



Swan Insurance Company Limited

Condensed Unaudited Financial Statements - Nine Months and Quarter Ended September 30, 2014

The Directors are pleased to present the condensed unaudited financial statements of the Group and the Company for the nine months and quarter ended September 30, 2014.

(a) Basis of Accounting

The interim nine months and quarter ended condensed financial statements comply with the International Financial Reporting Standards (IFRS) and have been prepared on the same basis of the accounting policies set out in the statutory financial statements of the Group for the year ended December 31, 2013, except for the adoption of relevant amendments to published Standards, Standards and Interpretation now effective.

(b) Operations

(i) Short-Term

The Company delivered satisfactory operational results despite the stiff competitive environment and some severe claims.

(ii) Long-Term

The premium income increased satisfactorily during the third quarter as compared to the corresponding period in 2013.

(c) Investments

The equity market on the domestic front bounced back. On the other hand, foreign equity platforms edged lower in USD terms. However, the weakness of the Rupee provided a protection to the investment portfolio and improved results in foreign asset classes.

On the fixed income side, the portfolio continued generating satisfactory returns despite persistent excess liquidity and prevailing low interest rates.

For and on behalf of the Board of Directors

Swan Group Corporate Services Limited

Secretary

November 14, 2014

1. Statements of Financial Position

	THE GROUP	
	Unaudited as at 30 th Sept 2014 Rs'000	Audited as at 31 st Dec 2013 Rs'000
ASSETS		
Non-current assets		
Property and equipment	102,443	105,014
Investment in subsidiary companies	-	-
Investment in associated company and joint venture	63,126	67,933
Investment in financial assets	1,483,139	949,828
Other non-current assets	223,085	229,923
	1,871,793	1,352,698
Current assets		
Life business assets	2,848,869	2,586,269
Total assets	30,820,627	28,425,609
	35,541,289	32,364,576
EQUITY AND LIABILITIES		
Capital and reserves (attributable to owners of the parent)		
Share capital	41,379	41,379
Reserves	1,952,942	1,608,787
Owners' interest	1,994,321	1,650,166
Non-controlling interests	255,548	193,582
Total equity	2,249,869	1,843,748
Life assurance fund	30,820,627	28,425,609
Technical Provisions	1,812,722	1,637,936
Non-current liabilities	130,382	125,139
	32,763,731	30,188,684
	527,689	332,144
Current liabilities	35,541,289	32,364,576
Total equity and liabilities	240,98	199,40
Net assets per share (Rs/cs)	8,275,769	8,275,769
Number of shares used in calculation		

	THE COMPANY	
	Unaudited as at 30 th Sept 2014 Rs'000	Audited as at 31 st Dec 2013 Rs'000
	99,886	97,565
	352,044	352,014
	500	500
	1,330,608	918,773
	159,643	161,132
	1,942,681	1,529,984
	2,306,388	2,145,359
	-	-
	4,249,069	3,675,343
	41,379	41,379
	1,846,912	1,625,158
	1,888,291	1,666,537
	-	-
	1,888,291	1,666,537
	-	-
	1,812,486	1,637,936
	105,678	113,391
	1,918,164	1,751,327
	442,614	257,479
	4,249,069	3,675,343
	228,17	201,38
	8,275,769	8,275,769

2. Statements of Profit or Loss

	THE GROUP			
	9 months Ended 30 th Sept 2014 Rs'000	9 months Ended 30 th Sept 2013 Rs'000	Quarter Ended 30 th Sept 2014 Rs'000	Quarter Ended 30 th Sept 2013 Rs'000
Gross premiums	3,596,533	3,436,917	1,275,846	1,095,386
Net earned premiums	2,666,858	2,416,229	921,234	719,990
Share of (loss)/profit of associate and joint venture	(802)	6,818	1,425	3,930
Profit before taxation	140,620	147,106	45,912	57,350
Taxation	(25,851)	(24,421)	(7,472)	(9,760)
Profit for the period	114,769	122,685	38,440	47,590
Profit attributable to:				
Owners of the parent	121,526	125,238	39,200	50,305
Non-controlling interests	(6,757)	(2,553)	(760)	(2,715)
Earnings per share (Rs/cs)	14.68	15.13	4.74	6.08
Number of shares used in calculation	8,275,769	8,275,769	8,275,769	8,275,769

	THE COMPANY			
	9 months Ended 30 th Sept 2014 Rs'000	9 months Ended 30 th Sept 2013 Rs'000	Quarter Ended 30 th Sept 2014 Rs'000	Quarter Ended 30 th Sept 2013 Rs'000
	1,599,835	1,598,157	570,495	578,375
	716,935	726,433	246,386	243,129
	-	-	-	-
	174,250	159,507	58,292	62,607
	(26,158)	(23,812)	(7,211)	(9,513)
	148,092	135,695	51,081	53,094
	148,092	135,695	51,081	53,094
	-	-	-	-
	17,89	16,40	6,17	6,42
	8,275,769	8,275,769	8,275,769	8,275,769

3. Statements of Profit or Loss and Other Comprehensive Income

	THE GROUP			
	9 months Ended 30 th Sept 2014 Rs'000	9 months Ended 30 th Sept 2013 Rs'000	Quarter Ended 30 th Sept 2014 Rs'000	Quarter Ended 30 th Sept 2013 Rs'000
Profit for the period	114,769	122,685	38,440	47,590
Other comprehensive income for the period	267,199	69,070	223,652	24,911
Total comprehensive income for the period	381,968	191,755	262,092	72,501
Total comprehensive income attributable to:				
Owners of the parent	344,155	195,141	222,124	79,310
Non-controlling interests	37,813	(3,386)	39,968	(6,809)
	381,968	191,755	262,092	72,501

	THE COMPANY			
	9 months Ended 30 th Sept 2014 Rs'000	9 months Ended 30 th Sept 2013 Rs'000	Quarter Ended 30 th Sept 2014 Rs'000	Quarter Ended 30 th Sept 2013 Rs'000
	148,092	135,695	51,081	53,094
	73,662	66,349	47,211	32,630
	221,754	202,044	98,292	85,724
	221,754	202,044	98,292	85,724
	-	-	-	-
	221,754	202,044	98,292	85,724

4. Statements of Changes in Equity

Attributable to owners of the parent company										
	Share Capital Rs'000	Fair Value Reserves Rs'000	Revaluation and Other Reserves Rs'000	Proprietors' Fund Rs'000	Retained Earnings Rs'000	Amalgamation Reserves Rs'000	Actuarial Gains/(Losses) Rs'000	Total Rs'000	Non-Controlling Interests Rs'000	Total Equity Rs'000
(a) THE GROUP										
Balance at 1 st January 2014	41,379	243,625	16,900	(50,619)	1,181,031	267,477	(49,627)	1,650,166	193,582	1,843,748
Profit for the period	-	-	-	-	121,526	-	-	121,526	(6,757)	114,769
Other comprehensive income for the period	-	78,516	9,807	134,306	-	-	-	222,629	44,570	267,199
Other movement	-	-	-	-	-	-	-	-	24,153	24,153
Balance at 30th September 2014	41,379	322,141	26,707	83,687	1,302,557	267,477	(49,627)	1,994,321	255,548	2,249,869
Balance at 1 st January 2013 - restated	41,379	152,203	19,071	(1,521)	1,046,676	272,419	(25,670)	1,504,557	202,983	1,707,540
Profit for the period	-	-	-	-	125,238	-	-	125,238	(2,553)	122,685
Other comprehensive income for the period	-	66,349	(376)	3,930	-	-	-	69,903	(833)	69,070
Other movement	-	-	-	-	-	-	-	-	12,887	12,887
Balance at 30th September 2013	41,379	218,552	18,695	2,409	1,171,914	272,419	(25,670)	1,699,698	212,484	1,912,182
(b) THE COMPANY										
Balance at 1 st January 2014	41,379	248,116	28,719	-	1,177,365	220,593	(49,635)	1,666,537	-	1,707,540
Profit for the period	-	-	-	-	148,092	-	-	148,092	-	148,092
Other comprehensive income for the period	-	73,662	-	-	-	-	-	73,662	-	73,662
Balance at 30th September 2014	41,379	321,778	28,719	-	1,325,457	220,593	(49,635)	1,888,291	-	1,888,291
Balance at 1 st January 2013 - restated	41,379	152,203	28,719	-	1,030,872	225,535	(25,678)	1,453,030	-	1,453,030
Profit for the period	-	-	-	-	135,695	-	-	135,695	-	135,695
Other comprehensive income for the period	-	66,349	-	-	-	-	-	66,349	-	66,349
Balance at 30th September 2013	41,379	218,552	28,719	-	1,166,567	225,535	(25,678)	1,655,074	-	1,655,074

5. Statements of Cash Flows

	THE GROUP			THE COMPANY	
	9 months Ended 30 th Sept 2014 Rs'000	9 months Ended 30 th Sept 2013 Rs'000		9 months Ended 30 th Sept 2014 Rs'000	9 months Ended 30 th Sept 2013 Rs'000
Net cash generated from/(used in) operating activities	217,505	(41,594)		245,059	(8,668)
Net cash (used in)/from investing activities	(260,213)	106,855		(168,559)	95,325
Net cash used in financing activities	(73,638)	(56,953)		(90,942)	(72,196)
(Decrease)/increase in cash and cash equivalents	(116,346)	8,308		(14,442)	14,461
Movement in cash and cash equivalents					
At 1st January	287,755	383,014		132,499	124,627
(Decrease)/increase	(116,346)	8,308		(14,442)	14,461
Effect of exchange rate changes	900	(138)		(2,579)	(85)
At 30th September	172,309	391,184		115,478	139,003

6. Segment Information - (Group)

Quarter ended 30 th September 2014	Life Rs'000	Casualty Rs'000	Property Rs'000	Total Rs'000
Gross premiums	1,995,159	1,139,291	462,083	3,596,533
Net earned premiums	1,948,631	585,242	132,985	2,666,858
Underwriting surplus	-	273,164	119,578	392,742
Quarter ended 30 th September 2013	Life Rs'000	Casualty Rs'000	Property Rs'000	Total Rs'000
Gross premiums	1,790,376	1,175,910	470,631	3,436,917
Net earned premiums	1,671,145	611,094	133,990	2,416,229
Underwriting surplus	-	266,675	98,510	365,185

Swan
Group

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