



**Uzbekinvest International Insurance Company Limited**

**Annual Report and Financial Statements**

**for the year ended 31 December 2018**

**Contents of the Annual Report and Financial Statements  
for the year ended 31 December 2018**

	<b>Page</b>
Company Information	3
Strategic report	4
Directors' report	6
Independent auditors' report	8
Statement of Comprehensive Income	12
Balance sheet	14
Statement of changes in equity	15
Notes to the financial statements	16 - 25

**Company Information  
for the year ended 31 December 2018**

**Directors**

S U Umurzakov  
B B Ashrafkhanov  
F A Saidakhmedov  
S A Vafaev  
H Mamadjonov

**Company Secretary**

K Hillery

**Registered office**

The AIG Building  
58 Fenchurch Street  
London  
United Kingdom  
EC3M 4AB

**Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
7 More London Riverside  
London  
United Kingdom  
SE1 2RT

**Principal bankers**

Citibank N A  
Citigroup Centre  
Canada Square  
London  
E14 5LB

**Investment advisers**

Falcon Private Wealth Ltd.  
27 Knightsbridge  
London  
SW1X 7LY

**Strategic report for the year ended 31 December 2018**

The directors present their strategic report on the Company for the year ended 31 December 2018.

**Review of the Business**

The results of the Company for the year, as shown on page 12 and page 13, show a profit on ordinary activities before tax of US\$358,113 (2017(Restated): US\$362,571). At 31 December 2018, the total shareholders' funds of the Company, as shown on page 14, total US\$51,247,210 (2017(Restated): US\$50,939,276). The level of gross premiums written, as shown on page 12, was \$ nil (2017(Restated): US\$116,805).

The 2017 results have been restated by \$19,375 in respect of an adjustment to Gross Premiums Written of \$26,673 and Commissions of (\$7,298). An adjustment was required to reclassify those revenue amounts, relating to the 2017 year end, which had been booked in 2018.

The Company offers a range of insurance policies designed to protect the business and assets of companies investing in or doing business in the Republic of Uzbekistan. The coverage provides for investment and trade transactions against certain political risks and events in Uzbekistan. The investment covers include confiscation, expropriation and nationalisation. The trade covers include contract repudiation and wrongful calling of guarantees.

The above covers are sought by various industries and sectors, mainly concentrating in commodities, energy, mining, construction and transport.

Consistent with prior years no claims have been notified in 2018. The directors are of the view that no additional potential claims were incurred but not reported during the year. As a result no reserve for outstanding claims or IBNR has been established.

**Business Environment**

The Government of Uzbekistan has been carrying out wide-scale reforms aimed to boost the growth of the national economy and improve the investment attractiveness of the country. The measures, which include strong government support for the major sectors of economy, the elimination of legal and administrative barriers for the local business community and foreign investors, a wide range of a fiscal stimulus and creation of favourable investment conditions, in conjunction with political stability, has been contributing to the investment attractiveness of the country.

As a recognition of the positive changes in the business environment of the country, international financial institutions and organisations have improved the position of Uzbekistan in different ratings and indexes, e.g. Uzbekistan has moved 12 positions up in the 2019 Index of Economic Freedom and was ranked 140th among 180 countries of the world; OECD improved the credit risk rating of the country and moved Uzbekistan from group six to group five on a seven-point scale, where group 1 includes the countries with minimal risks, and group 7 includes the countries with the greatest risks.

In 2018 and beyond, economic acceleration will be driven by the above positive trends and growing business opportunities in Uzbekistan.

**Business Strategy**

In general, the existing business model and strategy of the Company, which is based on the outsourcing of all the services while preserving the Board and management's control over the business processes, will be staying intact as it was established with a long term view and was aimed to serve as an essential part of the national system of the trade and investments' attraction and protection.

The Company will continue to write one line of business - political risk, while serving the same customers – being foreign banks and companies investing or doing business in the Republic of Uzbekistan.

In close cooperation with its outsourcing service provider, the Company intends to reach its business targets by providing more flexible underwriting and customer-oriented services, lowering rates in line with market, as well as by following its marketing strategy aimed to work closely with insurance brokers and business partners, while expanding cooperation with the banks that provide trade financing and investment projects support in Uzbekistan.

**Key performance indicators**

The Board monitors the progress of the Company in light of the following key performance indicators. Parenthesis denotes an underwriting loss:

	2018 US\$	2017 (Restated) US\$
Gross Premiums written	-	116,805
Underwriting result ( <i>Balance on Technical Account – General Business</i> )	(276,438)	(230,475)

  

	2017 as Stated US \$	Adjustment US \$	2017 Restated US \$
Gross Premium Written	90,132	26,673	116,805

The 2017 Gross Premium Written has been restated by \$26,673 following a reclass of insurance income from 2018 to 2017.

**Strategic report (continued) for the year ended 31 December 2018**

**Solvency II**

*Note: Audit related assurance services for Solvency II is not a requirement anymore following the new revised requirements by the PRA (the Company qualifies as a smaller insurer and therefore is taking the audit exemption).*

The below table provides an analysis of the Own Funds of the Company under Solvency II.

	<b>31 December 2018</b> <b>US\$ (unaudited)</b>	<b>31 December 2017</b> <b>US\$ (unaudited)</b>
<b>Basic own funds</b>		
Ordinary share capital	50,000,000	50,000,000
Reconciliation reserve	1,190,396	799,050
<b>Total basic own funds</b>	<b>51,190,396</b>	<b>50,799,050</b>
<b>Available and eligible own funds</b>		
Total available own funds to meet the SCR	51,190,396	50,799,050
Total eligible own funds to meet the SCR	51,190,396	50,799,050
<b>SCR</b>	<b>1,590,432</b>	<b>2,101,236</b>
<b>Ratio of eligible own funds to SCR</b>	<b>3,219%</b>	<b>2,419%</b>

**Principal risks and uncertainties**

The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to Board approval and ongoing review by management. Compliance with regulations, legal and monitor ethical standards is a high priority for the Company. The Company's risk register is reviewed internally on a quarterly basis and by the Board on an annual basis. The Company conforms to a proper internal control framework which exists to manage financial risks and ensures that controls operate effectively.

Through this process the Company identifies the risks to which it is exposed, and assesses their impact on economic capital. This process (in line with Solvency II requirements) is risk based to manage the Company's capital requirements and ensure it has the financial strength and capital adequacy to support the growth of the business and to meet the requirements of policyholders, regulators and rating agencies.

In particular, the Company is vulnerable to various political or economic events within the Republic of Uzbekistan, which if triggered could result in insurance claims.

In addition, the Company is exposed to financial risks through its financial assets, financial liabilities and policyholder liabilities. The information on the use of financial instruments by the Company and its management of financial risk is disclosed in Note 4 to the financial statements. In particular the Company's exposures to interest rate risk, currency risk, credit risk and liquidity risk are separately disclosed in that note.

**Future developments**

The Company's future presence and activity in the market is heavily dependent on both global investment flows into the region and demand on insurance of political risk on Uzbekistan.

Although there is still a robust approach and "wait-and-see" position of foreign investors, a highly competitive market and growing business appetite of rivals for covering the political risks on Uzbekistan, as well as a dependency on the conservative underwriting guidelines of the outsourcing service provider, the Company still projects to increase its book of business and is planning to achieve a stable Gross Premium Written growth over the next 2-3 years.

Such projection is justified by the fact that both the number of investment projects and volume of international trade with Uzbekistan will be growing steadily. And at the same time, the Company is better positioned for the Uzbek market through close co-ordination and affiliation with an immediate government authority which is in charge of investment and trade development - Ministry of Investment and Foreign Trade of Uzbekistan (MIFT)

Therefore the bulk of Company's efforts and business appetite will be focusing towards the investment projects and trade deals, which are prioritised by the Government and supported by MIFT.

On behalf of the Board

Hasan Mamadjonov  
Director

17-09-2019

**Directors' Report for the year ended 31 December 2018**

The directors present their report and the audited financial statements of Uzbekinvest International Insurance Company Limited (the Company) for the year ended 31 December 2018.

**Future Developments**

Likely future developments in the business of the Company are discussed in the strategic report.

**Principal activity**

The principal activity of the Company is the transaction of political risk insurance for foreign investors in infrastructure, natural resource development and industrial production in the Republic of Uzbekistan.

**Dividends**

No dividends were paid during 2018 (nil in 2017).

**Directors and directors' interests**

The directors of the Company who were in office during the Company financial year were:

S U Umurzakov (Chairman)

B B Ashrafkhanov

F A Saidakhmedov

S A Vafaev

H Mamadjonov

The details of directors who were appointed or resigned at the date of the report included:

S U Umurzakov (Chairman)

Appointed 14 February 2018

R A Gulyamov

Resigned 08 November 2018

B B Ashrafkhanov

Appointed 08 November 2018

No director had a beneficial interest in the shares of the Company at any time during the year.

**Disclosure of information to auditors**

Each of the persons who is a director at the date of this report confirms that:

- so far as each of them is aware, there is no information relevant to the audit of the Company's financial statements for the year ended 31 December 2018 of which the auditors are unaware; and
- the directors have taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Directors' Report (continued) for the year ended 31 December 2018**

**Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), and applicable law).

Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Independent Auditors**

With the introduction of the FRC Revised Ethical Standard in June 2016, mandatory firm rotation was introduced for public interest entities. PwC has audited Uzbekinvest International Insurance Company Limited for over 20 years, and since Uzbekinvest International Insurance Company Limited is classified as a public interest entity in light of its insurance activities, PwC is required to rotate off the Company audit after the 2020 year end.

The Company's management will share with the directors the insights around the mandatory firm rotation process at the Board meeting in order to get an approval to facilitate a smooth transition from PwC to a new auditor.

PricewaterhouseCoopers LLP will be deemed to continue in office until the relevant resolution of the Board is approved.

**On behalf of the Board**

Hasan Mamadjonov  
Director

17.09.2019

# ***Independent auditors' report to the members of Uzbekinvest International Insurance Company Limited***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, Uzbekinvest International Insurance Company Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2018; the income statement, the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to those charged with governance.

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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided to the company.

We have provided no non-audit services to the company in the period from 1 January 2018 to 31 December 2018.

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### **Our audit approach**

#### **Overview**



- Overall materiality: \$512,472 based on 1% of net assets (2017: \$514,550, based on 1% of total assets).
  - The scope of our audit is driven by statutory and regulatory requirements in the UK. Our audit objective is to obtain sufficient relevant and reliable audit evidence to enable us to issue an opinion on the statutory financial statements.
  - As part of our audit, we focused on balances and disclosures which represented a risk of material misstatement to the users of the financial statements.
  - Risk of material misstatement arising from asset misappropriation.
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### *The scope of our audit*

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

### *Capability of the audit in detecting irregularities, including fraud*

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Prudential Regulation Authority's regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the "Debt securities and other fixed income securities" financial statement line item. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, duplicative journal entries or unusual journals crediting the investment balances.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

### *Key audit matters*

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, 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. This is not a complete list of all risks identified by our audit.

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#### *Key audit matter*

#### *How our audit addressed the key audit matter*

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##### *Risk of material misstatement arising from asset misappropriation*

The investment portfolio recorded in Debt securities and other fixed income securities is a material balance and significant to the financial statements. Given the limited number of management personnel and the size of the investment portfolio relative to the Company's operations, we determined that this was a key audit matter and have focused our fraud considerations around this area.

We inspected investment reports from both the custodian and investment manager, and noted no material discrepancies between the two.

We conducted inquiries with the custodian, the investment manager and company management, and made use of research tools to identify and investigate any unusual transactions or activities.

We confirmed the continuing existence of the investments on their transfer to a new custodian as part of our post balance sheet events procedures.

*Based on the work performed and the evidence obtained, we identified no material misappropriation affecting the Debt securities and other fixed income securities financial statement line item.*

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### *How we tailored the audit scope*

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through

collusion. We focused on laws and regulations that could give rise to a material misstatement in the company's financial statements, including, but not limited to, Companies Act 2006. Our tests included, but were not limited to, review of the financial statement disclosures to underlying supporting documentation and the review of correspondence with the regulators. There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

We found the risk of material misstatement arising from asset misappropriation to be a key audit matter. As in all of our audits we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

### *Materiality*

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<b>Overall materiality</b>	\$512,472 (2017: \$514,550).
<b>How we determined it</b>	1% of net assets (2017: 1% of total assets).
<b>Rationale for benchmark applied</b>	As part of our 2017 year-end audit, we determined that using total assets was an appropriate benchmark for determining materiality. For the 2018 year-end audit, we updated our assessment and believe net assets is the primary measure used by the board and the users of the financial statements in assessing the performance of the company, and is a generally accepted auditing benchmark.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above \$25,624 (2017: \$25,780) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

### **Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

## *Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

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## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of Directors' Responsibilities set out on page 7, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine 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, the directors are responsible for assessing the company'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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### *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 auditors' 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 ISAs (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### *Use of this report*

This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

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### **Appointment**

Following the recommendation of the audit committee, we were appointed by the directors on 13 September 1997 to audit the financial statements for the year ended 31 December 1997 and subsequent financial periods. The period of total uninterrupted engagement is 22 years, covering the years ended 31 December 1997 to 31 December 2018.



Mark Bolton (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

17 September 2019

**Statement of Comprehensive Income for the year ended 31 December 2018**

**Technical account - general business**

	Note	2018 US\$	2017(Restated) US\$
<b>Earned premiums, net of reinsurance</b>			
Gross premiums written		-	116,805
Net premiums written		-	116,805
Change in the gross provision for unearned premiums		1,189	8,125
Change in the net provision for unearned premiums		1,189	8,125
<b>Earned premiums, net of reinsurance</b>		<b>1,189</b>	<b>124,930</b>
Claims incurred, net of reinsurance	5	-	-
Net operating expenses	6	(277,628)	(355,405)
<b>Total technical charges</b>		<b>(277,628)</b>	<b>(355,405)</b>
<b>Balance on the technical account for general business</b>		<b>(276,438)</b>	<b>(230,475)</b>

Statement of Comprehensive Income for the year ended 31 December 2018

Non-technical account	Notes	2018 US\$	2017(Restated) US\$
<b>Balance on the general business technical account</b>		<b>(276,438)</b>	<b>(230,475)</b>
Investment income	10	1,199,931	888,355
Unrealised gains/(losses) on investments	10	31,535	(175,365)
Investment expenses and charges	10	(573,474)	(121,309)
<b>Total investment income</b>	<b>10</b>	<b>657,992</b>	<b>591,681</b>
Other income/(charges)	7	(23,441)	1,365
<b>Profit on ordinary activities before tax</b>		<b>358,113</b>	<b>362,571</b>
Tax on profit / (loss) on ordinary activities	11	(50,178)	(84,313)
<b>Profit for the financial year</b>	<b>16</b>	<b>307,935</b>	<b>278,258</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income</b>		<b>307,935</b>	<b>278,258</b>

The above operating results are all derived from continuing operations.

The Company has no recognized gains and losses other than the profit for the 2018 and 2017 financial years.

The 2017 results have been restated by \$19,375 in respect of an adjustment to Gross Premium Written of \$26,673 and Commissions of (\$7,298).

	2017 as Stated US \$	Adjustment US \$	2017 Restated US \$
Gross Premium Written	90,132	26,673	116,805
Net operating expenses (Commissions)	(348,107)	(7,298)	(355,405)
<b>Total Comprehensive Income</b>	<b>258,883</b>	<b>19,375</b>	<b>278,258</b>

Balance sheet as at 31 December 2018

	Note	2018 US\$	2017(Restated) US\$
<b>ASSETS</b>			
<b>Investments</b>			
Debt securities and other fixed income securities	13	50,957,445	51,108,589
<b>Debtors: amounts falling due within one year</b>			
Arising out of direct insurance operations		25,414	26,673
Other debtors	14	12,758	-
		<b>38,172</b>	<b>26,673</b>
<b>Debtors: amounts falling due after one year</b>			
Deferred tax asset	11	-	-
<b>Other assets</b>			
Cash and cash equivalents		190,815	91,797
Other		97,281	31,496
		<b>288,097</b>	<b>123,293</b>
<b>Prepayments and accrued income</b>			
Accrued interest		257,278	221,977
Deferred acquisition costs		520	838
Other prepayments and accrued income		78	363
		<b>257,876</b>	<b>223,178</b>
<b>Total assets</b>		<b>51,541,590</b>	<b>51,481,734</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Called up share capital	15	50,000,000	50,000,000
Profit and loss account	16	1,247,210	939,276
<b>Shareholders' funds</b>		<b>51,247,210</b>	<b>50,939,276</b>
<b>Technical provisions</b>			
Provision for unearned premiums		4	1,176
<b>Creditors – amounts due within one year</b>			
Arising out of direct insurance operations	17	6,954	7,298
Other creditors including taxation and social security	17	240,727	483,429
		<b>247,681</b>	<b>490,727</b>
<b>Accruals and deferred income</b>		<b>46,695</b>	<b>50,556</b>
<b>Total liabilities</b>		<b>51,541,590</b>	<b>51,481,734</b>

The financial statements on these pages were approved by the Board of Directors on 18/July/2019 and signed on its behalf by:

Hasan Mamadjonov

Director 17.09.2019



**Statement of changes in equity as at 31 December 2018**

	Note	Called-up share capital US\$	Profit and loss account US\$	Total Shareholders' funds US\$
<b>Balance at 1 January 2017</b>		<b>50,000,000</b>	<b>661,018</b>	<b>50,661,018</b>
Total Comprehensive Income		-	278,258	278,258
<b>Balance as at 31 December 2017 (restated)</b>		<b>50,000,000</b>	<b>939,276</b>	<b>50,939,276</b>
Total Comprehensive Income		-	307,935	307,935
<b>Balance as at 31 December 2018</b>	15, 16	<b>50,000,000</b>	<b>1,247,211</b>	<b>51,247,210</b>

The 2017 results have been restated by \$19,375 in respect of an adjustment to Gross Premiums Written of \$26,673 and Commissions Payable of (\$7,298).

	2017 as Stated US \$	Adjustment US \$	2017 Restated US \$
<b>Debtors: amounts falling due within one year</b>			
Arising out of direct insurance operations	-	26,673	26,673
<b>Creditors: amounts due within one year</b>			
Arising out of direct insurance operations	-	7,298	7,298
<b>Equity</b>			
Profit and loss account	919,901	19,375	939,276