

**ANNUAL REPORT 2007**  
**STATEMENT OF INCOME AND EXPENSES OF POLICYHOLDERS**

	<u>Note</u>	<u>2007</u> <u>QR.</u>	<u>2006</u> <u>QR.</u>
Gross contributions	18	<b>159,412,755</b>	153,585,084
Agency commissions	21, 18	<b>(19,541,195)</b>	(15,713,899)
Reinsurance contributions ceded	18	<b><u>(64,336,993)</u></b>	<u>(77,982,897)</u>
Retained contributions		<b>75,534,567</b>	59,888,288
Unexpired risk reserve	18	<b><u>(7,727,835)</u></b>	<u>(6,204,306)</u>
Net earned contributions		<b>67,806,732</b>	53,683,982
Net commissions	19	<b><u>3,529,584</u></b>	<u>2,584,589</u>
<b>Total (1)</b>		<b><u>71,336,316</u></b>	<b><u>56,268,571</u></b>
Gross claims incurred	18	<b>(54,284,679)</b>	(55,898,424)
Provision for outstanding claims	18	<b>(15,881,866)</b>	(1,683,823)
Reinsurance recoveries	18	<b><u>11,903,306</u></b>	<u>7,434,774</u>
<b>Net claims incurred (2)</b>		<b><u>(58,263,239)</u></b>	<b><u>(50,147,473)</u></b>
<b>Net underwriting income (1-2)</b>		<b>13,073,077</b>	<b>6,121,098</b>
Impairment losses on available-for-sale investment		<b>(5,529,332)</b>	--
Investment income	21	<b><u>8,524,374</u></b>	<u>14,771,609</u>
<b>Total surplus for the year</b>		<b>16,068,119</b>	<b>20,892,707</b>
Balance at January 1		<b>73,955,105</b>	61,762,398
Distributable surplus	16	<b><u>(10,800,000)</u></b>	<u>(8,700,000)</u>
<b>Retained surplus balance at December 31</b>		<b><u>79,223,224</u></b>	<b><u>73,955,105</u></b>