

SACOS GROUP COMPANY LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

30 JUNE 2020

SACOS GROUP COMPANY LIMITED
GROUP VISION, MISSION AND VALUES

Vision:

- To be the insurer of choice in Seychelles;
- Increase market presence;
- Develop, retain, attract and inspire top talent;
- To attain optimal return on investments;
- Increase shareholder value;
- To be visible and relevant in the community;
- Provide memorable customer experience;
- Establish and develop strong and lasting; collaborative partnerships.

Mission:

Provide market leading insurance solutions by leveraging our financial strength and world class reinsurers, optimising investments to strengthen our financial position, by remaining committed to innovation and service excellence, in partnership with our valued employees and partners.

Values:

- Service excellence
- Trust
- Accountability
- Innovation
- Respect
- Stewardship

SACOS GROUP COMPANY LIMITED
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SACOS GROUP COMPANY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	THE GROUP					
	HALF YEAR 2020			HALF YEAR 2019		
	Non-Life SCR	Life SCR	Consolidated SCR	Non-Life SCR	Life SCR	Consolidated SCR
ASSETS						
Non-current assets						
Equipment	28,411,010	8,295,366	36,706,376	31,833,604	3,349,142	35,182,745
Right of Use Asset	20,144,386	-	20,144,386	-	-	-
Investment properties	66,327,943	228,929,681	295,257,624	55,201,449	191,706,147	246,907,595
Intangible assets	2,961,993	208,249	3,170,242	3,459,717	363,418	3,823,135
Investment in preference share	45,000,000	-	-	45,000,000	-	-
Investment in subsidiaries	3,000,000	-	-	3,000,000	-	-
Investment in financial assets	61,234,330	86,327,159	147,561,489	37,333,817	82,855,208	120,189,024
Loans and receivables	-	32,445,192	32,445,192	-	38,013,386	38,013,386
Deferred tax assets	-	-	-	154,213	-	154,213
Investment in Associates	-	21,672,574	21,672,574	-	20,896,836	20,896,836
	227,079,661	377,878,222	556,957,884	175,982,800	337,184,137	465,166,936
Current assets						
Investment in financial assets	-	101,900,245	101,900,245	20,870,368	59,983,017	80,853,384
Loans and receivables	-	16,196,791	16,196,791	-	22,783,212	22,783,212
Trade and other receivables	109,110,726	12,877,623	121,988,350	125,111,505	11,650,586	136,762,092
Intercompany receivables	-	18,242,201	-	-	37,081,066	-
Cash and cash equivalents	24,213,571	9,952,973	34,166,544	63,548,489	33,356,692	96,905,181
Current tax asset	7,137,837	-	7,137,837	8,390,854	-	8,390,854
	140,462,135	159,169,833	281,389,767	217,921,214	164,854,573	345,694,722
Total assets	367,541,796	537,048,055	838,347,650	393,904,014	502,038,709	810,861,658
EQUITY AND LIABILITIES						
Capital and reserves						
Share capital	70,000,000	3,000,000	70,000,000	70,000,000	3,000,000	70,000,000
Preference share	-	45,000,000	-	-	45,000,000	-
Solvency/Undistributed reserve	28,651,586	-	28,651,586	28,651,586	-	28,651,586
Retained earnings	28,244,761	1,071,210	29,315,971	26,976,241	(13,598,090)	13,378,150
Revaluation reserve	13,644,941	-	13,644,941	5,212,066	-	5,212,066
Total equity	140,541,288	49,071,210	141,612,498	130,839,893	34,401,910	117,241,802
Technical provisions						
Life Assurance Fund	-	471,121,048	471,121,048	-	449,203,075	449,203,075
Gross outstanding claims and IBNR	72,791,419	4,126,103	76,917,521	93,305,418	5,840,120	99,145,538
Gross unearned premiums	73,409,634	-	73,409,634	73,213,512	-	73,213,512
	146,201,052	475,247,151	621,448,203	166,518,930	455,043,194	621,562,124
LIABILITIES						
Non-current liabilities						
Retirement benefit obligations	3,383,149	638,619	4,021,767	4,741,853	794,109	5,535,962
Deferred tax liabilities	1,543,567	-	1,543,567	-	-	-
Funds Under Management	1,529,715	-	1,529,715	1,697,778	-	1,697,778
	6,456,431	638,619	7,095,049	6,439,631	794,109	7,233,740
Current liabilities						
Trade and other payables	35,005,122	12,091,076	47,096,198	49,612,048	11,799,496	61,411,544
Intercompany payables	18,242,201	-	-	37,081,066	-	-
Lease Liability	21,095,702	-	21,095,702	-	-	-
Current tax liability	-	-	-	3,412,450	-	3,412,450
	74,343,025	12,091,076	68,191,900	90,105,564	11,799,496	64,823,994
Total liabilities	80,799,456	12,729,695	75,286,949	96,545,195	12,593,605	72,057,734
Total equity and liabilities	367,541,796	537,048,055	838,347,650	393,904,015	502,038,709	810,861,659


Jennifer Morel
Chief Executive Officer


Tacey Furneau
Chief Financial Officer

SACOS GROUP COMPANY LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR-TO-DATE 30 JUNE 2020

	HALF YEAR 2020			THE GROUP HALF YEAR 2019		
	Non-Life	Life	Consolidated	Non-Life	Life	Consolidated
	SCR	SCR	SCR	SCR	SCR	SCR
Turnover	87,812,174	34,975,708	122,787,882	94,553,314	35,147,726	129,701,040
Gross written premiums	87,812,174	34,975,708	122,787,882	94,553,314	35,147,726	129,701,040
Premiums ceded to reinsurers	(32,466,648)	(2,803,379)	(35,270,027)	(32,195,536)	(2,498,020)	(34,693,556)
Change in gross unearned premium	(6,378,005)	-	(6,378,005)	(9,089,552)	-	(9,089,552)
Change in Recoverable from reinsurers - UPR	1,992,971	-	1,992,971	1,513,335	-	1,513,337
Net premium earned	50,960,493	32,172,328	83,132,821	54,781,561	32,649,706	87,431,267
Gross claims paid	(32,203,219)	(26,914,807)	(59,118,026)	(23,287,773)	(30,107,290)	(53,395,063)
Claims Paid recovered from reinsurers	11,023,735	-	11,023,735	698,666	-	698,666
Movement in gross outstanding claims	(5,856,187)	-	(5,856,187)	(10,417,546)	-	(10,417,546)
Movement in claims recoverable from reinsurers	(236,054)	-	(236,054)	9,677,320	-	9,677,320
Net claims incurred	(27,271,725)	(26,914,807)	(54,186,532)	(23,329,333)	(30,107,290)	(53,436,625)
Commission receivable from reinsurers	4,007,834	267,661	4,275,495	4,418,514	921,372	5,339,886
Commission paid to agents and brokers	(5,803,977)	(1,458,420)	(7,262,396)	(6,787,501)	(1,447,640)	(8,235,141)
Net commission paid	(1,796,143)	(1,190,759)	(2,986,901)	(2,368,987)	(526,268)	(2,895,256)
Underwriting surplus	21,892,625	4,066,762	25,959,387	29,083,240	2,016,148	31,099,386
Rental income	3,827,938	9,522,557	13,350,496	4,035,064	6,547,146	10,582,209
Investment income	2,069,066	6,252,080	8,321,146	1,018,752	5,823,143	6,841,895
Other income	2,040,368	251,919	2,292,288	1,865,010	927,647	2,792,657
Total Other Income	7,937,373	16,026,556	23,963,929	6,918,826	13,297,936	20,216,761
Staff costs	(11,824,117)	(1,315,239)	(13,139,357)	(14,088,309)	(1,359,548)	(15,447,857)
Sales and Marketing Expenses	(580,124)	(217,860)	(797,984)	(615,589)	(30,097)	(645,686)
Operating and Administrative Expenses	(12,621,437)	(4,169,344)	(16,790,781)	(13,659,737)	(8,015,535)	(21,675,272)
Depreciation & Amortisation charges	(6,306,699)	(274,020)	(6,580,720)	(2,725,466)	(277,909)	(3,003,374)
Intercompany Recharge	4,857,468	(4,857,468)	-	3,349,998	(3,349,998)	-
Loss on disposal of Investment Property	-	-	-	(3,486,072)	(1,695,000)	(5,181,072)
(Impairment) / reversal of impairment on financial assets	(2,400,000)	(1,161,000)	(3,561,000)	(1,800,000)	-	(1,800,000)
Total Expenses	(28,874,911)	(11,994,932)	(40,869,842)	(33,025,175)	(14,728,086)	(47,753,261)
Share of Profit in associates	-	387,871	387,871	-	387,869	387,869
Profit / (loss) before taxation	955,087	8,486,258	9,441,346	2,976,890	973,867	3,950,757
Taxation	(238,772)	-	(238,772)	(744,222)	-	(744,222)
Profit / (loss) for the year	716,315	8,486,258	9,202,574	2,232,668	973,867	3,206,535
Other comprehensive income / (loss) for the year, net of tax:						
<i>Other comprehensive loss not to be reclassified to profit or loss in subsequent periods:</i>						
Fair value change on available-for-sale assets	(3,054,090)	(897,063)	(3,951,153)	2,816,756	3,461,894	6,278,650
Fx Gain/Loss on available-for-sale assets	11,641,900	9,910,269	21,552,169	-	-	-
Total comprehensive income / (loss) for the year	9,304,125	17,499,463	26,803,589	5,049,424	4,435,761	9,485,185

Surplus transferred as follows:

Life Assurance Fund	16,428,253
Proprietors' fund	1,071,210
	<u>17,499,463</u>

SACOS GROUP COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2020

	THE GROUP			
	Share capital	Retained earnings	Revaluation Reserve	Total
	SCR	SCR	SCR	SCR
At 1 January 2019	70,000,000	39,797,066	2,395,310	112,192,376
Share of shareholders surplus/(deficit)		10,030,069	-	10,030,069
Share of profit attributed to shareholders fund (i)		3,568,021		
Total comprehensive income for the year	-	6,784,875	2,661,821	9,446,696
Dividends	-	(4,000,000)	-	(4,000,000)
At 31 December 2019	70,000,000	56,180,032	5,057,131	131,237,162
Share of Shareholder's Surplus/(Deficit)	-	1,071,210	-	1,071,210
Total comprehensive income for the period	-	716,315	8,587,810	9,304,125
At 30 June 2020	70,000,000	57,967,557	13,644,941	141,612,498

STATEMENT OF LIFE ASSURANCE FUND

	HALF YEAR 2020	FULL YEAR 2019
	SCR	SCR
At 1 January 2020	455,858,949	444,767,314
Fair value change on available-for-sale assets	9,013,206	6,483,800
Surplus for the year	8,486,258	18,205,925
Share of surplus to shareholders	-	(3,568,021)
Share of profit attributed to shareholders fund	(1,071,210)	(10,030,069)
Release of FV- disposal of Equities	(1,166,154)	-
At 30 June 2020	471,121,048	455,858,949

SACOS GROUP COMPANY LIMITED
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 30 JUNE 2020

	THE GROUP	
	HALF YEAR 2020	HALF YEAR 2019
	SCR	SCR
<u>Cash flows from operating activities:</u>		
Profit/(Loss) before taxation	9,441,346	3,950,757
<i>Adjustments for:</i>		
Depreciation of Equipment and Right of Use Asset	4,005,019	2,187,301
(Profit) / loss on disposal of equipment	(153,241)	-
Movement in fair value of investment in financial assets	20,315,499	5,108,587
Provision for doubtful Debt	3,561,000	1,800,000
Amortisation of intangible asset	(162,862)	782,908
Release of Policy Protection Fund	(819,580)	(623,506)
Movement in retirement benefit obligations	(516,397)	985,436
Profit from Associates	(387,869)	(387,869)
Interest Accrued	(3,646,191)	(6,324,969)
Unrealized exchange difference	(8,122,750)	(214,596)
	23,513,973	7,264,049
Changes in working capital:		
(Increase)/ Decrease in trade and other receivable	(13,186,672)	(31,015,694)
Increase/ (Decrease) in trade and other payable	19,356,376	14,083,693
Increase/ (Decrease) in gross claims liabilities	7,727,143	12,723,543
Increase/ (Decrease) in Unearned premium	6,378,005	9,089,552
Cash generated from operations	43,788,825	12,145,144
Retirement benefit obligation paid	(761,367)	(572,701)
Interest received	(550,605)	1,086,194
Net tax paid	(3,010,516)	(2,695,630)
Net cash from operating activities	39,466,336	9,963,006
<u>Cash flows from investing activities:</u>		
Payments to acquire tangible fixed assets and WIP	(13,482,959)	(5,011,997)
Proceeds from disposal of tangible fixed assets	270,850	-
Proceed from loans and receivables	10,703,972	13,992,656
Disbursement loans and receivables	(3,189,672)	(12,554,032)
Additions to investment properties	(15,923,208)	-
Additions to investment in financial assets	(66,526,608)	(91,691,894)
Disposal proceeds from investment properties	-	51,538,904
Redemption of investment in financial assets	48,828,394	73,800,000
Net cash used in investing activities	(39,319,232)	30,073,636
Net change in cash and cash equivalents	147,104	40,036,643
Increase/(Decrease) in Cash	147,104	40,036,643
Cash at the beginning of the year	34,019,440	56,868,538
Total cash at end as at June 2020	34,166,544	96,905,181