
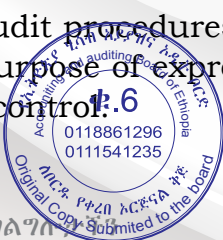
Those charged with governance are responsible for overseeing the Entity's financial reporting process.

## Auditors' responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.





- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

ZEMEDHUN ADANE, FCCA

Chartered Certified Accountants (London)

Addis Ababa, Ethiopia

Certified

Audit

Firm

26 September 2023



**Bunna Insurance Share company**  
**Statement of Profit or Loss and other Comprehensive Income**  
**For the Year Ended 30 June 2023**

|   | Notes  | 2023<br>Birr'000 | 30 June 2022<br>Birr'000 |
|---|--------|------------------|--------------------------|
| <b>Gross written premium</b>  | 5i )   | 902,720          | 480,216                  |
| <b>Premiums ceded to reinsurers</b>                                 | 5i )   | (188,989)        | (128,858)                |
| <b>Net premiums</b>   |        | 713,730          | 351,358                  |
| Change in unearned premium  | (5i)   | (210,215)        | (45,728)                 |
| <b>Net Earned premium</b>   |        | <b>503,515</b>   | <b>305,629</b>           |
| Commissions income  | 7      | 40,543           | 32,044                   |
| <b>Net underwriting income</b>                                      |        | <b>544,058</b>   | <b>337,673</b>           |
| Claims expense  | 26     | 339,807          | 314,262                  |
| Claims recovered from reinsurance                                   | 26(i)  | (44,385)         | (106,949)                |
| Gross change in contract liabilities                                |        | 583,218          | -                        |
| Change in contract liabilities ceded to reinsurers                  |        | (510,029)        | -                        |
| <b>Net benefit and claims</b>                                       |        | <b>368,611</b>   | <b>207,314</b>           |
| Underwriting expense  | 8      | 53,314           | 39,894                   |
| Commission expense  | 9      | 40,501           | 25,900                   |
| <b>Underwriting profit</b>  |        | <b>81,632</b>    | <b>64,565</b>            |
| Investment income   | 11     | 58,435           | 53,353                   |
| Other Income  | 11     | 6,799            | -                        |
| <b>Net income</b>   |        | <b>146,867</b>   | <b>117,918</b>           |
| Other operating and administrative expenses                         | 12     | 83,730           | 58,360                   |
| Finance costs   | 13     | 3,739            | 14,477                   |
| <b>Profit before income tax</b>                                     |        | <b>59,398</b>    | <b>45,081</b>            |
| Income tax expense  | 14     | 1,943            | 212                      |
| Profit for the year   |        | 57,455           | 44,869                   |
| <b>Other comprehensive income</b>                                   |        |                  |                          |
| Items that will not be subsequently reclassified to profit or loss: |        |                  |                          |
| Remeasurement gain/(loss) on retirement benefit obligations         | 29 (C) | (13)             | (173)                    |
| Deffered tax Asset/(Liability) on revaluation of property           |        | -                | -                        |
| <b>Total comprehensive income for the year</b>                      |        | <b>57,442</b>    | <b>44,696</b>            |
| <b>Basic &amp; diluted earnings per share (Birr)</b>                | 33     | <b>26.34%</b>    | <b>20.13%</b>            |

The notes to the financial reports are an integral part of these financial statements

Chairman, Board of Directors

Chief Executive Officer

**Bunna Insurance Share company**  
**Statement of Financial Position**  
**As at June 30, 2023**

| <u>ASSETS</u>                              | <u>Notes</u> | <u>30 June 2023</u><br><u>Birr'000</u> | <u>30 June 2022</u><br><u>Birr'000</u> |
|--|--------------|--|--|
| Property, plant and equipment              | 15           | 175,226                                | 165,973                                |
| Right of use Asset                         | 17           | 8,612                                  | 6,154                                  |
| Statutory deposit held to maturity         | 20           | 45,303                                 | 29,686                                 |
| Equity securities:                         |              |  |  |
| – Available for sale                       | 18           | 224,007                                | 158,867                                |
| - Loans and receivables                    | 19           | 6,730                                  | -                                      |
| Deferred acquisition costs                 | 10 (i)       | 26,768                                 | 14,880                                 |
| Deferred tax Asset                         | 14(f)        | 5,095                                  | 30                                     |
| Reinsurers' share of insurance liabilities | 21           | 715,156                                | 167,052                                |
| Insurance receivables                      | 22           | 115,720                                | 135,912                                |
| Salvage Property held for sale             | 24           | 21,348                                 | 40,686                                 |
| Other assets                               | 23           | 104,986                                | 44,041                                 |
| Cash and cash equivalents                  | 25           | 619,897                                | 320,757                                |
| <b>Total assets</b>                        |              | <b>2,068,849</b>                       | <b>1,084,036</b>                       |
| <b>LIABILITIES AND EQUITY</b>              |              |  |  |
| <b>LIABILITIES</b>                         |              |  |  |
| Insurance contract liabilities             | 26           | 1,304,973                              | 472,909                                |
| Deffered commision income                  | 27           | 20,918                                 | 15,196                                 |
| Deferred income tax Liabilities            | 14(e)        | 893                                    | 2,276                                  |
| Current income Tax Liabilities             | 14(c)        | 1,943                                  | 212                                    |
| Retirement benefit obligations             | 26           | 2,975                                  | 2,117                                  |
| Insurance payables                         | 28           | 227,290                                | 218,832                                |
| Other payables                             | 29           | 129,546                                | 49,447                                 |
| Borrowings                                 | 0            | -                                      | 71,983                                 |
| <b>Total liabilities</b>                   |              | <b>1,688,538</b>                       | <b>832,972</b>                         |
| <b>EQUITY</b>                              |              |  |  |
| Paid - up capital                          |              | 302,021                                | 197,906                                |
| Retained Earnings                          |              | 50,025                                 | 36,837                                 |
| Life Fund                                  |              | 2,878                                  | 1,414                                  |
| Other reserve                              |              | 4,761                                  | -                                      |
| Legal Reserve                              |              | 20,628                                 | 14,907                                 |
| <b>Total equity</b>                        |              | <b>380,313</b>                         | <b>251,064</b>                         |
| <b>Total equity and liabilities</b>        |              | <b>2,068,849</b>                       | <b>1,084,036</b>                       |

Chairman, Board of Directors

Chief Executive Officer



**Bunna Insurance Share company**  
**Statement of Cash Flows**  
**For the Year Ended 30 June 2023**

|  | <u>Notes</u> | <u>30 June 2023</u><br><u>Birr'000</u> | <u>30 June 2022</u><br><u>Birr'000</u> |
|--|--------------|--|--|
| <b>Cash flows from operating activities</b>                |              |  |  |
| Cash generated from operations                             | 36           | 390,848                                | 132,412                                |
| Interest received  |              | (35,094)                               | (29,772)                               |
| Interest Expense on right to use asset                     |              | 1,543                                  | (4,660)                                |
| Remesurment of Employee Benefit                            |              | (64)                                   | (311)                                  |
| Adjustment to other reserve and others                     |              | -                                      | -                                      |
| <b>Net cash (outflow)/inflow from operating activities</b> |              | <b>357,233</b>                         | <b>97,670</b>                          |
| <b>Cash flows from investing activities</b>                |              |  |  |
| Purchase of shares   |              | (65,140)                               | (54,180)                               |
| Interest income received                                   | 11           | 35,094                                 | 29,772                                 |
| Dividend income received                                   | 11           | 23,341                                 | 20,588                                 |
| Purchase of property, plant and equipment                  | 15           | (7,108)                                | (12,338)                               |
| Purchase of government security                            | 19           | (6,730)                                |  |
| Increase of It project in progress                         | 16           | (11,858)                               |  |
| Increase of statutory deposits                             | 20           | (15,617)                               | (2,043)                                |
| Proceeds from sale of property, plant and equipment        | 36           | 2,789                                  | -                                      |
| <b>Net cash (outflow)/inflow from investing activities</b> |              | <b>(45,230)</b>                        | <b>(18,203)</b>                        |
| <b>Cash flows from financing activities</b>                |              |  |  |
| Right to use Asset   | 17           | (8,158)                                | (953)                                  |
| Proceeds from issues of shares                             | 31           | 104,115                                | 24,369                                 |
| Proceeds from Long term borrowing                          | 29 ( c )     | (71,983)                               | (5,260)                                |
| Dividend Paid  | 34           | (36,837)                               | (29,960)                               |
| <b>Net cash (outflow)/inflow from financing activities</b> |              | <b>(12,863)</b>                        | <b>(11,804)</b>                        |
|  |              | <b>299,139</b>                         | <b>67,662</b>                          |
| Cash and cash equivalents at the beginning of the year     | 25           | 320,757                                | 253,094                                |
| Net increase/(decrease) in cash and cash equivalents       |              | 299,139                                | 67,662                                 |
| <b>Cash and cash equivalents at the end of the year</b>    |              | <b>619,896</b>                         | <b>320,757</b>                         |

Chairman, Board of Directors

Chief Executive Officer

**Bunna Insurance Share company**  
**Statement of Changes in Equity**  
**For the Year Ended 30 June 2023**

|  | Share capital  | Share premium | Retained Earning | Legal Reserve | Life fund reserve | Other reserve | Total          |
|--|----------------|---------------|------------------|---------------|-------------------|---------------|----------------|
| Notes  | Birr'000       | Birr'000      | Birr'000         | Birr'000      | Birr'000          | Birr'000      | Birr'000       |
| <b>As at 01 July 2022</b>                                  | <b>197,906</b> | <b>-</b>      | <b>38,251</b>    | <b>14,907</b> | <b>-</b>          | <b>-</b>      | <b>251,064</b> |
| Dividend paid  |                |               | (36,837)         |               |                   |               | (36,837)       |
| Profit for the year  |                |               | 57,455           |               |                   |               | 57,455         |
| Transfer to legal reserve                                  | 35             |               | (5,721)          | 5,721         |                   |               | -              |
| Directors' share of profit                                 |                |               | (1,350)          |               |                   |               | (1,350)        |
| Prior year adjustment                                      | 32             |               | 1,105            |               |                   |               | 1,105          |
| Shares issued  | 104,115        |               |                  |               |                   |               | 104,115        |
| Transfer to life fund reserve                              |                |               | (2,878)          |               | 2,878             |               | -              |
| Remeasurement adjustment on deferred tax asset / liability |                |               | -                |               |                   | 4,761         | 4,761          |
| Remeasurement gains on defined benefit Obligation          |                |               | -                |               |                   |               | -              |
| <b>As at 30 June 2023</b>                                  | <b>302,021</b> | <b>-</b>      | <b>50,025</b>    | <b>20,628</b> | <b>2,878</b>      | <b>4,761</b>  | <b>380,313</b> |

The notes to the financial reports are integral part of these financial statements

**Chairman, Board of Directors**



**Chief Executive Officer**

**Bunna Insurance Share company**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**1 General information**

Bunna Insurance Company (S.Co) ("the Company") is a private commercial Insurance company domiciled in Ethiopia. The Company was established in 21 May 2013 in accordance with the provisions of the Commercial code of Ethiopia of 1960 and in the manner required by the amended by the Commercial Code of Ethiopia, Proclamation No.1243/2021 and subsequently by Insurance Business Proclamation No.746/2012 as amended by the Insurance Business (Amendment) Proclamation No.1163/2019. The registered office is at:

**Head office**

Bunna Insurance Building  
P.o Box 81119  
Tel: +251-111-119635  
+251-111-576054  
+251-111-119207 (Fax)  
Kerkose, Addis Ababa, Ethiopia

The Company is principally engaged in the provision of General and Life Insurance services to clients in the Ethiopian market.

**2 Summary of significant accounting policies**

**2.1 Introduction to summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**2.2 Basis of preparation**

The financial statements for the year ended 30 June 2023 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Additional information required by National regulations is included where appropriate.

The financial statements comprise the statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes to the financial statements.

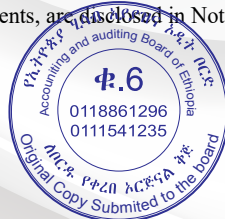
The financial statements have been prepared in accordance with the going concern principle under the historical cost concept.

The financial statements for the year ended 30 June 2023 has prepared in accordance with IFRS.

All values are rounded to the nearest thousand, except when otherwise indicated. The financial statements are presented in thousands of Ethiopian Birr (Birr' 000).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Company's financial statements therefore present the financial position and results fairly.

The areas involving a higher degree of judgment or complexity, or areas where assumptions are made and that are significant to the financial statements, are disclosed in Note 3.





**Bunna Insurance Share company**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**2.2.1 Going concern**

The financial statements have been prepared on a going concern basis. Management have no doubt that the Company would remain in existence after 12 months.

**2.2.2 Changes in accounting policies and disclosures**

**New Standards, amendments, interpretations issued but not yet effective.**

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 30 June 2022, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

**IFRS 9 - Financial Instruments**

IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 replace the multiple classification and measurement models in IAS 39 with a single model that has only three classification categories: amortised cost, fair value through OCI and fair value through profit or loss.

IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss.

IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes.

In September 2016 IFRS 4 was amended by Applying IFRS 9 Financial Instrument with IFRS 4, Insurance Contracts. These amendments address concerns arising from the different effective dates of IFRS 9 and the forthcoming insurance contract standard. Accordingly these amendments introduce two optional approaches: an overlay approach and temporary exemption from applying IFRS 9, deferral approach if an insurer's activities are predominantly connected with insurance. Accordingly the Company determined to choose temporary exemption until it apply IFRS 17 since its insurance contract liabilities is 84% of the total carrying amount of liabilities(excluding deferred taxes) as at 30 June 2023. Early adoption of the standard is permitted. The Company is yet to assess IFRS 9's full impact



**Bunna Insurance Share company**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**IFRS 17 - Insurance contracts**

IFRS 17 was issued in May 2017 and establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

This standard requires a company that issues insurance contracts to report insurance obligations and risks on the balance sheet as the total of:

- (a) the fulfilment cash flows—the current estimates of amounts that the insurer expects to collect from premiums and pay out for claims, benefits and expenses, including an adjustment for the timing and risk of those cash flows; and
- (b) the contractual service margin—the expected profit for providing future insurance coverage (i.e. unearned profit).

The measurement of the fulfilment cash flows reflects the current value of any interest-rate guarantees and financial options included in the insurance contracts.

IFRS 17 requires an entity to recognise profit as it delivers insurance services, rather than when it receives premium, as well as to provide information about insurance contract profits that the Company expected to recognize in the future

IFRS 17 also requires an entity to distinguish between groups of contract expected to be profit making and groups of contract expected to be loss making. Any expected losses arising from loss making, or onerous, contract are accounted for in profit or loss as soon as the Company determines that losses are expected.

IFRS 17 provides new basis for liability measurement and profit recognition. The measurement models are i) Building block approach (BBA) measure the net inflow between the risk adjustment present value of expected inflows and outflows at inception. This method is applicable for measurement of long-term and whole life insurance and reinsurance contract. Ii) Premium allocation approach (PAA) this method is applicable for measurement of short term line group life and general insurance. Iii) Variable fee Approach (VFA) measure participating business where policy holder liability linked to under the term. . This method is applicable for measurement of unit-linked contract, deposit administration contract

The standard replaces IFRS 4 'Insurance contracts'. The standard is effective for annual periods beginning on or after 1 January 2023 and earlier application is permitted. The Company is yet to assess the expected impact on this standard.

**2.3 Foreign currency translation**

**a) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The functional currency and presentation currency of the Company is the Ethiopian Birr (Birr).



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b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at exchange rates of monetary assets and liabilities denominated in currencies other than the Company's functional currency are recognised in profit or loss within other (loss)/income. Monetary items denominated in foreign currency are translated using the closing rate as at the reporting date.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets measure at fair value, such as equities classified as available for sale, are included in other comprehensive income.

**2.4 Property, Plant and Equipment**

Property and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property and equipment if the recognition criteria are met. When significant parts of property and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. All other repair and maintenance costs are recognised in income statement as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

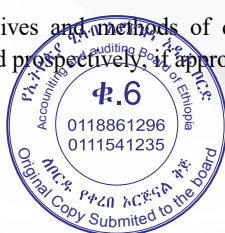
Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

| Asset class              | Useful lives (years) | Residual value (%) |
|--------------------------|----------------------|--------------------|
| Buildings                | 50                   | 5%                 |
| Lift                     | 15                   | 1%                 |
| Motor vehicles           | 10                   | 5%                 |
| Furniture & fittings     | 10                   | 1%                 |
| Office equipment         | 7                    | 1%                 |
| Computer and accessories | 7                    | 1%                 |

The Company commences depreciation when the asset is available for use. Capital work-in-progress is not depreciated as these assets are not yet available for use. They are disclosed when reclassified during the year.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.





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**2.5 Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in income statement in the period in which the expenditure is incurred .

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expenses on intangible assets with finite lives is presented as a separate line item in the income statement.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives, as follow:

| Intangible assets class | Useful lives (years) | Residual value(%) |
|-------------------------|----------------------|-------------------|
| Computer software       | 8                    | 0%                |

**IFRS 16 Leases**

IFRS 16 Lease was issued by IASB on January 2016 and is effective for the period beginning on or after 1 January 2019. IFRS 16 is a new lease accounting standards it replace lease accounting standard IAS 17. The new standard requires lessees to recognise nearly all leases on the balance sheet which will reflect their right to use an asset for a period of time and the associated liability for payments.

The objective of IFRS 16 is to report information that (a) faithfully represents lease transactions and (b) provides a basis for users of financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. To meet that objective, a lessee should recognise assets and liabilities arising from a lease with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

For a lessee, a lease that is accounted for under IFRS 16 results in the recognition of

- a right-of-use asset and lease liability
- Interest expense (on the lease liability)
- Depreciation expense (on the right-of-use asset).

The right-of-use asset and lease liability must be presented or disclosed separately from other, non-lease assets and liabilities (except for investment property right-of-use assets which are presented as investment property).

In the statement of financial position IFRS 16 present as Right-of-use assets separately from other assets and Lease liabilities separately from other liabilities.

Statement of profit IFRS 16 requires separate presentation of the interest expense on the lease liability and the depreciation charge for the right-of-use asset in the lessee’s statement of profit or loss. The interest expense on the lease liability is a component of finance costs, which IAS 1 requires to be presented separately in the statement of profit or loss . In the statement of cash flows, a lessee is required to classify cash payments for the principal portion of the lease liability within financing activities. Cash payments for the interest portion of the lease liability are classified as operating activities when applying the requirements in IAS 7 for interest paid. Furthermore, short-term lease payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability are classified within operating activities.



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**Transaction method and practical expedients applied**

The Company applied the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17.

- Apply a single discount rate to a portfolio of leases with reasonably similar characteristic
- Applied the exemption not to recognize right of use assets and liabilities for leases with less than 12 months of lease term remaining as of the date of initial application
- Reliance on previous assessments on whether leases are onerous as opposed to preparing impairment review under IAS35 as at the date of initial application
- Exclude initial costs from the measurements of the right of use asset at the date of initial application

On adoption of IFRS 16, The Company recognized right -of assets and lease liabilities in relation to leases of office space ,wjoch had previously been classified as opertin leases

The lease liabilities were measured at the present value of the remaining lease payments, dicountilng using the Company's incremental borrowing rate as at 1 July 2022. The incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor or National Bank o Ethiopia under comparable terms and condition. The right of use assets of office space is measured at an amount equal to the lease liability,adjusted by the amount of any prepaid or accrued lease payments

**2.6 Deferred Acquisition costs (DAC)**

Commissions payable are based on the premium written and are recorded as an expense in the period in which they are incurred. A proportion of commissions payable is deferred and amortised over the period in which the related premium is earned. Deferred acquisition costs represent a proportion of acquisition costs that relate to policies that are in force at the year end.

**2.7 Statutory Deposit**

Statutory deposit are cash balance held with the National Bank of Ethiopia in line with article 20 of Insurance Business proclamation no. 746/2012 and may not be withdrawn except with the written premission of the National Bank of Ethiopia or be used as a pledge or security for any loan. They have been separatley diclosed due to their nature and liquidity. Statutory depoit is measured at cost .

**2.8 Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.



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The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement.

**2.9 Financial instruments - initial recognition and subsequent measurement**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**2.9.1 Financial Assets**

**2.9.1.1 Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**2.9.1.2 Subsequent measurement**

For purposes of subsequent measurement of the Company's financial assets are classified into two categories:

- Loans and receivables, and
- Available for sale

**a) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest and similar income in income statement. The losses arising from impairment are recognized in income statement in loan impairment charge.

The Company's loans and receivables comprise of trade receivables, investment securities and other financial assets. Receivables arising from insurance contracts are also classified in this category and are reviewed for impairment as part of the impairment review of loans and receivables.





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**b) Available-for-sale (AFS) financial assets**

AFS investments include equity investments. Equity investments classified as AFS are those which are neither classified as held-for-trading nor designated at fair value through profit or loss.

After initial measurement, AFS financial investments are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income and credited in the AFS reserve until the investment is derecognized, at which time the cumulative gain or loss is recognized in other operating income, or the investment is determined to be impaired, when the cumulative loss is reclassified from the AFS reserve to income statement in impairment loss on financial investment. Interest earned whilst holding AFS financial investments is reported as interest and similar income using the EIR method. Unquoted equity securities whose fair value cannot be reliably measured are carried at cost.

The Company evaluates whether the ability and intention to sell its AFS financial assets in the near term is still appropriate. When, the Company is unable to trade these financial assets due to inactive markets, the Company may elect to reclassify these financial assets if the management has the ability and intention to hold the assets for foreseeable future or until maturity.

For a financial asset reclassified from the AFS category, the fair value carrying amount at the date of reclassification becomes its new amortized cost and any previous gain or loss on the asset that has been recognized in equity is amortized to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortized cost and the maturity amount is also amortized over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to profit or loss. Refer to the information below under reclassification.

**( c ) 'Day 1' profit or loss**

When the transaction price differs from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable markets, the Company immediately recognises the difference between the transaction price and fair value (a 'Day 1' profit or loss) in 'Other operating income'.

In cases where fair value is determined using data which is not observable, the difference between the transaction price and model value is only recognised in the profit or loss when the inputs become observable, or when the instrument is derecognised.

**( d ) Reclassification of financial assets**

Reclassification is at the election of management, and is determined on an instrument by instrument basis. The Company does not reclassify any financial instrument into the fair value through profit or loss category after initial recognition.

For a financial asset reclassified out of the 'Available-for-sale' category, any previous gain or loss on that asset that has been recognised in equity is amortised to income statement over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the expected cash flows is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired then the amount recorded in equity is reclassified to income statement.

The Company may reclassify a non-derivative trading asset out of the 'held-for-trading' category and into the 'loans and receivables' category if it meets the definition of loans and receivables and the Company has the intention and ability to hold the financial asset for the foreseeable future or until maturity.

If a financial asset is reclassified, and if the Company subsequently increases its estimates of future cash receipts as a result of increased recoverability of those cash receipts, the effect of that increase is recognised as an adjustment to the EIR from date of change in estimate.



**(e) Derecognition of financial assets**

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company’s statement of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company’s continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**(f) Impairment of financial assets**

The Company assesses at each reporting date, whether there is any objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred ‘loss event’), has an impact on the estimated future cash flows of the financial asset or the Company of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, the probability that they will enter Companyruptcy or other financial reorganisation, default or delinquency in interest or principal payments and where observable data indicates that there is measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

**(i) Financial assets carried at amortised cost**

For financial assets carried at amortised cost (such as loans and receivables), the Company first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.



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The interest income is recorded as part of 'Interest and similar income'. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Company. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to the 'loan impairment charge'. The present value of the estimated future cash flows is discounted at the financial asset's original EIR. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current EIR. The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

**(ii) Available-for-sale (AFS) financial assets**

Available-for-sale financial assets are impaired if there is objective evidence of impairment, resulting from one or more loss events that occurred after initial recognition but before the reporting date, that have an impact on the future cash flows of the asset. In addition, an available-for-sale equity instrument is generally considered impaired if a significant or prolonged decline in the fair value of the instrument below its cost has occurred. Where an available-for-sale asset, which has been remeasured to fair value directly through equity, is impaired, the impairment loss is recognised in profit or loss. If any loss on the financial asset was previously recognised directly in equity as a reduction in fair value, the cumulative net loss that had been recognised in equity is transferred to profit or loss and is recognised as part of the impairment loss. The amount of the loss recognised in profit or loss is the difference between the acquisition cost and the current fair value, less any previously recognised impairment loss.

If, in a subsequent period, the amount relating to an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, where the instrument is a debt instrument, the impairment loss is reversed through profit or loss. An impairment loss in respect of an equity instrument classified as available-for-sale is not reversed through profit or loss but accounted for directly in equity.

**2.10 Financial liabilities**

**a) Initial recognition and measurement**

Financial liabilities are classified at initial recognition, as financial liabilities at fair value through profit or loss and other financial liabilities.

All financial liabilities are recognised initially at fair value and, in the case of other financial liabilities, net of directly attributable transaction costs. The Company's financial liabilities include insurance contract liabilities, creditors arising from reinsurance arrangements and other payables.

**b) Subsequent measurement**

For financial liabilities, the most significant effect of IFRS 9 relates to cases where the fair value option is taken: the amount of change in fair value of a financial liability designated as at fair value through profit or loss that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income (rather than in profit or loss), unless this creates an accounting mismatch

**c) De-recognition of financial liabilities**

Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expired. When the existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.





**2.10.1 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where The Company has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legal enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in event of default, insolvency or bankruptcy of the Company or the counterparty.

**2.11 Other assets**

There are other receivables and prepayments. Other receivables are stated after deduction of amount considered had or doubtful of recovery. These are loans and receivables other than investment securities. Insurance trade receivables and reinsurance assets. When a debt is deemed not collectible, it is written-off against the related provision or directly to profit and loss account to the extent not previously provided for. Any subsequent recovery of written-off debts is credited to profit or loss

Other receivables are generally defined as claims held against other entities for the future receipt of money or other benefits. The other assets in the Company's financial statements include the following:

**(a) Prepayments**

Prepayments are payments made in advance for services to be enjoyed in future. The amount is initially capitalized in the reporting period in which the payment is made and subsequently amortised over the period in which the service is to be enjoyed.

**(b) Other receivables**

Other receivables are recognised upon the occurrence of event or transaction as they arise and cancelled when payment is received. The Company's other receivables are deposit, staff debtors and sundry debtors.

**2.12 Cash and cash equivalents**

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash in hand, deposits held at call with Banks and other short-term highly liquid investments .

**2.13 Insurance contracts**

The Company issues contracts that transfer insurance risk . Insurance contracts are those contracts that transfer significant insurance risk. As a general guideline, the Company defines as significant insurance risk the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable if the insured event did not occur.

**(a) Recognition and measurement**

In line with IFRS 4, the Company Insurance contract are classified into two main categories ,depending on the duration of risk and whether or not the terms and condition are fixed.

**i) Non-life Insurance contract**

These contracts are accident and casualty and property insurance contracts. Accident and Casualty insurance contract protect the Company's customers against the risk of causing harm to third parties as a result of their legitimate activities. Damages covered include both contractual and non-contractual events. The typical protection offered is designed for employers who become legally liable to pay compensation to injured employee(employers' liability) and for individual and business customers who become liable to pay compensation to a third party for bodily harm or property damage (public liability)



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Property insurance contracts mainly compensate the Company's customer for damage suffered to their properties or for the value of property lost. Customers who undertake commercial activities on their premises could also receive compensation for the loss of earning caused by the inability to use the insured properties in their business activities (business interruption cover)

**ii) Life Insurance contract**

These contract insure events associated with human life (for example, death or survival) over a long duration.

In addition, the company has short-term life insurance contracts which protect the Company's policyholders from the consequences of events (such as death or disability) that would affect the ability of the insured or his/her dependent to maintain their current level of income. Guaranteed benefits paid on occurrence of the specified insurance events are either fixed or linked to the extent of the economic loss suffered by the insured or the beneficiary. In such case, there are no maturity or surrender benefits.

**(b) Liability adequacy test**

At each end of the reporting period, liability adequacy tests are performed to ensure the adequacy of the contract liabilities net of related DAC. In performing these tests, current best estimate of future contractual cash flows and claims handling and administration expenses, as well as investment income from the assets backing such liabilities, are used. Any deficiency is immediately charged to profit or loss initially by writing off DAC and by subsequently establishing a provision for loss arising from liability adequacy test (the unexpired risk provision)

As set out under note 4.2, life insurance contracts are measured based on assumptions set out at the inception of the contract. When the liability adequacy test requires the adoption of new best estimate assumptions, such assumptions (without margins for adverse deviation) are used for the subsequent measurement of these liabilities. Any DAC written off as a result of this test cannot subsequently be reinstated







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**(f) Salvage and subrogation reimbursements**

Some insurance contracts permit the Company to sell (usually damaged) property acquired in settling a claim (for example, salvage). the Company may also have the right to pursue third parties for payment of some or all costs (for example, subrogation). Estimates of salvage recoveries are included as an allowance in the measurement of the insurance liability for claims and salvage property is recognised in other assets when the liability is settled. The allowance is the amount that can reasonably be recovered from the disposal of the property. Subrogation reimbursements are also considered as an allowance in the measurement of the insurance liability for claims and are recognised in other assets when the liability is settled. The allowance is the assessment of the amount that can be recovered from the action against the liable third party.

**2.14 Insurance contract Liabilities**

The recognition and measurement of insurance contracts have been set out under Note 2.11. Insurance contract liabilities arising from insurance contracts are determined as follows

**(I) Non-Life Insurance**

**(a) Reserve for outstanding claims**

The reserve for outstanding claims is maintained at the total amount of outstanding claims incurred and reported plus claims incurred but not reported ('IBNR') as at the balance sheet date. The IBNR is based on the liability adequacy test described in Note 2.11

**(b) Reserve for unearned premium and unexpired risk**

Reserve for unearned premium is calculated on a time apportionment basis in respect of risk accepted during the year . A provision for additional unexpired risk reserve is recognised for an underwriting year where it is envisaged that the estimated cost of claims and expense would exceed the unearned premium reserve.

At the end of the reporting period ,proportions of net retained premium of the general insurance are provided to cover portion of risk which have not expired. The reserves are calculated on 1/24th method as prescribed by the Directive of the National Bank of Ethiopia.

**(c) Reserve methodology**

Data segmentation: . The data used for reserving is segmented into the following classes as per the NBE Directives

- Motor
- Marine
- Fire & Accident]
- Pecuniary
- Engineering
- Accident & health
- Liability
- Workmen compensation
- Political Violence and
- Others

**(ii) Life insurance contract**

This is made up of net liabilities on policies in forces as determined by qualified actuaries at the reporting date. Surplus or deficit arising from the periodic valuation of the life insurance contracts are recognised in the statement of profit and loss.

The reserve include incurred But Not Reported (IBNR) and unearned Premium Reserve (UPR)



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**Reserving methodology**

Data segmentation. The data used for reserving is segmented into the following classes

- Term
- Endowment
- Permanent health
- Other

**2.15 Revenue recognition**

**(a) Gross premiums**

Gross recurring premium on life and non-life contract are recognised as revenue when paid by the policyholder. For single premium business, revenue is recognised on the date on which the policy is effective. Gross general insurance written premium comprise the total premium received for the whole period of cover provided by contract entered into during the reporting period. They are recognised on the date on which the policy commences. Premiums include any adjustment arising in the reporting period for premium receivable in respect of business written in prior accounting periods. Rebates that form part of the premium rate, such as no claims rebates, are deducted from the gross premium; others are recognised as an expense.

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated on a 1/24 method as per National bank Ethiopia directive. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

**(b) Reinsurance premiums**

Gross outward reinsurance premiums on life and non-life contracts are recognised as an expense on the earlier of the date when premium are payable or when the policy become effective.

Gross general reinsurance premium ceded comprise the total premiums payable for the whole cover provided by contract entered into in the period and are recognised on the date on which the policy incept. Premium include any adjustment arising in the accounting period in respect of reinsurance contract incepting in prior accounting period.

Unearned reinsurance premiums are those proportions of premiums ceded in a year that relate to periods of risk after the reporting date. Unearned reinsurance premiums are deferred over the term of the underlying direct insurance policies for risks-attaching contracts and over the term of the reinsurance contract for losses-occurring contracts.

Reinsurance premiums and claims on the face of the statement of profit or loss have been presented within premiums and net benefits and claims, respectively, because this is consistent with how the business is managed.

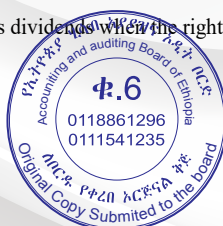
**(c) Fees and commission income**

Insurance policyholders are charged for policy administration services, investment management services, surrenders and other contract fees. These fees are recognised as revenue over the period in which the related services are performed. If the fees are for services provided in future periods, then they are deferred and recognised over those future periods.

**(d) Investment income**

Interest income is recognised in the statement of profit or loss as it accrues and is calculated by using the EIR method. Fees and commissions that are an integral part of the effective yield of the financial asset are recognised as an adjustment to the EIR of the instrument.

Investment income also includes dividends when the right to receive payment is established.



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**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**(e) Dividend income**

This is recognised when the Company's right to receive the payment is established, which is generally when the shareholders approve and declare the dividend.

**2.16 Gross benefits and claims**

Gross benefits and claims for life and non-life insurance contracts include all claims arising during the year, including internal and external claims handling costs that are directly related to the processing and settlement of claims and policyholders bonuses declared. Change in the gross valuation of insurance and investment contract liabilities are also included whether reported or not, related internal and external claims handling costs that are directly related to the process. Death claims and surrenders are recorded on the basis of notification received. Maturities and annuity payment are recorded when due.

General insurance and health include all claims occurring during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries and any adjustments to claims outstanding from previous year

**2.17 Claims recoverd from reinsurers**

Reinsurance claims are recognised when the related gross insurance claim is recognised according to the terms of the relevant contract.

**2.18 Finance cost**

Interest paid is recognised in the statement of profit or loss as it accrues and is calculated by using the EIR method. Accrued interest is included within the carrying value of the interest bearing financial liability.

**2.19 Underwriting expenses**

Underwriting expenses are made up of acquisition and maintenance expense comprising commission and policy expense and other direct costs

Underwriting expenses for insurance contract are recognized as expense when incurred, with the exception of acquisition cost which are recognized on a time apportionment basis in respect of risk

**2.20 Employee benefits**

The Company operates various post-employment schemes, including both defined benefit and defined contribution pension plans and post employment benefits.

**(a) Wages, salaries and annual leave**

Wages, salaries, bonuses, other contributions, paid annual leave and sick leave are accrued in the year in which the associated services are rendered by employees of the Company.

**(b) Defined contribution plan**

The Company operates two defined contribution plans;

- i) pension scheme in line with the provisions of Ethiopian pension of private organisation employees proclamation 715/2011. Funding under the scheme is 7% and 11% by employees and the Company respectively. Employer's contributions to this scheme are charged to profit or loss in the year in which they relate.





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*(c) Defined benefit obligation*

The Company operates a defined benefit severance scheme in Ethiopia. Where members of staff who have spent 5 years or more in service of the Company are entitled to benefit payments upon retirement. The benefit payments are based on final emolument of staff and length of service. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of gratuity benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognized in respect of defined benefit gratuity plan is the defined benefit.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market interest rates on government bonds that have terms to maturity approximating to the related pension obligation.

Company's contribution to this scheme are charged to profit or loss in the year in which they relate

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Remeasurement gain and loss arising from experience adjustment and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which the rise

current service and interest cost are included as part of employee benefit expense in the profit or loss. Past-service costs are recognised immediately in profit or loss. Gain or loss on curtailment or settlement are recognised in profit or loss when the curtailment or settlement occurs.

**2.19 Fair value measurement**

The Company measures financial instruments classified as available-for-sale at fair value at each statement of financial position date. Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed are, summarised in the following notes:

- Disclosures for valuation methods, significant estimates and assumptions Note 4.8 and Notes 3
- Quantitative disclosures of fair value measurement hierarchy Note 4.8.2
- Financial instruments (including those carried at amortised cost) Note 4.8.3

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.



**Bunna Insurance Share company**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest

For the purpose of fair value disclosures, the Company has determined class of assets and liabilities on the bases of the nature, characteristics and risks of the assets or liability and the level of the fair value hierarchy as explained above.

**2.21 Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as other operating expenses.

**2.22 Insurance payable**

Insurance payable are recognised initially at fair value and subsequently measured at amortised cost using effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date is less than one year, discounting is omitted as the impact is not expected to be significant

**2.23 Other payables**

Other payable are recognised initially at fair value and subsequently measured at amortised cost using effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date is less than one year, discounting is omitted as the impact is not expected to be significant



**Bunna Insurance Share company**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**2.24 Share Capital**

The Company classifies ordinary share as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of new shares are recognized as deduction from equity, net of tax from the proceeds. The excess of the issue price over the par value is recorded in the share premium reserve.

**2.25 Earnings per share**

The Company presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS are calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of shares paid during the period.

**2.26 Retained earnings**

The net profit or losses from operation in current and prior periods are accumulated in retained earnings less distributions to equity holders

**2.27 Legal reserve**

In accordance with Article 22 sub articles (1) and (2) of Insurance Business Proclamation No. 746/2012, The Company, at the end of each financial year, transfers to its legal reserve to account a sum of not less than 10% of profit. When the legal reserve becomes equal to the paid-up capital of the Company, the amount of the legal reserve to be retained by the Company each year from its net profit shall be determined by NBE's directive

**2.28 Dividend**

Dividends are recorded in equity in the period in which they are declared. Any dividends declared after the end of the reporting period and before the financial statements are authorised for issue, are disclosed in the subsequent events note. The statutory accounting reports of the Company are the basis for profit distribution and other appropriations

**2.29 Leases**

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

**Company as a lessee**

Leases that do not transfer to the Company substantially all of the risks and benefits incidental to ownership of the leased items are operating leases. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term. Contingent rental payable is recognised as an expense in the period in which they it is incurred.

**Company as a lessor**

Leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset are classified as operating leases. Rental income is recorded as earned based on the contractual terms of the lease in Other operating income. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.





**Bunna Insurance Share company**  
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**2.30 Income taxation**

**(a) Current income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in Ethiopia. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**(b) Deferred tax**

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax assets and liabilities are only offset when they arise in the same tax reporting group and where there is both the legal right and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**3 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Capital management Note 4.7
- Financial risk management and policies Note 4
- Sensitivity analyses disclosures Note 4.2

**3.1 Judgments**

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amount recognised in the financial statements



**Bunna Insurance Share company**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**Right to use Asset**

The Company recognize right of use asset at the commencement date of the lease (the date the underlying asset is available for use).The Company lease office building for a fixed period of 1-5 years and most case they are renewable . All Company's right to use asset are supported by lease agreements. The lease agreement amount are fully or partially settled. The right to use asset are measured at cost less any accumulated deprecaion and impairment losses and any re-measurement of lease liabilities.The right to use asset deperciated on a straight line basis over the lease period. The right to use assets arising from a lease are initially measured on present value basis and also subject to impirment

The right to use asset were measured as equal to the lease liability and adjusted fory any accruals or prepayments on the balance sheet .

**3.2 Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**( a) Valuation of insurance contract liabilities**

**Life insurance contract liabilities**

The liability for life insurance contracts is either based on current assumptions or on assumptions established at the inception of the contract, reflecting the best estimate at the time together with a margin for risk and adverse deviation. All contract are subject to a liability adequacy test which refelect Management's best current estimate of future cash flows.

These liabilities are estimated using appropriate and acceptable base table of standard mortality according to the type of contract being written. Management makes various assumption such as expenses inflation and mortality in estimating the required liabilities for life contract

**Non-life insurance**

For non-life insurance contracts, estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred, but not yet reported, at the reporting date (IBNR). It can take a significant period of time before the ultimate claims cost can be established with certainty and for some type of policies, IBNR claims form the majority of the liability in the statement of financial position.

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder and average cost per claim method.

The main assumption underlying these techniques is that a Company’s past claims development experience can be used to project future claims development and hence ultimate claims costs. As such, these methods extrapolate the development of paid and incurred losses, average costs per claim and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years, but can also be further analysed by geographical area, as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based.



**Bunna Insurance Share company**  
**Notes to the financial statements**  
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Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the likely outcome from the range of possible outcomes, taking account of all the uncertainties involved.

Similar judgements, estimates and assumptions are employed in the assessment of adequacy of provisions for unearned premium. Judgement is also required in determining whether the pattern of insurance service provide by a contract requires amortisation of unearned premium on a basis other than time apportionment.

**(b) Fair value measurement of financial instrument**

When the fair values of financial asset and financial liabilities recorded in the statement of financial position cannot be measured based on quoted price in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The input to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values judgements include considerations of input such as liquidity risk, credit risk and volatility change in assumptions about these factors could affect the report fair value of financial instruments see Note 4.7.2 for further disclosures

**(c) Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**(d) Liabilities arising from insurance contracts**

Liabilities for nonpaid claims are estimated on case by case basis. The reserves made for claims fluctuate based on the nature and severity of the claims reported. Claims incurred but not reported are determined using statistical analysis and the Company deems the reserves as adequate.

**(e) Retirement benefit obligations**

The present value of the retirement benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumption . Any changes in these assumptions will impact the carrying amount of severance pay obligations. The assumption used in determining the net cost (income) include the discount rate, rate of return on assets future salary increments and mortality rates.

The Company determines the appropriate discount rate at the end of the year. This is the interest rate that should be used to determine the present value of estimated future cash outflow expected to be required to settle the gratuity obligations. In determining the appropriate discount rate, the Company considers the interest rates of high-quality government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related liability. Other key assumption for retirement benefit obligations are based in part on current market conditions.





**Bunna Insurance Share company**  
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**( f ) Depreciation and carrying value of property, plant and equipment**

The estimation of the useful lives of assets is based on Management's judgments. The Company estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. Property, plant and equipment is depreciated over its useful life. Estimates could change if expectations differ due to physical wear and tear and technical or commercial obsolescence, it is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amount and timing of expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property, plant and equipment would increase expenses and decrease the carrying value of non-current assets

**( g ) Impairment of non-current assets**

The Company reviews other non-financial assets for possible impairment if there are events or changes in circumstances that indicated that the carrying values of the assets may not be recoverable, or at least at every reporting date, when there is any indication that the asset might be impaired. The Company is of the opinion that there is no impairment indicator on its non-financial assets as at the reporting date.



## **4 Insurance and financial risk management**

### **4.1 Introduction**

Risk is inherent in the Company's activities, but is managed through a process of ongoing identification, measurement and monitoring subject to risk limit and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to insurance and financial (credit, liquidity and market) risk. It is also subject to country risk and various operating risks.

The Company's activities expose it to a variety of financial risks, including insurance risk, financial risk, credit risk, and interest rates risk. The Company's overall risk management programme focuses on the identification and management of risks and seeks to minimise potential adverse effects on its financial performance, by use of underwriting guidelines and capacity limits, reinsurance planning, credit policy governing the acceptance of clients, and defined criteria for the approval of intermediaries and reinsurers. Investment policies are in place, which help manage liquidity, and seek to maximise return within an acceptable level of interest rate risk.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. The Company's policy is to monitor those business risks through the Company's strategic planning process.

### **4.1.1 Risk management structure**

The Board of Directors (The Board) is responsible for the overall risk encountered by the Company. The Board is responsible to develop comprehensive risk management program and policies of the Company. The Board has an oversight role on the proper implementation of the Company's risk management program or policies. The Board monitors proper implementation policies through various reports.

The Senior Management has the overall responsibility for the proper execution and interpretation of the risk strategy and implementing principles, frameworks, policies and limits. It is also responsible for managing risk decisions and monitoring risk levels and deliberate on reports to the Board regarding risk management issues and give timely directions.

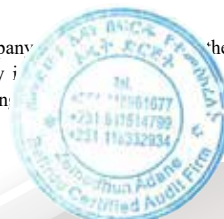
The Risk Management Unit is responsible for implementing and maintaining risk related procedures, independently assesses and monitor the level of risk assumed by the Company. Besides, the Risk Management Unit is responsible for monitoring compliance with risk principles, policies and limits across the Company. It carries out an assessment of risk on periodic basis to monitor the Company's overall risk, including monitoring the risk of exposures against limits and the assessment of risks of new products and structured transactions. Exceptions are reported, where necessary, to the Board's Risk Committee and the relevant actions are taken to address exceptions and any areas of weakness. The unit works closely with the Management Risk Committees to ensure that procedures are compliant with the overall framework. The unit is functionally responsible to the Board. The risk management has also reporting relationship with internal audit function. Internal audit function among others ensures the effectiveness of the risk management function periodically. Internal Audit Function discusses the results of its assessments with management, and reports its findings and recommendations to the Board Audit Committee.

The Company's Finance Department is responsible for managing the financial assets, financial liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

### **4.1.2 Risk measurement and reporting systems**

The Company's risks are measured using methods that reflect both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical model. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment.

Monitoring and controlling risks is primarily performed based on limits established by the Company's business strategy and market environment of the Company, as well as the level of risk that the Company places on selected regions. In addition, the Company measures and monitor the overall risk bearing additional aggregate risk exposure across all risk types and activities.



**Bunna Insurance Share Company (S.C)**  
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**4.1.3 Risk mitigation**

The Company uses various risk mitigating techniques to reduce its risk to the level acceptable. Risk controls and mitigants, identified and approved for the Company, are documented for existing and new processes and systems.

Risk control processes are identified and discussed in the quarterly risk report of the Risk Committee meetings. Control processes are also regularly reviewed and changes agreed with the Board.

**4.2 Insurance risk**

The principal risk the Company faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Company is to ensure that sufficient reserves are available to cover these liabilities.

The risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements. The Company purchases reinsurance as part of its risks mitigation programme. Reinsurance ceded is placed on both a proportional and non-proportional basis. The majority of proportional reinsurance is quota-share reinsurance which is taken out to reduce the overall exposure of the Company to certain classes of business. Non-proportional reinsurance is primarily excess-of-loss reinsurance designed to mitigate the Company's net exposure to catastrophe losses. Retention limits for the excess-of-loss reinsurance vary by product line and territory.

Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. Although the Company has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements. The Company's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Company substantially dependent upon any single reinsurance contract.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

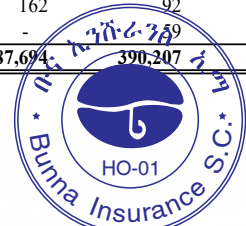
**4.2.1 Non- life insurance contracts**

The Company principally issues the following types of general insurance contracts: Property insurance, Engineering insurance, Pecuniary insurance and Liability insurance. Risks under non-life insurance policies usually cover twelve months duration. The table below sets out the concentration of life insurance contract liabilities by type of contract:

For general insurance contracts, the most significant risks arise from climate changes, natural disasters and terrorist activities. For longer tail claims that take some years to settle, there is also inflation risk.

The table below sets out the concentration of non-life insurance contract liabilities by type of contract:

| 30 June 2023                     | Claims reported |               |                | Incurred but not reported |             |              |
|----------------------------------|-----------------|---------------|----------------|---------------------------|-------------|--------------|
|                                  | Gross           | Reinsurance   | Net            | Gross                     | Reinsurance | Net          |
|                                  | Birr'000        | Birr'000      | Birr'000       | Birr'000                  | Birr'000    | Birr'000     |
| Motor Insurance                  | 314,952         | 19,255        | 295,698        | 17207                     | 1833        | 15,374       |
| Marine insurance                 | 5,602           | 1,654         | 3,947          | 915                       | 714         | 201          |
| Fire and accident insurance      | 22,879          | 15,179        | 7,700          | 1653                      | 1044        | 608          |
| Engineering insurance            | 41,397          | 20,089        | 21,308         | 1058                      | 285         | 773          |
| Workmen compensation             | 8,185           | 1,929         | 6,256          | 376                       | 31          | 346          |
| GPA insurance                    | 2,675           | 135           | 2,540          | 206                       | 19          | 187          |
| Pecuniary insurance              | 544             | 61            | 483            | 4387                      | 3061        | 1,326        |
| Liability insurance              | 48,778          | 2,273         | 46,504         | 3918                      | 207         | 3,711        |
| Political Violence and Terrorism | 32,577          | 26,957        | 5,620          | 4229                      |             | 897          |
| Travel Health                    | 254             | 162           | 92             |                           |             | -            |
| All risk                         |                 |               |                |                           |             | -            |
| <b>Total</b>                     | <b>477,901</b>  | <b>87,694</b> | <b>390,207</b> | <b>33,947</b>             |             | <b>3,423</b> |





**Bunna Insurance Share Company (S.C)**  
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**For the Year Ended 30 June 2023**

| 30 June 2022                     | Claims reported |               |               | Incurred but not reported |               |               |
|----------------------------------|-----------------|---------------|---------------|---------------------------|---------------|---------------|
|                                  | Gross           | Reinsurance   | Net           | Gross                     | Reinsurance   | Net           |
|                                  | Birr'000        | Birr'000      | Birr'000      | Birr'000                  | Birr'000      | Birr'000      |
| Motor Insurance                  | 91,270          | 25,377        | 65,893        | 17,207                    | 1,833         | 15,374        |
| Marine insurance                 | 819             | 701           | 118           | 915                       | 714           | 201           |
| Fire and accident insurance      | 1,127           | 120           | 1,008         | 1,653                     | 1,044         | 608           |
| Engineering insurance            | 7,042           | 3,602         | 3,440         | 1,058                     | 285           | 773           |
| Workmen compensation             | 628             | 31            | 597           | 376                       | 31            | 346           |
| GPA insurance                    | 28              | 0             | 28            | 206                       | 19            | 187           |
| Pecuniary insurance              | 74,829          | 63,622        | 11,208        | 4,387                     | 3,061         | 1,326         |
| Liability insurance              | 6,675           | 334           | 6,341         | 3,918                     | 207           | 3,711         |
| Political Violence and Terrorism | 4,385           | 3,186         | 1,199         | 4,229                     | 3,332         | 897           |
| Travel Health                    | -               | -             | -             | -                         | -             | -             |
| All risk                         | -               | -             | -             | -                         | -             | -             |
| <b>Total</b>                     | <b>186,803</b>  | <b>96,972</b> | <b>89,831</b> | <b>33,949</b>             | <b>10,525</b> | <b>23,423</b> |

**Key assumptions**

The principal assumption underlying the liability estimates is that the Company's future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of average claim costs, claim handling costs, claim inflation factors and claim numbers for each accident year. Additional qualitative judgements are used to assess the extent to which past trends may not apply in the future, for example: one-off occurrence; changes in market factors such as public attitude to claiming, economic conditions, as well as internal factors such as portfolio mix, policy conditions and claims handling procedures. Judgement is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates.

**Sensitivities**

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non-linear.

The key assumption to which the estimation of liabilities is particularly sensitive are , as follows

| Increase in gross liabilities:  | Change in assumptions | Change in liability |              |
|---------------------------------|-----------------------|---------------------|--------------|
|                                 |                       | 30 June 2023        | 30 June 2022 |
|                                 |                       | Birr'000            | Birr'000     |
| Average claim cost              | +10%                  | 6,276,986           | 3,409,540    |
| Average number of claims        | +10%                  | -6,276,986          | -3,153,579   |
| Average claim settlement period |                       |                     |              |

| Decrease in gross liabilities:  | Change in assumptions              | Change in liability |              |
|---------------------------------|------------------------------------|---------------------|--------------|
|                                 |                                    | 30 June 2021        | 30 June 2020 |
|                                 |                                    | Birr'000            | Birr'000     |
| Average claim cost              | +10%                               | 2,316,185           | 3,409,540    |
| Average number of claims        | +10%                               | -2,316,185          | -3,153,579   |
| Average claim settlement period | Reduce from 30 months to 24 months |                     |              |



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Gross non-life insurance contract outstanding claims provision for 2023:

| Accident Year                     | 2018              | 2019               | 2020               | 2021               | 2022               | 2023               |
|-----------------------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                   | Birr'000          | Birr'000           | Birr'000           | Birr'000           | Birr'000           | Birr'000           |
| At end of claim year              | 87,904,695        | 114,889,814        | 136,460,742        | 174,585,618        | 248,145,072        | 890,493,625        |
| One year later                    | 2,811,493         | 2,200,695          | 5,928,004          | 11,173,260         | 1,220,371          |                    |
| Two years later                   | 157,970           | -                  | 370,743            | 159,549            |                    |                    |
| Three years later                 | 256,919           | -                  | -                  |                    |                    |                    |
| Four years later                  | 4,033             | -                  |                    |                    |                    |                    |
| Five years later                  | -                 |                    |                    |                    |                    |                    |
| <b>Cumulative Incurred Claims</b> | <b>91,135,110</b> | <b>117,090,509</b> | <b>142,759,489</b> | <b>185,918,427</b> | <b>249,365,443</b> | <b>890,493,625</b> |
| IBNR                              | 0                 | 20,493             | 70,212             | 1,502,870          | 10,908,517         | 50,267,766         |
| Ultimate Claims Projected         | 91,135,110        | 117,111,002        | 142,829,701        | 187,421,296        | 260,273,961        | 940,761,391        |

Gross non-life insurance contract outstanding claims provision for 2021:

| Accident Year                     | 2017          | 2018           | 2019           | 2020           | 2021           | 2022               |
|-----------------------------------|---------------|----------------|----------------|----------------|----------------|--------------------|
|                                   | Birr'000      | Birr'000       | Birr'000       | Birr'000       | Birr'000       | Birr'000           |
| At end of claim year              | 65,572        | 113,436        | 209,974        | 165,955        | 183,861        | 248,145,072        |
| One year later                    | 5,093         | 2,200          | 5,157          | 11,136         | -              | 1,220,371          |
| Two years later                   | -             | -              | 164            | -              | -              | -                  |
| Three years later                 | -             | -              | -              | -              | -              | -                  |
| Four years later                  | -             | -              | -              | -              | -              | -                  |
| <b>Cumulative Incurred Claims</b> | <b>70,665</b> | <b>115,636</b> | <b>215,295</b> | <b>177,091</b> | <b>183,861</b> | <b>249,365,443</b> |
| IBNR                              | 0.03          | 103.67         | 117.11         | 3,638.17       | 28,803.04      | 10,908,517         |
| Ultimate Claims Projected         | <b>70,665</b> | <b>115,740</b> | <b>215,412</b> | <b>180,729</b> | <b>212,664</b> | <b>260,273,961</b> |

**4.2.2 Life Insurance contract**

The main risks that the Copmay is exposed to are as follows

- Mortality risk-risk of loss arising due to policyholder death experience being different than expected
- Morbidity risk-risk of loss arising due to policyholder death experience being different than expected
- Longevity risk-risk of loss arising due to the annuitant living longer than expected
- Investment return risk-Risk of loss arising from actual returns being different than expected

\* Policyholder decision risk-risk of loss arising due to policyholder experience (lapses and surrenders) being different than expected. These risks do not vary significantly in relation to the location of the risk insured by the Company, type of risk insured or by industry

The Company's underwriting strategy is designed to ensure the risks are well diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geography, the use of medical screening in order to ensure that pricing takes account of current health conditions and family medical history. Regular review of actual claims experience and product pricing, as well as detailed claims' handling procedures

Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Company has the right not to renew individual policies, it can impose deductible and it has the right to reject the payment of fraudulent claims

The table below sets out the concentration of life insurance contract liabilities by type of contract:



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**30 June 2023**

|                    | <b>Gross</b>    | <b>Reinsurance</b> | <b>Net</b>      |
|--------------------|-----------------|--------------------|-----------------|
|                    | <b>Birr'000</b> | <b>Birr'000</b>    | <b>Birr'000</b> |
| Group Term         | 22,003          | 7,573              | 14,430          |
| Group Medical      | 178             | -                  | 178             |
| Individual Medical | 55              | -                  | 55              |
| Travel Health      | 285             | 191                | 95              |
|                    | <b>22,521</b>   | <b>7,764</b>       | <b>14,758</b>   |

**30 June 2022**

|                    | <b>Gross</b>    | <b>Reinsurance</b> | <b>Net</b>      |
|--------------------|-----------------|--------------------|-----------------|
|                    | <b>Birr'000</b> | <b>Birr'000</b>    | <b>Birr'000</b> |
| Group Term         | 10,976          | 4,537              | 6,440           |
| Group Medical      | 237             | -                  | 237             |
| Individual Medical | 2               | -                  | 2               |
| Travel Health      | 150             | 86                 | 64              |
|                    | <b>11,366</b>   | <b>4,623</b>       | <b>6,743</b>    |

**Key Assumption**

Material judgement is required in determining the liabilities and in the choice of assumptions. Assumptions in use are based on past experience, current internal data, external market indices and benchmarks which reflect current observable market prices and other published information. Assumptions and prudent estimates are determined at the date of valuation and no credit is taken for possible beneficial effects of voluntary withdrawals. Assumptions are further evaluated on a continuous basis in order to ensure realistic and reasonable valuations.

**a) 'Mortality and morbidity rate**

Assumption is based on standard industry and national table. According to the type of contract written and the territory in which the insured person resides. They reflect recent historical experience and are adjusted when appropriate to reflect the Company's own experiences. An appropriate, but not excessive, prudent allowance is made for expected future improvements. Assumption is differentiated by sex, underwriting class and contract type. An increase in rate will lead to a larger number of claims (and claims could occur sooner than anticipated) which will increase the expenditure and reduce profits for the shareholders

**b) Longevity**

Assumption is based on standard industry and national tables, adjusted when appropriate to reflect the Company's own risk experience. An appropriate, but not excessive, prudent allowance is made for expected future improvements. Assumption are differentiated by sex, underwriting class and contract type

**c) 'Expenses**

Operating expense assumption reflects the projected costs of maintaining and servicing in-force policies and associated overhead expenses. The current level of expenses is taken as an appropriate expense base, adjusted for expected expense inflation is appropriate. An increase in the level of expense would result in an increase in expenditure, thereby reducing profits for the shareholders.

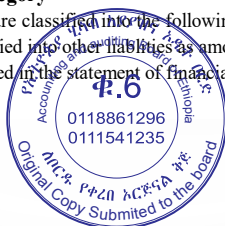
**d) 'Discount rate**

Life insurance liabilities are determined as the sum of the discounted value of the expected benefits and future administration expense directly related to the contract, less the discounted value of the expected theoretical premiums that would be required to meet these future cash outflows. Discount rates are based on current industry risk rates, adjusted for the Company's own risk exposure. A decrease in the discount rate will increase the value of the insurance liability and therefore reduce profits for the shareholders

**4.3 Financial risk**

**Financial instruments by category**

The Company's financial assets are classified into the following measurement categories: Available-for-sale and the financial liabilities are classified into other liabilities as amortised cost. Financial instruments are classified in the statement of financial position in accordance with their legal





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The the Company's classification of its financial assets is summarised in the table below:

|   | Note | Available-For-Sale<br>Birr'000 | Loans and<br>receivables<br>Birr'000 | Total<br>Birr'000 |
|---|------|--------------------------------|--------------------------------------|-------------------|
| <b>30 June 2023</b>   |      |                                |                                      |                   |
| <b>Financial assets</b>   |      |                                |                                      |                   |
| Government securities   |      |                                |                                      | -                 |
| Unquoted investments  | 18   | 224,007                        |                                      | 224,007           |
| Other receivables   | 23   |                                | 104,986                              | 104,986           |
| Asset held for sale   | 24   |                                | 21,348                               | 21,348            |
| Loans and receivables to staff                                  | 19   |                                | 6,730                                | 6,730             |
| Receivables arising out of reinsurance arrangements             | 21   |                                | 715,156                              | 715,156           |
| Receivables arising out of direct insurance arrangements        |      |                                |                                      | -                 |
| Statutory deposits  | 20   |                                | 45,303                               | 45,303            |
| Deposits with financial institutions and cash and bank balances | 25   |                                | 619,897                              | 619,897           |
|   |      |                                |                                      | -                 |
| <b>Total financial assets</b>                                   |      | <b>224,007</b>                 | <b>- 1,513,420</b>                   | <b>1,737,427</b>  |

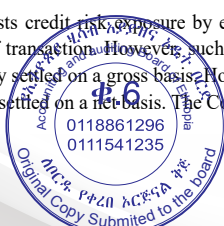
|  | Note | Available-For-Sale<br>Birr'000 | Loans and<br>receivables<br>Birr'000 | Total<br>Birr'000 |
|--|------|--------------------------------|--------------------------------------|-------------------|
| <b>30 June 2022</b>  |      |                                |                                      |                   |
| <b>Financial assets</b>                                    |      |                                |                                      |                   |
| Government securities                                      |      |                                |                                      | -                 |
| Unquoted investments                                       | 18   | 158,867                        |                                      | 158,867           |
| Other receivables  | 23   |                                | 44,041                               | 44,041            |
| Asset held for sale  | 24   |                                | 40,686                               | 40,686            |
| Loans and receivables to staff                             | 19   |                                | -                                    | -                 |
| Receivables arising out of reinsurance arrangements        | 21   |                                | 135,912                              | 135,912           |
| Receivables arising out of direct insurance arrangements   |      |                                |                                      | -                 |
| Statutory deposits   | 20   |                                | 29,686                               | 29,686            |
| Deposits with financial institutions and cash and bank bal | 25   |                                | 320,757                              | 320,757           |
|  |      |                                |                                      | -                 |
| <b>Total financial assets</b>                              |      | <b>158,867</b>                 | <b>- 571,081</b>                     | <b>729,948</b>    |

**4.4 Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's investment portfolio, long term staff loans and the reliance on reinsurers to make payment when certain losses conditions are met for risk management reporting purposes, the Company considers and consolidates all elements of credit risk exposure

The following policies and procedures are in place to mitigate the Company's exposure to credit risk:

- a) The Company's risk management policy set out the assessment and determination of what constitutes credit risk for the Company. Compliance with the policy is monitored, exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for change in the risk environment.
- b) Net exposure limits are set for each counterparty or Company of counterparties and industry segment (i.e limits are set for investments and cash deposits)
- c) The Company further restricts its credit risk exposure by entering into master netting arrangements with which it enters into significant volumes of transaction. However, such arrangements do not generally result in net asset and liabilities, as transaction are usually settled on a gross basis. However, the credit risk associated with such balances in the event of a default, when such balances are settled on a net basis. The Company's reinsurance treaty contract iv



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d)Reinsurce is placed with counterparties that have a good credit rating and concentration of risk is avoided by following policy guidelines in respect of counterparties' limits that are set each year by the Management and are subject to regular reviews. At each reporting date, Managment performs an assessment of credit worthiness of reinsurers and updates the reinsurance purchase strategy, ascertaining suitable allowance for impairment.

In line with above policu and proceder ,the Cmpny's credit risk arise predominatly from Financing activities, Investment activities and Reinsurance activites .Key areas where the Company is exposed to credit risk are o:

- Receivable arising out of direct insurance arrangement
- Receivable arising out of Reinsurance arrangement; and
- Receivable arising out of short term investments

The table belw shows the maximum exposure to credit risk for the Company's financial assets. The maximum exposure is shown gross , before the effect of mitigation

|   | Notes | 30 June<br>2023Birr'000 | 30 June 2022<br>Birr'000 |
|---|-------|-------------------------|--------------------------|
| Government securities   |       |                         |                          |
| Unquoted investments  | 18    | 224,007                 | 158,867                  |
| Other receivables   | 23    | 104,986                 | 44,041                   |
| Asset held for sale   | 24    | 21,348                  | 40,686                   |
| Loans and receivables to staff                                  | 19    | 6,730                   | 6,730                    |
| Receivables arising out of reinsurance arrangements             | 21    | 715,156                 | 135,912                  |
| Receivables arising out of direct insurance arrangements        |       | -                       | -                        |
| Statutory deposits  | 20    | 45,303                  | 29,686                   |
| Deposits with financial institutions and cash and bank balances | 25    | 619,897                 | 320,757                  |
| <b>Total Financial Asset</b>                                    |       | <b>1,737,427</b>        | <b>736,678</b>           |

**4.4.1 Management of Credit Risk**

In measuring credit risk of loans and receivables to various counterparties, the Company considers the character and capacity of the obligor to pay or meet contractual obligation, current exposer to the counter party/obligor and its likely future development, credit history of the counter party/obligor and the likely recovery ratio in case of default obligation-value of collateral and other way out.

The risk associated with direct insurance arrangement is insignificant due to National Bank regulation which is “No Premium No Cover Credit”. Insurance policies are sold on cash basis to all policy holders except government organization which is not relevant to our case; As a result the risk of default is nonexistence.

Reinsurance arrangement mitigates insurance risk but expose the Company to credit risk. Reinsurance is placed with companies based on an evaluation of the financial strength of the reinsurer, rating, terms of coverage and price. It is Company policy to only deal with reinsurance with credit rating of at least B from known credit rating agency

**The credit risk in the Reinsurance area arises:**

- When the Company's reinsurance fails to make a claim reimbursement as and when it is claimed
- The Company transfers a part of their portfolio to reinsurance in exchange for premium. A default on the part of the reinsurance can lead to adverse impacts, on the profitability ,solvency, underwriting abilities of the Company

The exposer to individual counterparties is also managed by other mechanism, such as the rights to offset counterparties are both debtors and creditors to the company. Provision for impairment receivables and subsequent write-off are presented to the top management and the board as appropriate as per the write off policy of the company. Internal audit makes regular reviews to assess the degree of compliance based on the company internal audit manual.

**4.4.1 Credit quality analysis**

**(a) Cash and cash equivalents**

The credit quality of cash and bank balances and short-term investments that were neither past due nor impaired at as 30 June 2023, 30 June 2022; and are held in Ethiopian banks. There are no credit rating agencies in Ethiopia.The Company has no cash equivalents that are held in foreignh banks.



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**(b) Investment Securities**

The Company's investment portfolio is exposed to credit risk through its fixed income and money market instrument. The company further manages its exposure to credit risk through counterparty risk via established limits as approved by the Directive issued by NBE. All fixed income investment are measured for performance on a quarterly basis and monitored by management. The credit risk exposure associated with money market investment is low.

**(c) Reinsurance assets**

Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is avoided by following policy guidelines in respect of counter parties' limits that are set each year by the board of directors and are subject to regulate reviews. At each reporting date, management performs an assessment of creditworthiness of reinsurance and updates the reinsurance purchase strategy, ascertaining suitable allowance for impairment. Reinsurance treaties are reviewed annually by management prior to renewal of the reinsurance contract

**(d) Credit quality of other financial assets**

|                                     | Notes | Neither past due nor impaired<br>Birr'000 | Past due but not impaired<br>Birr'000 | Individually impaired<br>Birr'000 | Total<br>Birr'000 |
|-------------------------------------|-------|---|---------------------------------------|-----------------------------------|-------------------|
| <b>30 June 2023</b>                 |       |   |                                       |                                   |                   |
| <b>Insurance receivables</b>        |       |   |                                       |                                   |                   |
| Due from Reinurers                  | 22    | 88,832                                    | 26,889                                |                                   | 115,720           |
| Less: impairment allowance          |       |   |                                       |                                   |                   |
|                                     |       | <b>88,832</b>                             | <b>26,889</b>                         | -                                 | <b>115,720</b>    |
| <b>Net insurance receivable</b>     |       |   |                                       |                                   |                   |
| <b>Other assets</b>                 |       |   |                                       |                                   |                   |
| Withholding tax Receivable          | 23    | 6,757                                     |                                       |                                   | 6,757             |
| Inter office -receivable-Life       | 23    | 58,749                                    |                                       |                                   | 58,749            |
| Other receivables                   | 23    | 28,086                                    |                                       |                                   | 28,086            |
| Staff debtors                       | 23    | 11,393                                    |                                       |                                   | 11,393            |
| Sundry debtors                      | 23    | -   |                                       |                                   | -                 |
|                                     |       | 104,986                                   | -                                     | -                                 | 104,986           |
| <b>Gross amount</b>                 |       |   |                                       |                                   |                   |
| Less: Specific impairment allowance |       |   |                                       |                                   |                   |
|                                     |       | 104,986                                   | -                                     | -                                 | 104,986           |
| <b>Net other assets</b>             |       |   |                                       |                                   |                   |
| <b>30 June 2022</b>                 |       |   |                                       |                                   |                   |
| <b>Insurance receivables</b>        |       |   |                                       |                                   |                   |
| Due from policy contract holders    |       |   |                                       |                                   | -                 |
| Due from Co-insurers                |       | 32,435                                    | 22,202                                |                                   | 54,637            |
| Less: impairment allowance          |       |   |                                       |                                   | -                 |
|                                     |       | <b>32,435</b>                             | <b>22,202</b>                         | -                                 | <b>54,637</b>     |
| <b>Net insurance receivable</b>     |       |   |                                       |                                   |                   |
| <b>Other assets</b>                 |       |   |                                       |                                   |                   |
| Withholding tax Receivable          | 23    | 3,773                                     |                                       |                                   | 3,773             |
| Inter office -receivable-Life       | 23    | 4,972                                     |                                       |                                   | 4,972             |
| Other receivables                   | 23    | 28,086                                    |                                       |                                   | 28,086            |
| Staff debtors                       | 23    | 4,929                                     |                                       |                                   | 4,929             |
| Gross amount                        | 23    | 41,761                                    | -                                     | -                                 | 41,761            |
| Less: Specific impairment allowance |       |   |                                       |                                   | -                 |
|                                     |       | 41,761                                    | -                                     | -                                 | 41,761            |
| <b>Net other assets</b>             |       |   |                                       |                                   |                   |
| <b>Other assets</b>                 |       |   |                                       |                                   |                   |





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Other receivables balance constitute, other account receivable, sundry debtors and staff debtors. The Company has an internal system assessing the credit quality of other receivables through established policies and approved system. The Company constantly monitors its exposure to these receivables via periodic performance review. The Company further manages its exposure to credit risk through deduction of transaction at source. The exposure to credit risk associated with other receivables is low

**4.4.2 Credit concentrations**

The credit risk of the Company has been concentrated in the following key areas of activities

**(a) Investing /Lending activities**

Credit risk associated with investment, risk happens when a firm invests on debentures or loaned to individual having poor history in repayment or putting money into an asset with the expectations of capital appreciation, dividends and /or interest earning. Such area is a major source of credit risk. In our scenario neither debenture nor lending activities exist. Other loan with small portfolio is given to staff based on property security and personal guarantee with low default risk.

The current Company's equity investment is in banks and in local reinsurance company with low risk

**(b) Credit Concentration of a single counter party**

There is a potential credit risk arising from the fact that banks may not settle time deposit in timely basis.

The Company monitors concentrations of credit risk by sector, location and purpose. An analysis of concentrations of credit risk at 30 June 2023, 30 June 2021. The Company concentrates all its financial assets in Ethiopia.

|                             | Notes | Public enterprise<br>Birr'000 | Private<br>Birr'000 | Others<br>Birr'000 | Total<br>Birr'000 |
|-----------------------------|-------|-------------------------------|---------------------|--------------------|-------------------|
| <b>30 June 2023</b>         |       |                               |                     |                    |                   |
| Cash and bank balances      | 25    | 45,900                        | 563,327             | 10,637             | 619,864           |
| Investment securities       |       |                               |                     |                    | -                 |
| - Available for sale        | 18    |                               | 224,007             |                    | 224,007           |
| - Loans and receivables     | 19    | 6,730                         |                     |                    | 6,730             |
| Trade and other receivables | 23    |                               |                     | 104,986            | 104,986           |
| Asset held for sale         | 24    |                               |                     | 21,348             | 21,348            |
| Reinsurance assets          | 21    |                               | 115,720             |                    | 115,720           |
|                             |       | 52,630                        | 903,054             | 136,971            | 1,092,656         |
| <b>30 June 2022</b>         |       |                               |                     |                    |                   |
| Cash and bank balances      |       | 39,176                        | 284,374             | 68                 | 323,618           |
| Investment securities       | 18    |                               |                     |                    | -                 |
| - Available for sale        |       |                               | 158,867             |                    | 158,867           |
| - Loans and receivables     | 19    |                               |                     |                    | -                 |
| Trade and other receivables | 23    |                               |                     | 41,717             | 41,717            |
| Asset held for sale         | 24    |                               |                     | 40,686             | 40,686            |
| Reinsurance assets          | 21    |                               | 134,698             | 134,698            | 269,396           |
|                             |       | 39,176                        | 577,939             | 217,169            | 834,284           |

**4.5 Liquidity risk**

Liquidity refers to the Company's insufficient cash resources to meet financial obligations as and it is a measure of the ability of a debtor to pay his debts when they fall due. It is also the risk that a financial institution will incur losses because it finds it difficult to secure the necessary funds or forced to obtain funds at a far higher interest rate than under normal conditions due to a mismatch between the maturities of assets and liabilities



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The main objective of the Company liquidity risk framework is to maintain sufficient liquidity in order to ensure that we meet our maturing obligations. It is usually expressed as the ratio or a percentage of current liabilities to liquid assets.

Liquidity risk management in the Company is solely determined by management, which bears the overall responsibility for liquidity risk. The main objectives of the Company's liquidity risk framework are to maintain sufficient liquidity in order to ensure that we meet our maturing obligations.

**4.5.1 Management of liquidity risk**

Cash flow forecasting is performed by the finance department. The department forecasts rolling forecasts of liquidity requirements to ensure it has sufficient cash to meet operational needs. The Company evaluates its ability to meet its obligations on an ongoing basis. Based on these evaluations the Company devises strategies to manage its liquidity risk. Prudent liquidity risk management implies that sufficient cash is maintained and that sufficient funding is available to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risk damage to the Company's reputation.

The Finance Department is responsible to prepare and produce financial reports together with performance evaluation ratios and comparative statements on the basis of financial manual, standard reporting formats and regulatory body requirements, which include:

- a) Notifying regularly the cash position and the expected commitments of the company
- b) Proposing appropriate investment opportunities in line with insurance supervision directives.
- c) Liability settlements shall be undertaken on the basis of cash flow of the company
- d) Finance Department will be responsible to report, monitor, evaluate and implement decisions affecting liquidity in line with the financial manual performance standards and reporting formats.

**4.5.2 Measurement of liquidity risk**

The Company has a process for measuring and monitoring its existing liquidity position as well as its net funding requirements. This involves forecasting cash inflow and outflows over various time horizons to identify potential cash imbalances.

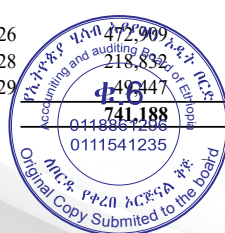
Liquidity risk is primarily measured as the ratio of current liability to liquid assets. It is expected that the ratio should at all times be less than or equal to 1.05 (105%) i.e. the maximum tolerance liquidity rate the company should keep on hand is one birr for one birr and five cents obligation or liability.

In addition, the Company should maintain at least 60% and 50% of admitted assets as bank deposits and treasury bills, for General and Long term Insurance business respectively. A minimum operating liquidity level should be established to maintain a comfortable cushion beyond the minimum statutory requirement in order to meet cash needs. A desired target maximum for operating liquidity also needs to be established to reflect the fact that too much liquidity has a negative effect on earnings; there is some gap in liquidity ratios as compared with the market ratio where the company has devised various mitigation strategies including capital raising and generating income from rent and other investments.

**4.5.3 Maturity analysis of financial liabilities**

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The cash flows presented are the undiscounted amounts to be settled in the future.

| 30 June 2023                   | Notes | 0-1 year<br>Birr'000 | 1-3 years<br>Birr'000 | 3-5 years<br>Birr'000 | Over 5 years<br>Birr'000 | Total<br>Birr'000 |
|--------------------------------|-------|----------------------|-----------------------|-----------------------|--------------------------|-------------------|
| Insurance contract liabilities | 26    | 1,304,973            |                       |                       |                          | 1,304,999         |
| Insurance payables             | 28    | 227,290              |                       |                       |                          | 227,318           |
| Other liabilities              | 29    | 129,546              |                       |                       |                          | 129,546           |
| <b>Total financial</b>         |       | <b>1,661,809</b>     | -                     | -                     | -                        | <b>1,661,863</b>  |
| 30 June 2022                   |       | 0-1 year<br>Birr'000 | 1-3 years<br>Birr'000 | 3-5 years<br>Birr'000 | Over 5 years<br>Birr'000 | Total<br>Birr'000 |
| Insurance contract liabilities | 26    | 472,909              |                       |                       |                          | 472,935           |
| Insurance payables             | 28    | 218,852              |                       |                       |                          | 18,860            |
| Other liabilities              | 29    | 49,447               |                       |                       |                          | 49,476            |
| <b>Total financial</b>         |       | <b>741,188</b>       | -                     | -                     | -                        | <b>741,271</b>    |







**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

| 30 June 2023                             |        | Fixed             | Non-interest                        | Total             |
|--|--------|-------------------|-------------------------------------|-------------------|
|  | Notes  | Birr'000          | bearing<br>Birr'000                 | Birr'000          |
| Cash and bank balances                   | 25     | 321,039           | 298,826                             | 619,864           |
| Investment securities available for sale | 18     | 224,007           |                                     | 224,007           |
| Loans and receivables                    | 19     | 6,730             |                                     | 6,730             |
| Insurance receivable                     | 21     |                   | 115,720                             | 115,720           |
| Reinsurance assets                       | 21     |                   | 715,156                             | 715,156           |
| Other assets                             | 23     |                   | 104,986                             | 104,986           |
| <b>Total</b>                             |        | <b>551,776</b>    | <b>-</b>                            | <b>1,234,688</b>  |
| <b>Liabilities</b>                       |        |                   |                                     | -                 |
| Insurance contract liabilities           | 26     |                   | 1,304,973                           | 1,304,973         |
| Insurance payables                       | 28     |                   | 227,290                             | 227,290           |
| Long term loan                           | 29 (c) |                   |                                     |                   |
| Other payables                           | 29     |                   | 129,546                             | 129,546           |
| <b>Total</b>                             |        | <b>-</b>          | <b>1,661,809</b>                    | <b>1,661,809</b>  |
| <b>30 June 2022</b>                      |        |                   |                                     |                   |
|  | Notes  | Fixed<br>Birr'000 | Non-interest<br>bearing<br>Birr'000 | Total<br>Birr'000 |
| <b>Assets</b>                            |        |                   |                                     | -                 |
| Cash and bank balances                   | 25     | 185,086           | 135,670                             | 320,757           |
| Investment securities available for sale | 18     | 158,867           |                                     | 158,867           |
| Loans and receivables                    | 19     |                   |                                     | -                 |
| Insurance receivable                     | 21     |                   | 135,911.8                           | 135,912           |
| Reinsurance assets                       | 21     |                   |                                     | -                 |
| Other assets                             | 23     |                   |                                     | -                 |
| <b>Total</b>                             |        | <b>343,953</b>    | <b>-</b>                            | <b>615,535</b>    |
| <b>Liabilities</b>                       |        |                   |                                     | -                 |
| Insurance contract liabilities           | 26     |                   | 224,524                             | 224,524           |
| Insurance payables                       | 28     |                   | 218,832                             | 218,832           |
| Long term loan                           | 29 (c) |                   | 71,983                              | 71,983            |
| Other payables                           | 29     |                   | 49,447                              | 49,447            |
| <b>Total</b>                             |        | <b>-</b>          | <b>564,786</b>                      | <b>564,786</b>    |

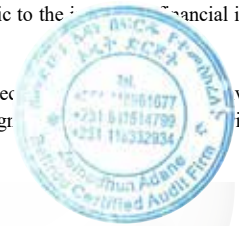
**(ii) Foreign exchange risk**

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates. The Company primarily transacts in Ethiopian Birr and its assets and liabilities are denominated in the same currency. The Company is therefore not exposed to currency risk.

**(iii) Price risk**

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk) whether those changes are caused by factors specific to the financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The company's price risk policy requires it to manage such risks by setting and monitoring objectives, diversification plans, and limits on investment in each sector and market. The company has no significant price risk as there is no active market in Ethiopia.



**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**4.7 Capital Management**

Capital Management risk is failure to maintain adequate capital requirement. The Company's objectives when managing capital are to comply with the capital requirements set by the National Bank of Ethiopia, safeguard its ability to continue as a going concern, and to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business

**4.7.1 Margin of Solvency ratio**

Solvency margin is the amount by which the asset of an insurer exceeds its capital. According to the Licensing and Supervision of Insurance Business Margin of Solvency (MOS) Directives No. SIB/45/2016 of the National Bank of Ethiopia, an insurer carrying on general business shall keep admitted capital amounting to the highest of 25% of its technical provisions, or 20% of the net written premiums in the last preceding financial year, or the minimum paid capital. An insurer carrying on long term insurance business shall keep admitted capital amounting to the higher of 10% of technical provisions or the minimum paid up capital can be mentioned.

The solvency of insurance company or its financial strength depends chiefly on whether sufficient technical reserves have been setup for the obligations entered in to and whether the company has adequate capital as security

**Margin of Solvency ratio (Continued)**

|   | <b>30 June 2023</b> | <b>30 June 2022</b> |
|---|---------------------|---------------------|
|   | <b>Birr'000</b>     | <b>Birr'000</b>     |
| <b>(A) Admissible assets</b>  |                     |                     |
| Property, plant and equipment   | 165,479             | 165,973             |
| Right to use Assets   | 8,612               | 6,154               |
| Statutory deposit held to maturity                                      | 43,053              | 29,686              |
| Investment securities- Available for sale                               | 214,557             | 158,867             |
| Loans and receivables   | 6,500               |                     |
| Deferred tax Asset  | 5,095               | 30                  |
| Reinsurers' share of insurance liabilities                              | 704,696             | 167,052             |
| Insurance receivables   | 112,211             | 135,912             |
| Salvage Property held for sale  | 21,348              | 40,686              |
| Other assets  | 77,890              | 44,041              |
| Cash and cash equivalents   | 576,552             | 320,757             |
|   | <b>1,935,994</b>    | <b>1,069,156</b>    |
| <b>(B) Admissible liabilities</b>                                       |                     |                     |
| Insurance contract liabilities  | 1,278,810           | 472,909             |
| Deferred commission income  | 20,918              | 15,196              |
| Deferred income tax Liabilities   | 893                 | 2,276               |
| Current income Tax Liabilities  | 1,009               | 212                 |
| Retirement benefit obligations  | 2,975               | 2,117               |
| Insurance payables  | 215,180             | 218,832             |
| Other payables  | 94,314              | 49,447              |
|   | <b>1,614,100</b>    | <b>760,989</b>      |
| <b>(C) Excess (admitted capital)- (A-B)</b>                             | -                   | -                   |
| <b>(D) Net premium(preceding year)</b>                                  | -                   | -                   |
| <b>(E) Technical provision (current year)</b>                           | -                   | -                   |
| <b>Solvency margin</b>  |                     |                     |
| <b>(F) Limit of net premium i.e. 20% of net premium(preceding year)</b> | -                   | -                   |
| <b>(G) Limit of technical provision i.e. 25% of technical provision</b> | -                   | -                   |
| <b>(H) Minimum Paid up capital</b>                                      | -                   | -                   |
| <b>(I) Required Minimum of paid up capital</b>                          | -                   | -                   |

**Margin of Solvency**

**Solvency ratio ( C/I )**

261%







**Bunna Insurance Share Company (S.C)**  
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**For the Year Ended 30 June 2023**

**4.8.1 Valuation models**

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable input reflect market data obtained from independent sources; unobservable inputs reflect the Company's market assumptions.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation technique in which all significant inputs are directly or indirectly observable from market data. In conclusion, this category is for valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This category includes all assets and liabilities for which the valuation technique includes inputs not based on observable date and the unobservable inputs have a significant effect on the asset or liability's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

**4.8.2 Financial instruments not measured at fair value**

The following table summarises the carrying amounts of financial assets and liabilities at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

|                                | 30 June 2023                |                        | 1 July 2022                 |                        |
|--------------------------------|-----------------------------|------------------------|-----------------------------|------------------------|
|                                | Carrying amount<br>Birr'000 | Fair value<br>Birr'000 | Carrying amount<br>Birr'000 | Fair value<br>Birr'000 |
| <b>Financial assets</b>        |                             |                        |                             |                        |
| Cash and bank balances         | 619,897                     |                        | 253,096                     |                        |
| Investment securities          |                             |                        |                             |                        |
| - Available for sale           | 224,007                     |                        | 104,686                     |                        |
| - Loans and receivables        | 6,730                       |                        |                             |                        |
| Trade and other receivables    | 104,986                     |                        | 32,388                      |                        |
| Reinsurance assets             | 115,720                     |                        | 72,938                      |                        |
| <b>Total</b>                   | <b>1,071,341</b>            | <b>-</b>               | <b>463,108</b>              | <b>-</b>               |
| <b>Financial liabilities</b>   |                             |                        |                             |                        |
| Insurance contract liabilities | 1,304,973                   |                        | 121,843                     |                        |
| Insurance payables             | 227,290                     |                        | 185,440                     |                        |
| Long term loan                 | -                           |                        | 76,820                      |                        |
| Other liabilities              | 129,546                     |                        | 165,786                     |                        |
| <b>Total</b>                   | <b>1,661,809</b>            | <b>-</b>               | <b>549,889</b>              | <b>-</b>               |

**4.8.3 Investment securities**

Government bonds are classified as loans and receivables and are measured at amortised cost using the EIR method. This means the amortized cost is determined as the fair value of the bond at inception plus interest accrued using the effective interest rate.

**4.8.4 Valuation technique using significant unobservable inputs – Level 3**

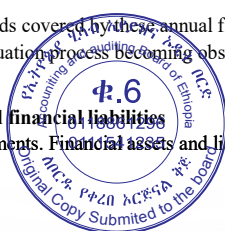
The Company has no financial asset measured at fair value on subsequent recognition.

**4.8.5 Transfers between the fair value hierarchy categories**

During the three reporting periods covered by these annual financial statements, there were no movements between the fair value hierarchy categories. As a result of the fair value measurement process becoming observable or unobservable.

**4.9 Offsetting financial assets and financial liabilities**

There are no offsetting arrangements. Financial assets and liabilities are settled and disclosed on a gross basis.



**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**5 Segment Information**

Segment information is presented in respect of the Company's business segments which represent the primary reporting format and is based on the Company's management and reporting structure

**Business segments**

The Company operates the following main business segments

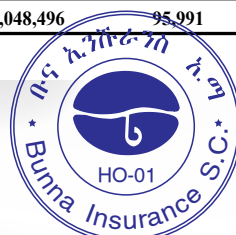
**Non -life (Gernerak) Business**-Includes general insurance transaction with individual and corporate customer

**Life Business**- Includes life insurance policies with individual and corporate customers.

The segment information for the reporting segments for the ended 30th June 2023 is as follows

**a Statement of Financial Position for each segments**

| Note                                | Non-Life     |                  | Life             |               | Total         |                  |                  |
|-------------------------------------|--------------|------------------|------------------|---------------|---------------|------------------|------------------|
|                                     | 30 JUNE 2023 | 30 JUNE 2022     | 30 JUNE 2023     | 30 JUNE 2022  | 30 JUNE 2023  | 30 JUNE 2022     |                  |
|                                     | Birr'000     | Birr'000         | Birr'000         | Birr'000      | Birr'000      | Birr'000         |                  |
| <b>ASSETS</b>                       |              |                  |                  |               |               |                  |                  |
| Property, plant and equipment       | 15           | 174,222          | 164,858          | 1,004         | 1,115         | 175,226          | 165,973          |
| Right of use Asset                  | 17           | 8,612            | 6,154            |               |               | 8,612            | 6,154            |
| Statutory deposit                   | 20           | 43,053           | 27,436           | 2,250         | 2,250         | 45,303           | 29,686           |
| Equity securities:                  |              |                  |                  |               |               |                  |                  |
| - Available for sale                | 18           | 214,557          | 158,867          | 9,450         | -             | 224,007          | 158,867          |
| - Loans and receivables             | 19           | 6,500            | -                | 230           |               | 6,730            | -                |
| Deferred acquisition costs          | 10 (i)       | 26,707           | 14,880           | 61            |               | 26,768           | 14,880           |
| Deferred tax Asset                  | 14 (e)       | 5,095            | 30               |               |               | 5,095            | 30               |
| Reinsurers' share of insurance      | 21           | 704,696          | 165,237          | 10,459        | 1,814         | 715,156          | 167,052          |
| Insurance receivables               | 22           | 112,211          | 134,698          | 3,509         | 1,214         | 115,720          | 135,912          |
| Salvage Property held for sale      | 24           | 21,348           | 40,686           |               |               | 21,348           | 40,686           |
| Other assets                        | 23           | 77,890           | 41,717           | 27,096        | 2,323         | 104,986          | 44,041           |
| Cash and cash equivalents           | 25           | 576,552          | 293,933          | 43,345        | 26,824        | 619,897          | 320,757          |
| <b>Total assets</b>                 |              | <b>1,971,443</b> | <b>1,048,496</b> | <b>97,404</b> | <b>35,540</b> | <b>2,068,849</b> | <b>1,084,037</b> |
| <b>LIABILITIES</b>                  |              |                  |                  |               |               |                  |                  |
| Insurance contract liabilities (Gr  | 26           | 1,278,810        | 464,167          | 26,162        | 8,742         | 1,304,973        | 472,909          |
| Deferred commission income          | 27           | 20,918           | 14,640           | -             | 556           | 20,918           | 15,196           |
| Deferred income tax Liabilities     | 14 (e)       | 893              | 2,276            |               |               | 893              | 2,276            |
| Current income Tax Liabilities      | 14 (a)       | 1,009            | 212              | 934           |               | 1,943            | 212              |
| Retirement benefit obligations      | 30           | 2,975            | 2,117            |               |               | 2,975            | 2,117            |
| Insurance payables                  | 28           | 215,180          | 214,295          | 12,110        | 4,537         | 227,290          | 218,832          |
| Other payables                      | 29           | 94,314           | 44,313           | 35,231        | 5,135         | 129,546          | 49,447           |
| Borrowings                          | 29 (c)       | -                | 71,983           | -             |               | -                | 71,983           |
| <b>Total liabilities</b>            |              | <b>1,614,100</b> | <b>814,003</b>   | <b>74,438</b> | <b>18,970</b> | <b>1,688,538</b> | <b>832,972</b>   |
| <b>EQUITY</b>                       |              |                  |                  |               |               |                  |                  |
| capital                             | 31           | 287,021          | 182,906          | 15,000        | 15,000        | 302,021          | 197,906          |
| Share premium                       |              |                  |                  |               |               |                  |                  |
| Other reserve                       |              | 4,761            |                  |               |               | 4,761            |                  |
| Legal Reserve                       | 35           | 19,831           | 14,750           | 797           | 157           | 20,628           | 14,907           |
| Retained Earning / Surplus fund     | 34           | 46,289           | 36,837           | 5,756         | 1,414         | 52,045           | 38,251           |
| <b>Total equity</b>                 |              | <b>357,902</b>   | <b>234,494</b>   | <b>21,553</b> | <b>16,571</b> |                  | <b>251,065</b>   |
| <b>Total equity and liabilities</b> |              | <b>1,972,002</b> | <b>1,048,496</b> | <b>95,991</b> | <b>35,541</b> |                  | <b>1,403,7</b>   |



**Bunna Insurance Share Company (S.C)**  
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**b Statement of Profit or Loss and Other Comprehensive Income for each segment**

| Note   | Non-Life       |                | Life          |              | Total          |                |
|--|----------------|----------------|---------------|--------------|----------------|----------------|
|  | 30 JUNE        |                | 30 JUNE       |              | 30 JUNE        |                |
|  | 2023           | 2022           | 2023          | 2022         | 2023           | 2022           |
|  | Birr'000       | Birr'000       | Birr'000      | Birr'000     | Birr'000       | Birr'000       |
| <b>Revenue</b>                                 |                |                |               |              |                |                |
| Gross written premium (5i)                     | 880,176        | 468,850        | 22,543        | 11,366       | 902,720        | 480,216        |
| Premium ceded to reinsurance (5i)              | (181,225)      | (124,235)      | (7,764)       | (4,623)      | (188,989)      | (128,858)      |
| <b>Net premium</b>                             | <b>698,951</b> | <b>344,615</b> | <b>14,779</b> | <b>6,743</b> | <b>713,730</b> | <b>351,358</b> |
| Change in unearned premium 26(ii)              | (204,532)      | (41,143)       | (5,683)       | (4,585)      | (210,215)      | (45,728)       |
| <b>Net earned premium</b>                      | <b>494,419</b> | <b>303,472</b> | <b>9,096</b>  | <b>2,157</b> | <b>503,515</b> | <b>305,629</b> |
| Commissions income 7                           | 38,631         | 30,818         | 1,912         | 1,225        | 40,543         | 32,044         |
| <b>Net Underwriting income</b>                 | <b>533,050</b> | <b>334,290</b> | <b>11,008</b> | <b>3,383</b> | <b>544,058</b> | <b>337,673</b> |
| Claims and policy holder 26                    | 363,225        | 204,313        | 5,386         | 3,001        | 368,611        | 207,314        |
| <b>Net claims and benefits</b>                 | <b>363,225</b> | <b>204,313</b> | <b>5,386</b>  | <b>3,001</b> | <b>368,611</b> | <b>207,314</b> |
| Underwriting expense 8                         | 51,695         | 39,894         | 1,619         | -            | 53,314         | 39,894         |
| Commission expense 9                           | 39,528         | 25,900         | 973           | -            | 40,501         | 25,900         |
| <b>Underwriting profit</b>                     | <b>78,602</b>  | <b>64,183</b>  | <b>3,030</b>  | <b>382</b>   | <b>81,632</b>  | <b>64,565</b>  |
| Investment income 11                           | 54,142         | 48,295         | 4,293         | 2,065        | 58,435         | 50,359         |
| Other Income 11                                | 6,792          | 2,988          | 7             | 5            | 6,799          | 2,993          |
| <b>Net income</b>                              | <b>139,537</b> | <b>115,466</b> | <b>7,330</b>  | <b>2,452</b> | <b>146,867</b> | <b>117,917</b> |
| operating and Other expenses 12                | 83,730         | 57,479         | -             | 881          | 83,730         | 58,360         |
| Finance costs 13                               | 3,739          | 14,477         | -             | -            | 3,739          | 14,477         |
| <b>Profit before income tax</b>                | <b>52,068</b>  | <b>43,510</b>  | <b>7,330</b>  | <b>1,571</b> | <b>59,398</b>  | <b>45,081</b>  |
| Income tax expense 14 ( b )                    | 1,009          | 212            | 934           | -            | 1,943          | 212            |
| <b>Profit after income tax</b>                 | <b>51,059</b>  | <b>43,298</b>  | <b>6,396</b>  | <b>1,571</b> | <b>57,455</b>  | <b>44,869</b>  |
| Other comprehensive income 30 ( C )            | (13)           | (173)          | -             | -            | (13)           | (173)          |
| <b>Total comprehensive income for the year</b> | <b>51,046</b>  | <b>43,125</b>  | <b>6,396</b>  | <b>1,571</b> | <b>57,442</b>  | <b>44,696</b>  |

**5i) Insurance Premium**

|                                  | 30 June 2023          |                    |                     | 30 June 2022          |                    |                     |
|----------------------------------|-----------------------|--------------------|---------------------|-----------------------|--------------------|---------------------|
|                                  | Gross written premium | Reinsurers premium | Net written premium | Gross written premium | Reinsurers premium | Net written premium |
|                                  | Birr'000              | Birr'000           | Birr'000            | Birr'000              | Birr'000           | Birr'000            |
| <b>Non-Life Business</b>         |                       |                    |                     |                       |                    |                     |
| Motor                            | 564,907               | 37,692             | 527,214             | 260,527               | 18471              | 242,057             |
| Marine                           | 10,904                | 4,525              | 6,379               | 10,458                | 4721               | 5,736               |
| Fire                             | 40,917                | 26,835             | 14,082              | 21,822                | 13725              | 8,098               |
| Pecuniary                        | 61,609                | 36,055             | 25,555              | 57,693                | 36716              | 20,977              |
| Engineering                      | 12,519                | 4,499              | 8,020               | 12,974                | 6064               | 6,910               |
| Workmens compensation            | 5,368                 | 374                | 4,994               | 4,921                 | 355                | 4,566               |
| Group AccIdent(GPA)              | 1,655                 | 234                | 1,421               | 1,237                 | 493                | 744                 |
| Liability Insurance              | 104,171               | 6,029              | 98,142              | 46,423                | 2714               | 43,709              |
| Political Violence and Terrorism | 77,605                | 64,713             | 12,892              | 52,568                | 40857              | 11,710              |
| Travel Health                    | 412                   | 268                | 144                 | 183                   | 118                | 65                  |
| All risk                         | 109                   | -                  | 109                 | 45                    | 1                  | 43                  |
| <b>Total</b>                     | <b>880,176</b>        | <b>181,225</b>     | <b>698,951</b>      | <b>468,850</b>        | <b>124,235</b>     | <b>344,615</b>      |





**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

|                      | 30 June 2023          |                    |                     |                 | 30 June 2022       |                     |
|----------------------|-----------------------|--------------------|---------------------|-----------------|--------------------|---------------------|
|                      | Gross written premium | Reinsurers premium | Net written premium | written premium | Reinsurers premium | Net written premium |
|                      | Birr'000              | Birr'000           | Birr'000            | Birr'000        | Birr'000           | Birr'000            |
| <b>Life Business</b> |                       |                    |                     |                 |                    |                     |
| Group term           | 22,003                | 7573               | 14,430              | 10,976          | 4,537              | 6,439.57            |
| Group medical        | 178                   |                    | 178                 | 237             |                    | 237.33              |
| Individual medical   | 55                    |                    | 55                  | 2               |                    | 1.71                |
| Travel health        | 285                   | 191                | 95                  | 150             | 86                 | 64.26               |
| Endowment            | 22                    |                    | 22                  | -               | -                  | -                   |
| <b>Total</b>         | <b>22,543</b>         | <b>7,764</b>       | <b>14,779</b>       | <b>11,366</b>   | <b>4,623</b>       | <b>6,743</b>        |

**6 Net Premium**

|  | 30 June<br>Birr'000 | 30 June 2022<br>Birr'000 |
|--|---------------------|--------------------------|
| <b>a Gross premium on insurance contract</b>                 |                     |                          |
| <b>Gross written premium (note 5b (i))</b>                   |                     |                          |
| <b>Non-life insurance</b>                                    | 880,176             | 468,850                  |
| Life insurance   | 22,543              | 11,366                   |
| <b>Total gross written premium</b>                           | <b>902,720</b>      | <b>480,216</b>           |
| Change in unearned premium provision (note 26 (ii))          | (234,486)           | (57,975)                 |
| <b>Gross premium income</b>                                  | <b>668,234</b>      | <b>422,241</b>           |
| <b>b Premium ceded to reinsurance on insurance contracts</b> |                     |                          |
| <b>Non-life insurance</b>                                    | (181,225)           | (124,235)                |
| Life insurance   | (7,764)             | (4,623)                  |
| <b>Total premium ceded to reinsurers</b>                     | <b>(188,989)</b>    | <b>(128,858)</b>         |
| Change in unearned premium provision (note 26)               | 33,029              | -35                      |
| <b>Premium ceded to reinsurance on insurance contracts</b>   | <b>(155,960)</b>    | <b>(128,893)</b>         |
| <b>Total net premium</b>                                     | <b>512,274</b>      | <b>293,348</b>           |

**7 Reinsurance Commission income**

|  |               |               |
|--|---------------|---------------|
| <b>Non-Life Business</b>               |               |               |
| Reinsurance ceding commission          | 40,492        | 28,948        |
| Changes in deferred acquisition Income | (6,277)       | (4,444)       |
| Profit Commission                      | 4,416         | 6,315         |
| <b>Commission income</b>               | <b>38,631</b> | <b>30,818</b> |
| <b>Life Business</b>                   |               |               |
| Reinsurance ceding commission          | 1,912         | 1,146         |
| Profit Commission                      | -             | 79            |
| <b>Commission income</b>               | <b>1,912</b>  | <b>1,225</b>  |

**8 Underwriting expense**

|                                       |               |               |
|---------------------------------------|---------------|---------------|
| <b>a Non-Life Business</b>            |               |               |
| wage                                  | 36,775        | 27,236        |
| Stationary and printing               | 1,782         | 1,986         |
| Rent expense                          | 1,839         | 1,013         |
| Deprecation on property and equipment | 10,305        | 8,732         |
| Telephone and fax expense             | 994           | 927           |
|                                       | <b>51,695</b> | <b>39,894</b> |
| <b>b Life Business</b>                |               |               |
| <b>Employee benefits expense</b>      |               |               |
| Salaries and wages                    | 887           | 455.37        |
| Defined benefit pension costs         | 98            | 50.09         |
| Other employee benefits expenses      | 348           | 153.48        |
|                                       | <b>1,333</b>  | <b>659</b>    |



**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**Other operating and administration expenses**

|   |               |               |
|---|---------------|---------------|
| Rental expenses                           | -             | -             |
| Stationery and printing                   | 1             | 25.79         |
| Auditor's remuneration                    | 118           | -             |
| Bank charges                              | 1             | -             |
| Advertising and publicity                 | 13            | 21.60         |
| Depreciation on property and equipment    | 111           | 90.52         |
| Other general expenses                    | 42            | 83.77         |
| <b>Total operating and other expenses</b> | <b>286</b>    | <b>222</b>    |
| Total                                     | <b>1,619</b>  | <b>881</b>    |
|   | <b>53,314</b> | <b>40,775</b> |

**9 Commission paid**

|   | 2023<br>Birr'000 | 30 June 2022<br>Birr'000 |
|---|------------------|--------------------------|
| <b>Non-Life Business</b>                  |                  |                          |
| paid                                      | 51,355           | 29,974                   |
| Changes in deferred acquisition cost (10) | (11,827)         | (4,074)                  |
|   | <b>39,528</b>    | <b>25,900</b>            |
| <b>Life Business</b>                      |                  |                          |
| paid                                      | 133              | -                        |
| Changes in deferred acquisition cost      | 840              | -                        |
|   | <b>973</b>       | <b>-</b>                 |

**10 Deferred acquisition cost nonlife**

**Non-Life Business**

|                                  | 2023<br>Birr'000 | 30 June 2022<br>Birr'000 |
|----------------------------------|------------------|--------------------------|
| Motor                            | 14,159           | 6,126                    |
| Marine                           | 343              | 547                      |
| Fire                             | 1,826            | 1,157                    |
| Pecuniary                        | 3,506            | 3,165                    |
| Engineering                      | 849              | 797                      |
| Workmens compensation            | 377              | 201                      |
| Group AccIdent(GPA)              | 34               | 35                       |
| Liability Insurance              | 5,034            | 2,328                    |
| Political Violence and Terrorism | 565              | 464                      |
| All Risk                         | 15               | 61                       |
|                                  | <b>26,707</b>    | <b>14,880</b>            |

**Life Business**

|            | 2023<br>Birr'000 | 30 June 2022<br>Birr'000 |
|------------|------------------|--------------------------|
| Group term | -                | -                        |
|            | <b>-</b>         | <b>-</b>                 |

**i) At start of year**

**Non-Life Business**

|  | 2023          | 30 June 2022 |
|--|---------------|--------------|
| Net increase/(decrease)  | 7,570         | 7,570        |
| At end of year   | 19,137        | 7309         |
| This represent commission on unearned premium relating to the unexpired tenure of risk | <b>26,707</b> | <b>7,570</b> |

**Life Business**

|  | 2023     | 30 June 2022 |
|--|----------|--------------|
| Net increase/(decrease)  | -        | -            |
| At end of year   | -        | -            |
| This represent commission on unearned premium relating to the unexpired tenure of risk | <b>-</b> | <b>-</b>     |



**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**11 Investment Income**

|   | 2023          | 30 June 2022  |
|---|---------------|---------------|
|   | Birr'000      | Birr'000      |
| <b>a) Non-life Business</b>                         |               |               |
| Investment Income                                   |               |               |
| - Dividend income                                   | 22,578        | 20,588        |
| -Interest income on government bonds                | 2,657         | 2,057         |
| - Interest income on time deposit                   | 27,522        | 24,457        |
| -Interest on savings account                        | 1,385         | 1,192         |
|   | <b>54,142</b> | <b>48,295</b> |
| <b>Other Income</b>                                 |               |               |
| - Gain on disposal of property, plant and equipment | 2,544         |               |
| - Sundry Income                                     | 1,930         | 587           |
| -Rent Income  | 2,318         | 2,402         |
|   | <b>6,792</b>  | <b>2,988</b>  |
| <b>Total</b>  | <b>60,934</b> | <b>51,283</b> |

**b) Life Business**

|                                      | 2023         | 30 June 2022 |
|--------------------------------------|--------------|--------------|
|                                      | Birr'000     | Birr'000     |
| Available for sale:                  |              |              |
| - Dividend income                    | 763          | -            |
| -Interest income on government bonds | -            | 74           |
| - Interest income on term deposit    | 3,528        | 1,991        |
| -Interest on savings account         | 1.65         |              |
|                                      | <b>4,293</b> | <b>2,065</b> |
| <b>Other Income</b>                  |              |              |
| - Other income                       | 7.36         | 5            |
| -Rent Income                         | -            |              |
|                                      | <b>7.36</b>  | <b>4.84</b>  |
| <b>Total</b>                         | <b>4,300</b> | <b>2,070</b> |

**12 Operating and other expenses**

|  | 2023          | 30 June 2022  |
|--|---------------|---------------|
|  | Birr'000      | Birr'000      |
| <b>a Non Life Business</b>                         |               |               |
| <b>Employee benefits expense</b>                   |               |               |
| Salaries and wages                                 | 16,025        | 12,623        |
| Defined benefit pension costs                      | 5,718         | 4,379         |
| Other employee benefits expenses                   | 24,441        | 14,052        |
|  | <b>46,183</b> | <b>31,054</b> |
| <b>Other operating and administration expenses</b> |               |               |
| Rental expenses                                    | -             | 507           |
| Stationery and printing                            | 445           | 497           |
| Auditor's remuneration                             | 78            | 138           |
| Bank charges                                       | 933           | 433           |
| Advertising and publicity                          | 1,953         | 989           |
| Depreciation on property and equipment             | 4,752         | 4,366         |
| Other general expenses                             | 29,385        | 19,495        |
|  | <b>37,546</b> | <b>26,425</b> |
| <b>Total</b>                                       | <b>83,730</b> | <b>57,479</b> |





**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**13 Finance costs**

|                                 | 2023         | 30 June 2022  |
|---------------------------------|--------------|---------------|
|                                 | Birr'000     | Birr'000      |
| Borrowing (more than 12 months) | 2,196        | 13,276        |
| Lease interest expense          | 1,543        | 1,201         |
|                                 | <b>3,739</b> | <b>14,477</b> |

For additional financing to purchase Head office Quarter Building, on May 2019 the Company borrow Birr 82,495,000.00 from Bunna International Bank (S.C.) with interest rate of 18.9% per annum, that would be paid semi-annual for 10 years. This fiscal year Bunna has been settle the remaining term loan of birr 71,983,174.44 including interest expense of birr 2,196,381.41.

**14 Company income and deferred tax**

**14 (a) Current Income Tax**

|  | 30 June 2023 | 30 June 2022 |
|--|--------------|--------------|
|  | Birr'000     | Birr'000     |
| Company income tax                             | 1,009        | 212          |
| Prior year (over)/under                        |              |              |
| Deferred income tax/(credit) to profit or loss |              |              |
| Total charge to profit or loss                 | 1,009        | 212          |
| Tax (credit) on other comprehensive income     |              |              |
| Total tax in statement of comprehensive income | 1,009        | 212          |

**14 (b) Reconciliation of effective tax to statutory tax**

The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate

**Profit before tax**

|   | 30 June      | 30 June 2022 |
|---|--------------|--------------|
|   | Birr'000     | Birr'000     |
| <b>Non-Life Business</b>                    | 52,068       | 43,510       |
| Non taxable income (Income taxed at source) |              |              |
| Interest income from deposit and Givnt Bond | (31,564)     | (27,707)     |
| Income on dividend                          | (22,578)     | (20,588)     |
| Adjustment of taxable depreciation          |              |              |
| Non deductible expenses                     | 5,437        | 5,491        |
| Total taxable Income                        | <b>3,363</b> | <b>707</b>   |
| Tax calculated at statutory tax rate of 30% | <b>1,009</b> | <b>212</b>   |
| <b>Life Business</b>                        | 7,330        | 1,571        |
| Non taxable income (Income taxed at source) |              |              |
| Interest income from deposit and Givnt Bond | (3,528)      |              |
| Income on dividend                          | (763)        | (2,065)      |
| Adjustment of taxable depreciation          |              |              |
| Non deductible expenses                     | 76           | -            |
| Total taxable Income                        | 3,115        |              |
| Tax calculated at statutory tax rate of 30% | <b>934</b>   |              |
|   | <b>1,943</b> | <b>212</b>   |

**14 (c) Current income tax liability**

|                                      |                |                |
|--------------------------------------|----------------|----------------|
| <b>Non-Life Business</b>             |                |                |
| Balance at the beginning of the year | 212            | -              |
| Charge for the year:                 |                |                |
| Income tax expense                   | 1,009          | 212            |
| Prior year (over)/ under provision   | -              | -              |
| WHT Notes utilised                   | (6,353)        | (3,545)        |
| Payment during the year              | (212)          | -              |
| Balance at the end of the year       | <b>(5,345)</b> | <b>(3,333)</b> |



**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**14(d) Life Business**

|                                      | 2023         | 30 June 2022 |
|--------------------------------------|--------------|--------------|
|                                      | Birr'000     | Birr'000     |
| Balance at the beginning of the year | -            | -            |
| Charge for the year:                 | -            | -            |
| Income tax expense                   | 934          | -            |
| Prior year (over)/ under provision   | -            | -            |
| WHT Notes utilised                   | 404          | -            |
| Payment during the year              | -            | -            |
| Balance at the end of the year       | <u>1,338</u> | <u>-</u>     |

**14( e ) Deferred income tax**

The analysis of deferred tax assets/(liabilities) is as follows:

|   | 2023         | 30 June 2022 |
|---|--------------|--------------|
|   | Birr'000     | Birr'000     |
| To be recovered after more than 12 months | 5,095        | 30           |
| To be recovered within 12 months          | -            | -            |
|   | <u>5,095</u> | <u>30</u>    |

Deferred income tax assets and liabilities, deferred income tax charge/(credit) in profit or loss ("p or l), in equity and other comprehensive income are attributable to the following items:

**14( f ) Deferred income tax assets**

|  | At 1 July<br>2022 | Credit/ (charge) to profit or<br>loss | Credit/<br>(charge) to<br>equity | '30 June 2023 |
|--|-------------------|---------------------------------------|----------------------------------|---------------|
|  | Birr'000          | Birr'000                              | Birr'000                         | Birr'000      |
| Property, plant and equipment                  | -                 | -                                     | 5,095                            | 5,095         |
| Provisions                                     | -                 | -                                     | -                                | -             |
| Unrealised exchange gain                       | -                 | -                                     | -                                | -             |
| Tax losses charged to profit or loss           | -                 | -                                     | -                                | -             |
| Post employment benefit obligation             | -                 | -                                     | (893)                            | (893)         |
| <b>Total deferred tax assets/(liabilities)</b> | <u>-</u>          | <u>-</u>                              | <u>4,203</u>                     | <u>4,203</u>  |

**14( g ) Deferred income tax liabilities**

|  | At 1 July<br>2022 | Credit/ (charge) to profit or<br>loss | Credit/<br>(charge) to<br>equity | '30 June 2023 |
|--|-------------------|---------------------------------------|----------------------------------|---------------|
|  | Birr'000          | Birr'000                              | Birr'000                         | Birr'000      |
| Property, plant and equipment                  | -                 | -                                     | -                                | -             |
| Provisions                                     | -                 | -                                     | -                                | -             |
| Unrealised exchange gain                       | -                 | -                                     | -                                | -             |
| Tax losses charged to profit or loss           | -                 | -                                     | -                                | -             |
| Post employment benefit obligation             | -                 | -                                     | 257.51                           | 893           |
| <b>Total deferred tax assets/(liabilities)</b> | <u>-</u>          | <u>-</u>                              | <u>258</u>                       | <u>893</u>    |



*[Signature]*

Chairman, Board of Directors



*[Signature]*

Chief Executive Officer

Bunna Insurance Share Company (S.C)  
Notes to the financial statements  
For the Year Ended 30 June 2023

15 Property, Plant and Equipment

|                                 | Building       | Motor vehicles  | Furniture, fittings and Equipment | Computer equipment | Total           |
|---------------------------------|----------------|-----------------|-----------------------------------|--------------------|-----------------|
|                                 | Birr'000       | Birr'000        | Birr'000                          | Birr'000           | Birr'000        |
| <b>Non -Life Business</b>       |                |                 |                                   |                    |                 |
| <b>Cost</b>                     |                |                 |                                   |                    |                 |
| As at 1 July 2021               | 127,690        | 38,961          | 8,047                             | 6,163              | 180,860         |
| Additions                       | -              | 8,173           | 1,552                             | 1,451              | 11,177          |
| Reclassifications               |                |                 |                                   |                    | -               |
| Disposals                       |                |                 |                                   |                    | -               |
| <b>As at 30 June 2022</b>       | <b>127,690</b> | <b>47,133</b>   | <b>9,599</b>                      | <b>7,614</b>       | <b>192,037</b>  |
| As at 1 July 2022               | 127,690        | 47,133          | 9,599                             | 7,614              | 192,037         |
| Additions                       | -              | 3,082           | 1,598                             | 2,427              | 7,108           |
| Disposals                       |                | (1,719)         |                                   |                    | (1,719)         |
| Reclassification                |                |                 |                                   |                    | -               |
| <b>As at 30 June 2023</b>       | <b>127,690</b> | <b>48,497</b>   | <b>11,198</b>                     | <b>10,042</b>      | <b>197,426</b>  |
| <b>Accumulated depreciation</b> |                |                 |                                   |                    |                 |
| As at 1 July 2021               | (3,698)        | (11,319)        | (2,408)                           | (2,486)            | (19,911)        |
| Charge for the year             | (2,450)        | (4,086)         | (961)                             | (932)              | (8,429)         |
| Adjustment                      |                |                 |                                   |                    | -               |
| <b>As at 30 June 2022</b>       | <b>(6,147)</b> | <b>(15,404)</b> | <b>(3,369)</b>                    | <b>(3,418)</b>     | <b>(28,340)</b> |
| As at 1 July 2022               | (6,147)        | (15,404)        | (3,369)                           | (3,418)            | (28,340)        |
| Charge for the year             | (2,450)        | (4,673)         | (1,131)                           | (1,103)            | (9,357)         |
| Disposals                       |                | 1,474           |                                   |                    | 1,474           |
| <b>As at 30 June 2023</b>       | <b>(8,597)</b> | <b>(18,603)</b> | <b>(4,500)</b>                    | <b>(4,522)</b>     | <b>(36,222)</b> |
| <b>Net book value</b>           |                |                 |                                   |                    |                 |
| As at 30 June 2022              | 121,543        | 31,729          | 6,230                             | 4,196              | 163,697         |
| As at 30 June 2023              | 119,093        | 29,893          | 6,698                             | 5,520              | 161,204         |

|                                 | Building | Motor vehicles | Furniture, fittings and Equipment | Computer equipment | Total        |
|---------------------------------|----------|----------------|-----------------------------------|--------------------|--------------|
|                                 | Birr'000 | Birr'000       | Birr'000                          | Birr'000           | Birr'000     |
| <b>Life Business</b>            |          |                |                                   |                    |              |
| <b>Cost</b>                     |          |                |                                   |                    |              |
| As at 1 July 2021               | -        | -              | -                                 | -                  | -            |
| Additions                       | -        | 1,087          | 75                                | -                  | 1,161        |
| Reclassifications               | -        | -              | -                                 | -                  | -            |
| Disposals                       | -        | -              | -                                 | -                  | -            |
| <b>As at 30 June 2022</b>       | <b>-</b> | <b>1,087</b>   | <b>75</b>                         | <b>-</b>           | <b>1,161</b> |
| As at 1 July 2022               | -        | 1,087          | 75                                | -                  | 1,161        |
| Additions                       | -        | -              | -                                 | -                  | -            |
| Disposals                       | -        | -              | -                                 | -                  | -            |
| Reclassification                | -        | -              | -                                 | -                  | -            |
| <b>As at 30 June 2023</b>       | <b>-</b> | <b>1,087</b>   | <b>75</b>                         | <b>-</b>           | <b>1,161</b> |
| <b>Accumulated depreciation</b> |          |                |                                   |                    |              |
| As at 1 July 2021               | -        | -              | -                                 | -                  | -            |
| Charge for the year             | -        | (41)           | (5)                               | -                  | (46)         |
| Adjustment                      | -        | -              | -                                 | -                  | -            |
| <b>As at 30 June 2022</b>       | <b>-</b> | <b>(41)</b>    | <b>(5)</b>                        | <b>-</b>           | <b>(46)</b>  |
| As at 1 July 2022               | -        | (41)           | (5)                               | -                  | (46)         |
| Charge for the year             | -        | (105)          | (6)                               | -                  | (111)        |
| Disposals                       | -        | -              | -                                 | -                  | -            |
| <b>As at 30 June 2023</b>       | <b>-</b> | <b>(146)</b>   | <b>(11)</b>                       | <b>-</b>           | <b>(157)</b> |
| <b>Net book value</b>           |          |                |                                   |                    |              |
| As at 30 June 2022              | 1,045    | 69             | 64                                | -                  | 1,115        |
| As at 30 June 2023              | 940      | 64             | 54                                | -                  | 1,004        |



Chairman, Board of Directors



Chief Executive Officer







**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**19 Loan and Receivable**

|  | 30 June<br>2023 | 30 June 2022 |
|--|-----------------|--------------|
|  | Birr'000        | Birr'000     |
| <b>Non-Life Business</b>                   |                 |              |
| Government bond held to maturity           | 6,500           |              |
| The movement during the yeas is as follows | -               |              |
| <b>As at June</b>                          | <b>6,500</b>    |              |
| <b>Life Business</b>                       |                 |              |
| Government bond held to maturity           | 230             |              |
| The movement during the yeas is as follows | -               |              |
| <b>As at June</b>                          | <b>230</b>      |              |
| <b>Maturity analysis</b>                   |                 |              |
| Current                                    | -               | -            |
| Non-Current                                | 6,730           | -            |
| <b>Total</b>                               | <b>6,730</b>    | <b>-</b>     |

**20 Statutory deposit**

This relates to the amount deposited with National Bank of Ethiopia in line with the Insurance Business proclamation No.746/2012 Article 20 as amended by the Insurance Business proclamation No.1163/2019. The law require that in respect of each main class of insurance, the insurer carries an amount equal to 15% of the Company's paid up capital in cash or government securities. The Bond bear interest at the rate of 8% per annum.

|  | 30 June<br>2023 | 30 June 2022  |
|--|-----------------|---------------|
|  | Birr'000        | Birr'000      |
| <b>Non - Life Business</b>                 |                 |               |
| Statutory deposit                          | 27,643          | 25,393        |
| The movement during the yeas is as follows | 15,411          | 2,043         |
| <b>As at June</b>                          | <b>43,053</b>   | <b>27,643</b> |
| <b>Life Business</b>                       |                 |               |
| Statutory deposit                          | 2,250           | 2,250         |
| The movement during the yeas is as follows | -               | -             |
| <b>As at June</b>                          | <b>2,250</b>    | <b>2,250</b>  |
|  | <b>45,303</b>   | <b>29,893</b> |

**21 Reinsurers' share of technical provision and Reserve/Reinsurance assets**

|                              |                |                |
|------------------------------|----------------|----------------|
| <b>Non-Life Business</b>     |                |                |
| -notified claims outstanding | 596,203        | 96,972         |
| -unearned premium reserve    | 87,694         | 57,740         |
| -incurred but not reported   | 20,800         | 10,525         |
| <b>As at June</b>            | <b>704,696</b> | <b>165,237</b> |
| <b>Life Business</b>         |                |                |
| Reinsurers' share of:        |                |                |
| -notified claims outstanding | 1,445          | 1,577          |
| -unearned premium reserve    | 7,894          | 7,696          |
| -incurred but not reported   | 1,121          | 237            |
| <b>As at June</b>            | <b>10,459</b>  | <b>9,510</b>   |
| <b>Total</b>                 | <b>715,156</b> | <b>174,747</b> |

These are Reinsurance share of technical provisions and reserves. The Company has made a review of an impairment test of the reinsurance assets and no impairment is required in respect of these assets as the Company has the right to set-off reinsurance assets against reinsurance liabilities on settlement. The carrying amounts disclosed above is in respect of the reinsurance of investment contracts approximate fair value at the reporting date



**Bunna Insurance Share Company (S.C)**  
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**For the Year Ended 30 June 2023**

**22 Insurance Receivables**

**Non-Life Business**

Due from contract holders  
 Due from risk sharing(Local Insurer)

**Gross amount**

Less: Provision for impairment (note )

- Specific impairment

**Net amount**

| 30 June 2023   | 30 June 2022   |
|----------------|----------------|
| Birr'000       | Birr'000       |
| 107,903        | 134,698        |
| 4,308          | 5493           |
| <b>112,211</b> | <b>134,698</b> |
| <b>112,211</b> | <b>134,698</b> |

**Maturity analysis**

Current  
 Non- current

| 30 June 2023   | 30 June 2022   |
|----------------|----------------|
| Birr'000       | Birr'000       |
| 85,323         | 73,271         |
| 26,889         | 61,424         |
| <b>112,211</b> | <b>134,695</b> |

**Life Business**

Due from contract holders  
 Due from agents and brokers

**Gross amount**

Less: Provision for impairment (note )

- Specific impairment

**Net amount**

|              |              |
|--------------|--------------|
| 3,509        | 1,214        |
| <b>3,509</b> | <b>1,214</b> |
| <b>3,509</b> | <b>1,214</b> |

**Maturity analysis**

Current  
 Non- current

| 30 June 2023   | 30 June 2022 |
|----------------|--------------|
| Birr'000       | Birr'000     |
| 88,832         | 1,214        |
| 26,889         |              |
| <b>115,720</b> | <b>1,214</b> |

The Company conducted on impairment review of the reinsurance assets and no impairment is required in respect of these asset as the Company has the right to set-off reinsurance asset against reinsurance liabilities on settlement. The carrying amount disclosed above is in respect of the reinsurance of investment contract approximate fair value at the reporting date.

**23 Other assets**

**Other loans and receivables:**

**Non-Life Business**

Staff debtors  
 Inter Office Receivables  
 Other account receivable

**Other non financial assets**

Withholding tax receivable  
 Prepayments  
 Prepaid staff assets

**Less impairment loss on other assets**

On other loans and receivables  
 on other non financial assets

**Other loans and receivables:**

**Life Business**

Staff debtors  
 Inter Office Receivables  
 Other account receivable

| 30 June 2023  | 30 June 2022  |
|---------------|---------------|
| Birr'000      | Birr'000      |
| 8,948         | 4,773         |
| 33,981        | 4,972         |
| 21,690        | 1,934         |
| <b>64,618</b> | <b>11,679</b> |
| 6,353         | 3,545         |
| 4,568         | 3,125         |
| 2,351         | 731           |
| <b>13,272</b> | <b>7,401</b>  |
| -             | -             |
| -             | -             |
| <b>77,890</b> | <b>19,080</b> |
| 94            | 156           |
| 24,769        |               |
| 1,829         | 1,934         |
| <b>26,692</b> | <b>2,090</b>  |



**Less impairment loss on other assets**

On other loans and recivables  
on other non financial assets

|                |               |
|----------------|---------------|
| -              | -             |
| 27,096         | 2,323         |
| <b>104,986</b> | <b>21,403</b> |

**Maturity analysis**

Current  
Non- current

| 30 June 2023   | 30 June 2022  |
|----------------|---------------|
| Birr'000       | Birr'000      |
|                | 41,157        |
| 224,007        | 2,471         |
| <b>224,007</b> | <b>43,628</b> |

Other receivables consists of prepayments , staff debtors and other account receivables. The Company has an internal system of assessing the credit quality of othe receivables through established policies banded approval system. The Company constantly monitor its exposure to these receivables via periodic performance review.The exposure to credit risk associated with other receivable is low.

**24 Salvage Property held for sale**

| 30 June       | 30 June 2022  |
|---------------|---------------|
| Birr'000      | Birr'000      |
| 21,348        | 40,686        |
| <b>21,348</b> | <b>40,686</b> |

The monement in noncurrent assets held for sale is as follows:

| 2023                                  | 30 June 2022  |
|---------------------------------------|---------------|
| Birr'000                              | Birr'000      |
| At the beginning of the year          | 40,686        |
| Additions (deduction) during the year | (19,338)      |
| <b>At the end of the year</b>         | <b>21,348</b> |

These assets represent salvage properties that are fully or partially damaged and fully compensated to the policy holder by the company. These assets are recognised and classified as asset held for sale in the financial statement by their carrying amount and fair value less cost of diposal as per IFRS 5. These assets will not held for more than a year from the date of compensation . The Company managment regarding these asset is to dispose through public auction.

**25 Cash and Bank Balance**

| 30 June 2023 | 30 June 2022 |
|--------------|--------------|
| Birr'000     | Birr'000     |

**Non-life Business**

Cash in hand  
Cash at bank  
Fixed time deposits with local Banks

|                |                |
|----------------|----------------|
| 10,635         | 68             |
| 284,376        | 96,865         |
| 281,540        | 197,000        |
| <b>576,552</b> | <b>293,933</b> |

For the purpose of the cash flow statement, cash and cash equivalent comprise of cash in hand,cash at bank, short term deposit with bank

**Life Business**

Cash in hand  
Cash at bank  
Fixed time deposits with lockal Banks

| 30 June 2023  | 30 June 2022  |
|---------------|---------------|
| Birr'000      | Birr'000      |
| 2             | 1,682         |
| 3,845         | 25,140        |
| 39,498        |               |
| <b>43,345</b> | <b>26,822</b> |





**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**Maturity analysis**

|              | 2023           | 30 June 2022   |
|--------------|----------------|----------------|
|              | Birr'000       | Birr'001       |
| Current      | 619,897        | 320,757        |
| Non- current | -              | -              |
| <b>Total</b> | <b>619,897</b> | <b>320,757</b> |

For the purpose of the cash flow statement, cash and cash equivalents comprise of cash in hand, cash at bank, short term deposit with banks.

**26 Insurance contract liabilities**

|  | 2023             | 30 June 2022   |
|--|------------------|----------------|
|  | Birr'000         | Birr'000       |
| <b>A Gross insurance contract:</b>           |                  |                |
| <b>Non-Life Business</b>                     |                  |                |
| Claims reported and loss adjustment expenses | 733,843          | 186,803        |
| Claims incurred but not reported             | 67,067           | 33,949         |
| <b>Outstanding claims provision</b>          | <b>800,910</b>   | <b>220,752</b> |
| Unearned Premium provision (note ii)         | 477,901          | 243,415        |
|  | <b>1,278,810</b> | <b>464,167</b> |
| <b>Life Business</b>                         |                  |                |
| Claims reported and loss adjustment expenses | 4,719            | 2,069          |
| Claims incurred but not reported             | 3,281            | 2,871          |
| <b>Outstanding claims provision</b>          | <b>8,000</b>     | <b>4,940</b>   |
| Unearned Premium                             | 18,163           | 4,970          |
|  | <b>26,162</b>    | <b>9,910</b>   |
| <b>Total insurance gross liabilities</b>     | <b>1,304,973</b> | <b>474,077</b> |

**B Reinsurers portion**

|   | 2023           | 30 June 2022   |
|---|----------------|----------------|
|   | Birr'000       | Birr'000       |
| <b>Non-Life Business</b>                                |                |                |
| Claims reported and loss adjustment expenses            | 596,203        | 186,803        |
| Claims incurred but not reported (IBNR)                 | 20,800         | (33,949)       |
| <b>Outstanding claims provision</b>                     | <b>617,003</b> | <b>152,855</b> |
| Unearned Premium provision (note ii)                    | 87,694         | 57,772         |
|   | <b>704,696</b> | <b>210,627</b> |
| <b>Life Business</b>                                    |                |                |
| Claims reported and loss adjustment expenses            | 1,445          | 1,055          |
| Claims incurred but not reported (IBNR)                 | 1,121          | 987            |
| <b>Outstanding claims provision</b>                     | <b>2,566</b>   | <b>2,042</b>   |
| Unearned Premium provision (note ii)                    | -              | -              |
| <b>Total reinsurers' share of insurance liabilities</b> | <b>704,696</b> | <b>210,627</b> |

The Unearned premium provisions represent the liabilities for Insurance Business contracts where the Company's obligations are not met. The Company's insurance contract liability was tested for adequacy by Actuarial Service (Actserve) Ltd., an actuary located in Kenya.

**Movements in Insurance liabilities and reinsurance assets**

**26(i) Outsanding**

**Non-Life Business**

|                      | 30-Jun-23      |                  |                | 30-Jun-22      |                  |                |
|----------------------|----------------|------------------|----------------|----------------|------------------|----------------|
|                      | Gross          | Reinsurance      | Net            | Gross          | Reinsurance      | Net            |
|                      | Birr'000       | Birr'000         | Birr'000       | Birr'000       | Birr'000         | Birr'000       |
| At 1 July            | 220,752        | (107,498)        | 113,254        | 121,843        | (38,237)         | 83,606         |
| Notified claims      | 513,091        | (488,705)        | 24,386         | 64,960         | (58,735)         | 6,225          |
| IBNR                 | 67,067         | (20,800)         | 46,267         | 33,949         | (10,525)         | 23,423         |
| <b>As at 30 June</b> | <b>800,910</b> | <b>(617,003)</b> | <b>183,907</b> | <b>220,752</b> | <b>(107,498)</b> | <b>113,254</b> |



**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

|                                       |                |                  |                |                |                  |                |
|---------------------------------------|----------------|------------------|----------------|----------------|------------------|----------------|
| At 1 July                             | 220,752        | (107,498)        | 113,254        | 121,843        | (38,237)         | 83,606         |
| Cash paid for claims settled in year  | (336,548)      | 43,976           | (292,572)      | (210,311)      | 35,647           | (174,664)      |
| Increase in Liabilities               |                |                  | -              |                |                  | -              |
| Arising from current and prior period | 916,706        | (553,481)        | 363,225        | 309,220        | (104,907)        | 204,313        |
| <b>As at 30 June</b>                  | <b>800,910</b> | <b>(617,003)</b> | <b>183,907</b> | <b>220,752</b> | <b>(107,498)</b> | <b>113,255</b> |

**Life Business**

|                                       | 30-Jun-23         |                         |                 | 30-Jun-22         |                         |                 |
|---------------------------------------|-------------------|-------------------------|-----------------|-------------------|-------------------------|-----------------|
|                                       | Gross<br>Birr'000 | Reinsurance<br>Birr'000 | Net<br>Birr'000 | Gross<br>Birr'000 | Reinsurance<br>Birr'000 | Net<br>Birr'000 |
| At 1 July                             | 4,940             | (2,042)                 | 2,898           | -                 | -                       | -               |
| Notified claims                       | (221)             | 597                     | 376             | 2,069             | (1,055)                 | 1,014           |
| IBNR                                  | 3,281             | (1,121)                 | 2,160           | 2,871             | (987)                   | 1,884           |
| <b>As at 30 June</b>                  | <b>8,000</b>      | <b>(2,566)</b>          | <b>5,434</b>    | <b>4,940</b>      | <b>(2,042)</b>          | <b>2,898</b>    |
| At 1 July                             | 4,940             | (2,042)                 | 2,898           | -                 | -                       | -               |
| Cash paid for claims settled in year  | (3,259)           | 409                     | (2,850)         | (103)             | -                       | (103)           |
| Increase in Liabilities               |                   |                         | -               |                   |                         | -               |
| Arising from current and prior period | 6,319             | (933)                   | 5,386           | 5,043             | (2,042)                 | 3,001           |
| <b>As at 30 June</b>                  | <b>8,000</b>      | <b>(2,566)</b>          | <b>5,434</b>    | <b>4,940</b>      | <b>(2,042)</b>          | <b>2,898</b>    |

26(ii) **Provision for unearned premium**

| Non-Life Business                | 30-Jun-23         |                         |                 | 30-Jun-22         |                         |                 |
|----------------------------------|-------------------|-------------------------|-----------------|-------------------|-------------------------|-----------------|
|                                  | Gross<br>Birr'000 | Reinsurance<br>Birr'000 | Net<br>Birr'000 | Gross<br>Birr'000 | Reinsurance<br>Birr'000 | Net<br>Birr'000 |
| Motor Insurance                  | 314,952.48        | 19,255                  | 295,697.52      | 135,848           | 7,714                   | 128,135         |
| Marine insurance                 | 5,601.66          | 1,654                   | 3,947.45        | 3,850             | 2,124                   | 1,726           |
| Fire and accident insurance      | 22,878.83         | 15,179                  | 7,700.32        | 10,851            | 6,387                   | 4,464           |
| Pecuniary insurance              | 41,396.86         | 20,089                  | 21,307.63       | 37,884            | 20,651                  | 17,233          |
| Engineering insurance            | 8,185.29          | 1,929                   | 6,256.11        | 8,758             | 3,195                   | 5,564           |
| Workmen compensation             | 2,674.57          | 135                     | 2,539.79        | 2,465             | 125                     | 2,340           |
| GPA insurance                    | 543.61            | 61                      | 482.66          | 430               | 122                     | 308             |
| Liability insurance              | 48,777.52         | 2,273                   | 46,504.43       | 21,836            | 997                     | 20,838          |
| Political Violence and Terrorism | 32,577            | 26,957                  | 5,620.48        | 21,394            | 16,360                  | 5,033           |
| Travel Health                    | 254               | 162                     | 91.67           | 83                | 65                      | 18              |
| All risk                         | 59                | -                       | 58.94           | 16                | 0                       | 16              |
| <b>Total</b>                     | <b>477,901</b>    | <b>87,694</b>           | <b>390,207</b>  | <b>243,415</b>    | <b>57,740</b>           | <b>185,675</b>  |

**Change in unearned premium**

|                              | 30-Jun-23         |                         |                 | 30-Jun-22         |                         |                 |
|------------------------------|-------------------|-------------------------|-----------------|-------------------|-------------------------|-----------------|
|                              | Gross<br>Birr'000 | Reinsurance<br>Birr'000 | Net<br>Birr'000 | Gross<br>Birr'000 | Reinsurance<br>Birr'000 | Net<br>Birr'000 |
| At the beginning of the year | 243,415           | 57,740                  | 185,675         | 185,440           | 40,908                  | 144,532         |
| Change in unearned income    | 234,486           | 29,954                  | 204,532         | 57,975            | 16,832                  | 41,143          |
|                              | <b>477,901</b>    | <b>87,694</b>           | <b>390,207</b>  | <b>243,415</b>    | <b>57,740</b>           | <b>185,675</b>  |

**Life Business**

(i) **Provision for unearned premium**

|                    | 30-Jun-23         |                         |                 | 30-Jun-22         |                         |                 |
|--------------------|-------------------|-------------------------|-----------------|-------------------|-------------------------|-----------------|
|                    | Gross<br>Birr'000 | Reinsurance<br>Birr'000 | Net<br>Birr'000 | Gross<br>Birr'000 | Reinsurance<br>Birr'000 | Net<br>Birr'000 |
| Group term         | 13,988            | 4,818                   | 9,170           | 7,525             | 3,110                   | 4,415           |
| Group medical      | 146               |                         | 146             | 171               | -                       | 171             |
| Individual medical | 4,029             | 3,075                   | 953             |                   |                         | -               |
| Travel health      |                   |                         |                 |                   |                         | -               |
|                    | <b>18,163</b>     | <b>7,894</b>            | <b>10,269</b>   | <b>7,696</b>      | <b>3,110</b>            | <b>4,585</b>    |



**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
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|                              | 30-Jun-23         |                         |                 | 30-Jun-22         |                         |                 |
|------------------------------|-------------------|-------------------------|-----------------|-------------------|-------------------------|-----------------|
|                              | Gross<br>Birr'000 | Reinsurance<br>Birr'000 | Net<br>Birr'000 | Gross<br>Birr'000 | Reinsurance<br>Birr'000 | Net<br>Birr'000 |
| At the beginning of the year | 7,696             | 3,110                   | 4,585           |                   |                         |                 |
| Change in unearned income    | 10,467            | 4,783                   | 5,683           | 7,696             | 3,110                   | 4,585           |
|                              | <b>18,163</b>     | <b>7,894</b>            | <b>10,269</b>   | <b>7,696</b>      | <b>3,110</b>            | <b>4,585</b>    |

**26(iii) Life insurance fund**

|                                   | 2023          | 30 June 2022 |
|-----------------------------------|---------------|--------------|
|                                   | Birr'000      | Birr'000     |
| At the beginning or the year      | 8,041         |              |
| Net premium received              | 14,779        | 6,743        |
| Investment Income                 | 4,291         | 2,065        |
| Other income                      | 9             | 5            |
| Claims Paid                       | (3,259)       | (103)        |
| Claims recovered from reinsurance | 409           | -            |
| Management expense                | (1,619)       | (881)        |
| Net commission paid/received      | 939           | 1,225        |
| Change in outstanding claims      | (2,260)       | (1,014)      |
| Distribution to shareholders      | (1,571)       | -            |
| At the end of the year            | <b>11,718</b> | <b>8,041</b> |
|                                   | <b>19,759</b> | <b>8,041</b> |

The Company carried out an actuarial valuation to determine the actuarial liabilities for its life fund as at the reporting date. The amount come of the Actuarial valuation are shown below

**Life Fund Movement**

|                              | 30 June       | 30 June 2022 |
|------------------------------|---------------|--------------|
|                              | Birr'000      | Birr'000     |
| Actuarial Liabilities        | 12,429        | 6,470        |
| Actuarial surplus            | 7,330         | 1,571        |
| Distribution to shareholders | -             | -            |
| Life Fund                    | <b>19,759</b> | <b>8,041</b> |

**27 Deferred reinsurance commission income**

|                   | 2023          | 30 June 2022  |
|-------------------|---------------|---------------|
|                   | Birr'000      | Birr'000      |
| Non-Life Business | 20,918        | 14,640        |
| Life Business     | -             | -             |
|                   | <b>20,918</b> | <b>14,640</b> |

**28 Insurance payables**

|   |                |                |
|---|----------------|----------------|
| <b>Non-Life Business</b>                  |                |                |
| Due to contract holders                   | -              |                |
| Due to reinsurers                         | 207,981        | 134,698        |
| Payable to local insurance                | 7,200          | 4,796          |
| <b>Gross amount</b>                       | <b>215,180</b> | <b>139,494</b> |
| <b>Life Business</b>                      |                |                |
| Due to contract holders                   |                |                |
| Due to reinsurers                         | 12,110         | 4,537          |
| Due to agents, brokers and intermediaries |                |                |
| <b>Gross amount</b>                       | <b>12,110</b>  | <b>4,537</b>   |
| <b>Total</b>                              | <b>227,290</b> | <b>144,031</b> |

The carrying amounts disclosed above approximate fair value at the reporting date. All amounts payable on direct insurance business and assumed reinsurance business are payable within one year.



**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**29 Other payables**

|  | 30 June<br>Birr'000 | 30 June 2022<br>Birr'000 |
|--|---------------------|--------------------------|
| <b>29 (a) Non-Life Business</b>                          |                     |                          |
| <b>Financial Liability</b>                               |                     |                          |
| Lease liability  | 8,604               | 6,270                    |
|  | <b>8,604</b>        | <b>6,270</b>             |
| <b>Other Financial Liability</b>                         |                     |                          |
| Accruals   | 19,722              | 15,575                   |
| Directors fee payable                                    | 1,350               | 1,350                    |
| Commission payable                                       | 169                 | 94                       |
|  | <b>21,241</b>       | <b>17,018</b>            |
| <b>Other non financial Liability</b>                     |                     |                          |
| Value Added Tax  | 2,217               | 21                       |
| Premium portfolio withdrawal - entry                     | 4,273               | 2,704                    |
| Inter Office payables                                    | 24,769              | 16,862                   |
| Cash indemnity allowance                                 | 179                 | 140                      |
| National Bank of Ethiopia (Additional statutory deposit) | 14,804              | 4,293                    |
| Withholding tax payable                                  | 559                 | 407                      |
| Insurance fund agency                                    | 607                 | 55                       |
| Pension fund payable                                     | 811                 | 538                      |
| Employee income tax                                      | 1,456               | 980                      |
| Annual leave payable                                     | 5,655               | 4,435                    |
| Sundry payables  | 9,141               | 2,655                    |
| <b>Gross amount</b>                                      | <b>64,470</b>       | <b>33,090</b>            |
|  | <b>94,314</b>       | <b>56,379</b>            |
| <b>29(b) Life Business</b>                               |                     |                          |
| <b>Other non financial Liability</b>                     |                     |                          |
| A/P to Bunna H.O   | 33,980              | 4,972                    |
| Accruals   | 181                 | 118                      |
| Pension fund payable                                     | 14                  | 11                       |
| Employee income tax                                      | 26                  | 18                       |
| Sundry payables  | 1,031               | 16                       |
|  | <b>35,231</b>       | <b>5,135</b>             |
| <b>29 ( c ) Borrowing</b>                                |                     |                          |
| Bank Loan  | -                   | 71,983                   |
|  | -                   | <b>71,983</b>            |
| <b>Maturity analysis</b>                                 |                     |                          |
| Current  | 129,546             | 61,514                   |
| Loan current mature                                      | -                   | -                        |
| Non- current   | -                   | -                        |
|  | <b>129,546</b>      | <b>61,514</b>            |

For additional financing to purchase Head office Quarter Building, on May 2019 the Company borrow Birr 82,495,000.00 from Bunna International Bank (S.C.) with interest rate of 18.9% per annum, that would be paid semi-annual for 10 years. This fiscal year Bunna has been settle the remaining term loan of birr 71,983,174.44 including interest expense of birr 2,196,381.41.

**30 Defined benefit liability**

The Company Employees are entitled to a Severance Benefit. The Severance Benefit Entitlement is provided under the Labour Proclamation No. 377/2003 and Labour Proclamation Amendment No. 494/2006 if an employee is terminated due to redundancy. And new Labour proclamation No. 1156/2019

The insurance company operates an unfunded severance pay plan for its employees who have served the company for 5 years and above and are below the retirement age (i.e. has not met the requirement to access the pension fund). The final pay-out is determined by reference to current benefit's level (monthly salary) and number of years in service and is calculated as 1 month salary for the first year in employment plus 1/3 of monthly salary for each subsequent in employment to a maximum of 12 months final monthly salary.





**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

The amounts recognised in the statement of financial position are determined as follows:

|  | 2023         | 30 June 2022 |
|--|--------------|--------------|
|  | Birr'000     | Birr'000     |
| <b>A Defined benefit liability</b>   |              |              |
| Liability recognized in the financial position   | 2,975        | 2,117        |
|  | <u>2,975</u> | <u>2,117</u> |
| <b>B Amount recognized in the profit or loss</b>   |              |              |
| Current service cost   | 1,142        | 842          |
| Interest cost  | 338          | 219          |
| Past service cost  | (634)        | (469)        |
|  | <u>846</u>   | <u>592</u>   |
| <b>C Amount recognised in other comprehensive income</b>                                       |              |              |
| Remeasurement gain/loss arising from change in financial assumption defined benefit obligation | (13)         | (173)        |
|  | <u>(13)</u>  | <u>(173)</u> |

The movement in the defined benefit obligation over the years is as follows

|                              | 2023         | 30 June 2022 |
|------------------------------|--------------|--------------|
|                              | Birr'000     | Birr'000     |
| At the beginning of the year | 2,117        | 1,352        |
| Current service cost         | 1,142        | 842          |
| Interest cost                | 338          | 219          |
| Remeasurement (gain)/loss    | 13           | 173          |
| Past service cost            | (634)        | (469)        |
| Benefit paid                 | -            | -            |
|                              | <u>2,975</u> | <u>2,117</u> |

**D The significant actuarial assumption were as follows**

i) Financial Assumption long term average

|                       | 30 June 2023 | 30 June 2022 |
|-----------------------|--------------|--------------|
|                       | Birr'000     | Birr'000     |
| -Discount rate        | 14.30%       | 14.25%       |
| -Salary Increase rate | 12.30%       | 12%          |

The rate of discount of 14.3% p.a based on the average lending rate in the second quarter of 2022/23 as provided by the National Bank of Ethiopia quarterly Bulletin.

Assumptions regarding future mortality experience are set based on actuarial advice, published statistics and experience in the industry.

ii) Withdrawal from Service

The withdrawal rates are believed to be reasonably representative of the Ethiopian experience. The valuation assumed a rate of withdrawal of 10% at the youngest ages falling with increasing age to 1% at age 50.

| Age | Resignation rates per annum |          |
|-----|-----------------------------|----------|
|     | Male %                      | Female % |
| 20  | 15.000                      | 15.000   |
| 25  | 12.000                      | 12.000   |
| 30  | 6.000                       | 6.000    |
| 35  | 2.500                       | 2.500    |
| 40  | 1.800                       | 1.800    |
| 45  | 1.000                       | 1.000    |
| 50  | 0.000                       | 0.000    |
| 55  | 0.000                       | 0.000    |
| 60  | 0.000                       | 0.000    |



**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

iii) **Mortality in Service**

The rate of mortality assumed for employees are those according to British A1949/52 ultimate table published by the Institute of Actuaries of England. These rates combined are approximately summarized as follows:

The sensitivity of the overall defined benefit liability to changes in the weighted principal assumption is:

| Age | Mortality rate |          |
|-----|----------------|----------|
|     | Male %         | Female % |
| 20  | 0.111          | 0.111    |
| 25  | 0.112          | 0.111    |
| 30  | 0.116          | 0.113    |
| 35  | 0.132          | 0.120    |
| 40  | 0.188          | 0.147    |
| 45  | 0.330          | 0.231    |
| 50  | 0.599          | 0.420    |
| 55  | 1.035          | 0.750    |
| 60  | 1.720          | 1.272    |

iv) **tv**

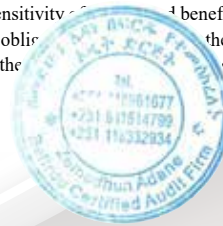
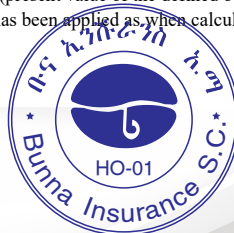
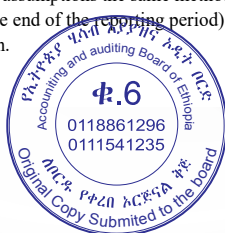
| Age | Male % | Female % |
|-----|--------|----------|
| 20  | 0.040  | 0.040    |
| 25  | 0.040  | 0.040    |
| 30  | 0.040  | 0.040    |
| 35  | 0.040  | 0.040    |
| 40  | 0.063  | 0.050    |
| 45  | 0.110  | 0.080    |
| 50  | 0.200  | 0.140    |
| 55  | 0.350  | 0.235    |
| 60  | 0.570  | 0.420    |

The sensitivity of the overall defined benefit liability to changes is the weighthted principle assumption is

| Actuarial Assumptions                              | Year Ended | 30-Jun-23      | 30-Jun-22       |
|--|------------|----------------|-----------------|
| Discount Rate (%p.a)                               |            | 14.30%         | 14.25%          |
| Furure salary increases (%op.a)                    |            | 12.30%         | 12.25%          |
| Mortality Assumptions-Males                        |            | A1945-52 Males | A1949-52 Males  |
| Mortality Assumptions-Females                      |            | A1945-52 Fem   | A1949-52Females |
| Weighted average duration of defined benefit oblig |            | 6.5            | 6.4             |

|  | Year Ended: 30 June 2023                         |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|
|  | scenario -1<br>Discount rate<br>Increased by 1 % | scenario -2<br>Salary rate<br>Increased by 1 % | scenario -3<br>Discount rate<br>decreased by 1 % | scenario -4<br>Salary rate<br>decreased by 1 % | Mortality rate<br>Increased by 10<br>% | scenario -6<br>Mortality rate<br>decreased by 10 % | scenario -7<br>Salary rate<br>decreased by 1 % |
| <b>Discount Rate Saray Inc</b>                           | 14.300 %<br>12.300 %                             | 15.300 %<br>12.300 %                           | 14.300 %<br>13.300 %                             | 13.300 %<br>12.300 %                           | 14.300 %<br>11.300 %                   | 14.300 %<br>12.300 %                               | 14.300 %<br>12.300 %                           |
| <b>Demographic Assumptions</b>                           |  | No Change                                      | No Change  | No Change                                      | No Change                              |  | No Change                                      |
| Net Liability at start of period                         | 2,116,894  | 2,116,894                                      | 2,116,894  | 2,116,894                                      | 2,116,894                              | 2,116,894  | 2,116,894                                      |
| Net expense recognised in the income state               | 1,480,050  | 1,480,050                                      | 1,480,050  | 1,480,050                                      | 1,480,050                              | 1,480,050  | 1,480,050                                      |
| Net expense recognised in the other comprehensive income | 12,810   | (167,692)                                      | 210,363  | 218,581  | (162,367)                              | 76,423   | (51,476)                                       |
| Employer contributions                                   | (634,482)  | (634,482)                                      | (634,482)  | (634,482)                                      | (634,482)                              | (634,482)  | (634,482)                                      |
| <b>Net Liability at end of period</b>                    | <b>2,975,272</b>                                 | <b>2,794,770</b>                               | <b>3,172,825</b>                                 | <b>3,181,043</b>                               | <b>2,800,095</b>                       | <b>3,038,885</b>                                   | <b>2,910,986</b>                               |

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation within the statement of financial position.





**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**34 Retained earnings**

|                                 | <b>30 June 2023</b> | <b>30 June 2022</b> |
|---------------------------------|---------------------|---------------------|
|                                 | <b>Birr'000</b>     | <b>Birr'000</b>     |
| <b>(a) Non-Life Business</b>    |                     |                     |
| At the beginning of the year    | 38,251              | 29,961              |
| Less dividend declared          | (36,837)            | (29,960)            |
| Profit/ (loss) for the year     | 52,068              | 43,510              |
| Prior year adjustment           | 1,105               | (1,018)             |
| Other comprehensive income      | -                   | -                   |
| Income tax                      | (1,009)             | (212)               |
| Transfer to directors incentive | (1,350)             | (1,350)             |
| Transfer to legal reserve       | (5,081)             | (4,093)             |
| At the end of the year          | <b>47,147</b>       | <b>36,837</b>       |

**(b) Life Business**

|                                 | <b>30 June 2023</b> | <b>30 June 2022</b> |
|---------------------------------|---------------------|---------------------|
|                                 | <b>Birr'000</b>     | <b>Birr'000</b>     |
| At the beginning of the year    | -                   | -                   |
| less dividend Paid              | -                   | -                   |
| Profit/ (loss) for the year     | 7,330               | 1,571               |
| Prior year adjustment           | -                   | (1,414)             |
| Other comprehensive income      | -                   | -                   |
| Income tax                      | (934)               | -                   |
| Transfer to directors incentive | -                   | -                   |
| Transfer to legal reserve       | (640)               | (157)               |
| <b>At the end of the year</b>   | <b>5,756</b>        | <b>-</b>            |
| Transfer to life fund           | <b>2,878</b>        | <b>-</b>            |
| <b>Total</b>                    | <b>52,903</b>       | <b>36,837</b>       |





**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**35 Legal reserve**

In compliance with Article 12 of proclamation No. 86/1994, 10% of the net profit after tax is transferred to legal reserve account until the balance reaches paid up capital

**(a) Non Life Business**

|   | <b>30 June 2023</b> | <b>30 June 2022</b> |
|---|---------------------|---------------------|
|   | <b>Birr'000</b>     | <b>Birr'000</b>     |
| Balance brought forward as at 1 July 2022 | 14,750              | 10,657              |
| Current year transfer                     | 5,081               | 4,093               |
| <b>At the end of the year</b>             | <b>19,831</b>       | <b>14,750</b>       |

This is a reserve constituted in accordance with Article 22 of proclamation No. 746/2012 Licensing and Supervision of insurance business. The law requires the insurer to transfer 10% of its annual net profit to its legal reserve account until such account equals its capital

**(b) Life Business**

|   | <b>30 June 2022</b> | <b>30 June 2021</b> |
|---|---------------------|---------------------|
|   | <b>Birr'000</b>     | <b>Birr'000</b>     |
| Balance brought forward as at 1 July 2022 | 157                 | -                   |
| Current year transfer                     | 640                 | 157                 |
| <b>At the end of the year</b>             | <b>797</b>          | <b>157</b>          |

Life fund reserve represents accumulated life fund inclusive of surpluses distributed to shareholders. The amount determined after actuarial valuation has been conducted



**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

Currency: Ethiopian Birr

**36 Cash generated from operating activities**

|   | 30 June 2023   | 30 June 2022   |
|---|----------------|----------------|
|   | Birr'000       | Birr'000       |
| Profit before tax   | 59,398         | 45,081         |
| Prior year Adjustment   | 1,105          | (1,018)        |
| <b>Adjustments for non- cash items:</b>                             |                |                |
| Depreciation on property and equipment                              | 9,467          | 8,475          |
| Depreciation on right of use asset                                  | 5,700          |                |
| Gain/(Loss) on disposal of property, plant and equipment            | (2,544)        |                |
| Dividend received   | (23,341)       | (20,588)       |
| Defined benefit obligation  | (13)           | (173)          |
| Directive incentive paid  |                | (1,237)        |
| <b>Changes in working capital:</b>                                  |                |                |
| -Decrease/ (increase) in Reinsurers' share of insurance liabilities | (548,104)      | (87,906)       |
| -Increase/ (decrease) in Asset held for sale                        | 19,338         | (19,412)       |
| -Decrease/ (increase) in insurance receivables                      | 20,192         | (62,974)       |
| -Decrease/ (increase) in Deferred acquisition costs                 | (11,888)       | (4,074)        |
| -Decrease/ (increase) in other assets                               | (60,945)       | (15,862)       |
| -Decrease/ (increase) Deferred income tax Asset                     | (5,065)        | 4,180          |
| -Decrease/ (increase) Deferred income tax Liabilities               | (1,383)        | 1,005          |
| -Decrease/ (increase) Current income Tax Liabilities                | 1,731          | (1,353)        |
| -Increase/ (decrease) in outstanding claims                         | 583,218        | 102,680        |
| -Increase/ (decrease) in Provision for unearned premium             | 248,846        | 62,945         |
| -Increase/ (decrease) in Deffered commision income                  | 5,721          | 5,000          |
| -Increase/ (decrease) in Retirement benefit oblig:                  | 858            | 765            |
| -Increase/ (decrease) in Insurance payables                         | 8,459          | 103,808        |
| -Increase/ (decrease) in Other payables                             | 80,098         | 13,069         |
| <b>Cash generated from operations</b>                               | <b>390,848</b> | <b>132,412</b> |

In the statement of cash flows, profit on sale of property, plant and equipment comprise

|  | 30 June 2023 | 30 June 2022 |
|--|--------------|--------------|
|  | Birr'000     | Birr'000     |
| Proceeds on disposal                                     |              |              |
| Net book value of property, plant and equipment disposed |              |              |
| Gain/(loss) on sale of property, plant and equipment     |              | -            |



**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

**37 Related party transactions**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The company has various related parties most of whom are related by virtue of being shareholders. The other related parties include staff of the company.

A number of transactions were entered into with related parties in the normal course of business. These are:

**(a) Transaction with related parties**

|                                   | 30 June 2023 | 30 June 2022 |
|-----------------------------------|--------------|--------------|
|                                   | Birr'000     | Birr'000     |
| Loans to key management personnel | 2,757        | 322          |

**(b) Key management compensation**

Key management has been determined to be the members of the Board of Directors and the Executive Management of the Company. The compensation paid or payable to key management for is shown. There were no sales or purchase of goods and services between the Company and key management personnel as at 30 June 2023.

|   | 30 June 2022 | 30 June 2021 |
|---|--------------|--------------|
|   | Birr'000     | Birr'000     |
| Salaries and other short-term employee benefits | 4191         | 2,404        |
| Post-employment benefits                        |              |              |
| Sitting allowance                               | 240          | 240          |
| Other expenses                                  | 4632         | -            |
|   | <b>9,063</b> | <b>2,644</b> |

**38 Directors and employees**

i) The average number of persons employed by the Insurance during the year was as follows:

|  | 30 June 2023 | 1 July 2022 |
|--|--------------|-------------|
|  | Number       | Number      |
| Professionals and High Level Supervisors       | 186          | 144         |
| Semi-professional, Administrative and Clerical | 34           | 49          |
| Technician and Skilled                         | 13           | 19          |
| Manual and Custodian                           | <b>233</b>   | <b>212</b>  |



**Bunna Insurance Share Company (S.C)**  
**Notes to the financial statements**  
**For the Year Ended 30 June 2023**

ii) The table below shows the number of employees (excluding CEO and D/CEO), earned as emoluments in the year and were within the bands stated.

|                 | <b>30 June 2023</b> | <b>2022</b>     |
|-----------------|---------------------|-----------------|
|                 | <b>Birr'000</b>     | <b>Birr'000</b> |
| < 10,000        | 62                  | 102             |
| 10,001 - 30,000 | 137                 | 86              |
| 30,001 - 50,000 | 24                  | 17              |
| Above 50,000    | 8                   | 7               |
|                 | <b>231</b>          | <b>212</b>      |

**39 Contingent liabilities**  
**Claims and litigation**

The Company is expose to various contingent liabilities in the normal course of business including a number of legal cases. The legal division evaluate the status of these exposures on regular basis to assess the probabilities of the Company's incurring related liabilities. Thus, the claims under litigation are included in the current financial statments and the managment believed to be adequate.

**40 Commitments**

The Company has a commitment with Amity software Company for the implementation of IT system and the company has been paid before June 30,2023 birr 13,017,993.29 for Phase 1 & 2 and the remaining amount would be paid as per the contract agreement and for the hardware purchase the bid is floted and the process would be taken and finalized.

**41 Operating lease commitments - Company as lessee Right of uses assets**

The Company leases various properties under non-cancellable operating lease agreements. The lease terms are between two and five years, and majority of these lease agreements are renewable at the end of the each lease period at market rate. The future aggregate minimum lease payments under non-cancellable operating leases are as follows

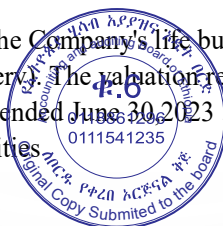
|   | <b>30 June 2023</b> | <b>2022</b>     |
|---|---------------------|-----------------|
|   | <b>Birr'000</b>     | <b>Birr'000</b> |
| No later than 1 year                          | 3,996               | 37,820          |
| Later than 1 year and no later than 2 years   | 2,151               | 7,020           |
| Later than 2 years but not later than 5 years |                     |                 |
| <b>Total</b>                                  | <b>6,147</b>        | <b>44,840</b>   |

**42 Events after reporting period**

In the opinion of the Directors, there were no significant post balance sheet events which could have a material effect on the state of affairs of the Company as at 30 June 2023 and on the profit for the period ended on that date, which have not been adequately provided for or disclosed.

**43 Acturial Valuations**

An acturial valuation of the Company's life business as of June 30, 2023 was performed by Actuarial Service East Africa (actser). The valuation revealed that the liability for distribut shareholders for the year ended June 30, 2023. The liability of the life fu was Birr over its net acturial liabilities.





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Branch Address

| Branch             | Mobile          | Office                                 | Fax             |
|--------------------|-----------------|--|-----------------|
| Main               | +251-960-441744 | +251-111-57-47-23<br>+251-111-26-36-72 | +251-111-580724 |
| Bole               | +251-960-441743 | +251-116-39-21-60                      | +251-116-392167 |
| Kera               | +251-960-441740 | +251-115-57-29-72                      | +251-115-572946 |
| Meshualkiya        | +251-960-441747 | +251-114-70-67-96                      | +251-111-119207 |
| Kazanchis          | +251-960-441738 | +251-115-58-48-57                      | +251-115-584857 |
| Sebategna          | +251-960-441735 | +251-112-73-23-64                      | +251-112-732392 |
| Hayahult           | +251-960-441742 | +251-116-61-62-95                      | +251-116-185034 |
| WelloSefer         | +251-960-441739 | +251-114-70-14-51                      | +251-114-701449 |
| Lideta             | +251-960-441741 | +251-115-57-69-16                      | +251-115-576933 |
| Dir Tera (Merkato) | +251-960-441734 | +251-112-73-45-98                      | +251-112-734605 |
| Saris              | +251-960-441733 | +251-114-70-79-63                      | +251-114-707984 |
| Piazza             | +251-960-441737 | +251-111-26-36-17                      | +251-111-263823 |
| Addisu Gebeya      | +251-986-019338 | +251-111-54-64-64                      | +251-111-547838 |
| Lebu               | +251-902-486619 | +251-114-62-50-11                      | +251-114-625385 |
| Arat Kilo          | +251-911-183802 | +251-111-26-30-23                      | +251-111-263188 |
| Africa Godana      | +251-912-880381 | +251116-14-73-70                       | +251-116-147372 |
| Megenagna          | +251-920-119386 | +251-116-67-50-89                      | +251-116-734236 |
| Gerji              | +251-920-792605 | +251-116-39-51-35                      | +251-116-395379 |
| Kaliti             | +251-912-976334 | +251-114-72-09-64                      | +251-114-720273 |
| Summit             | +251-945-271519 | +251-116-68-15-80                      | +251-116-681841 |
| Stadium            | +251-918-550219 | +251-115-50-73-93                      | +251-115-154118 |
| Kolfe              | +251-910-173741 | +251-112-73-88-87                      | +251-112-738754 |
| Mekelle            | +251-960-441752 | +251-342-41-51-37                      | +251-342-415237 |
| Bahir Dar          | +251-960-441751 | +251-582-26-40-81                      | +251-582-264493 |
| Adama              | +251-960-441750 | +251-222-11-20-35                      | +251-222-113058 |
| Dessie             | +251-913-638111 | +251-333-12-20-38                      | +251-333-126034 |
| Hawassa            | +251-913-310975 | +251-046-12-14-14                      | +251-462-121142 |
| Debre-Markos       | +251-912-188631 | +251-581-78-18-63                      | +251-581-787341 |
| Gonder             | +251-986-019340 | +251-583-20-52-52                      | +251-58-3205353 |
| Jimma              | +251-917-831677 | +251-472-11-87-00                      | +251-47-2118701 |
| Debre Birhan       | +251-904-113278 | +251-116-37-54-26                      | +251-116-376532 |
| Dire Dawa          | +251-915-737887 | +251-252-11-78-15                      | +251-252-117816 |
| Arbaminch          | +251-916-702828 | +251-461-81-11-00                      | +251-461-814858 |
| Semera             | +251-910-080004 | +251-333-66-49-29                      | +251-333-660282 |
| Welidya            | +251-913-444489 | +251-033-43-48-49                      | +251-033-434849 |

# 9<sup>th</sup> ዓመታዊ አጠቃላይ የባለአክሲዮኖች ስብሰባ 9<sup>th</sup> Annual General shareholders Assembly





9ተኛ ዓመታዊ አጠቃላይ የባለአክሲዮኖች ስብሰባ  
9<sup>th</sup> Annual General shareholders Assembly



ልዩነታችን አገልግሎታችን  
Our Difference is Our Service



2014/15 ዓመታዊ ስብሰባ  
2022/23 Annual Meeting





የአምስት ዓመት ስልታዊ ዕቅድ ትግበራ ጉባኤ  
Five Years Strategic Plan Implementation workshop



ልዩነታችን አገልግሎታችን  
Our Difference is Our Service

# የተሻለ አፈፃፀም ያስመዘገቡ ቅርንጫፎች ሽልማት Best performer Branch's Award





# አመታዊ የሰራተኞች ቀን Annual Staff day



ልዩነታችን አገልግሎታችን  
Our Difference is Our Service



# የስራ አስፈጻሚ አባላት Management Teams

