

Condensed Audited Financial Statements - Year Ended December 31, 2017

The Directors are pleased to present the condensed audited financial statements of the Group and the Company for the Year Ended December 31, 2017 as audited by Messrs BDO & Co.

(a) Basis of Accounting

The condensed audited financial statements have been extracted from the audited financial statements for the year ended 31 December 2017 which have been prepared in accordance with International Financial Reporting Standards.

(b) Operations

The increase in premium income over the year was satisfactory as compared to 2016.

(c) Investments

The investment fund made additional gains in the fourth quarter of 2017 and boosted annual performance, with all asset classes contributing positively. On the local equity market, although foreign investors were net sellers

over the year, indices closed with strong gains as local players increased their stakes. On the international platform, the main equity indices leapt forward. On the other hand, the persistent weakness in the US dollar weighed on Mur-denominated returns which, nevertheless, remained strong.

In the fixed income arena, despite another cut to the Key Repo Rate and an increase in excess liquidity, our portfolio delivered a commendable performance on the back of an active rebalancing strategy.

For and on behalf of the Board of Directors

Swan Corporate Affairs Ltd

Company Secretary
March 27, 2018

1. Life Assurance Fund

	THE GROUP		THE COMPANY	
	Dec 31, 2017 Rs'000	Dec 31, 2016 Rs'000	Dec 31, 2017 Rs'000	Dec 31, 2016 Rs'000
Gross premiums	4,026,740	3,859,237	4,026,740	3,859,237
Net premiums	3,865,936	3,692,096	3,865,936	3,692,096
Investment and other income	2,028,305	2,851,036	1,918,023	2,749,039
Share of results of associates	(7,650)	2,885	-	-
	5,886,591	6,546,017	5,783,959	6,441,135
Surplus for the year before taxation	2,125,920	3,119,750	2,023,063	3,035,853
Taxation	(29,085)	(24,311)	-	-
Surplus for the year	2,096,835	3,095,439	2,023,063	3,035,853
Surplus allocated as follows:				
- Life Assurance Fund	1,844,101	3,006,092	1,795,612	2,969,853
- Proprietors' Fund	227,451	66,000	227,451	66,000
- Non-controlling interests	25,283	23,347	-	-
	2,096,835	3,095,439	2,023,063	3,035,853

1. Statements of Financial Position

	THE GROUP		THE COMPANY	
	Dec 31, 2017 Rs'000	Dec 31, 2016 Rs'000	Dec 31, 2017 Rs'000	Dec 31, 2016 Rs'000
Assets				
Non-current assets				
Property and equipment	275,504	284,824	250,681	260,118
Investment properties	479,475	475,804	439,653	435,982
Investment in subsidiary companies	-	-	540,012	540,012
Investment in associated companies	35,078	49,290	614	614
Investment in financial assets	31,810,041	25,560,379	31,781,820	25,535,531
Loans and receivables	4,510,844	4,860,264	4,524,282	4,873,704
Other non-current assets	103,833	113,637	15,002	18,789
	37,214,775	31,344,198	37,552,064	31,664,750
Current assets	4,623,255	4,820,648	4,202,670	4,496,388
Total assets	41,838,030	36,164,846	41,754,734	36,161,138
Equity and liabilities				
Capital and reserves (attributable to owners of the parent)				
Share capital	26,322	26,322	26,322	26,322
Proprietors' fund	703,425	635,400	703,425	635,400
Reserves	61,214	61,214	529,643	529,643
Owners' interest	790,961	722,936	1,259,390	1,191,365
Non-controlling interests	181,358	171,030	-	-
Total equity	972,319	893,966	1,259,390	1,191,365
Life Assurance Fund	39,881,578	34,487,118	39,556,256	34,206,384
Non-current liabilities				
Retirement benefit obligations	70,340	229,161	66,126	224,455
Other non-current liabilities	87,022	60,299	87,022	60,299
	157,362	289,460	153,148	284,754
Current liabilities	826,771	494,302	785,940	478,635
Total equity and liabilities	41,838,030	36,164,846	41,754,734	36,161,138

3. Statements of Changes in Equity

Attributable to owners of the parent company

	Share Capital	Proprietors' Fund		Amalgamation Reserves	Other Reserves	Total	Non-controlling Interests	Total Equity
		Distributable	Non distributable					
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
THE GROUP								
Balance at January 1, 2017	26,322	130,080	505,320	61,214	-	722,936	171,030	893,966
Interest allocated	-	41,433	-	-	-	41,433	-	41,433
Net movement for the period	-	-	-	-	-	-	25,533	25,533
Transfer from/ (to) Life Assurance Fund	-	227,451	(79,777)	-	-	147,674	-	147,674
Dividends	-	(121,082)	-	-	-	(121,082)	(15,205)	(136,287)
Balance at December 31, 2017	26,322	277,882	425,543	61,214	-	790,961	181,358	972,319
Balance at January 1, 2016	26,322	123,433	472,000	61,214	-	682,969	162,763	845,732
Interest allocated	-	61,729	-	-	-	61,729	-	61,729
Net movement for the period	-	-	-	-	-	-	23,272	23,272
Transfer from Life Assurance Fund	-	66,000	33,320	-	-	99,320	-	99,320
Dividends	-	(121,082)	-	-	-	(121,082)	(15,005)	(136,087)
Balance at December 31, 2016	26,322	130,080	505,320	61,214	-	722,936	171,030	893,966
THE COMPANY								
Balance at January 1, 2017	26,322	130,080	505,320	61,214	468,429	1,191,365	-	1,191,365
Interest allocated	-	41,433	-	-	-	41,433	-	41,433
Transfer from/ (to) Life Assurance Fund	-	227,451	(79,777)	-	-	147,674	-	147,674
Dividends	-	(121,082)	-	-	-	(121,082)	-	(121,082)
Balance at December 31, 2017	26,322	277,882	425,543	61,214	468,429	1,259,390	-	1,259,390
Balance at January 1, 2016	26,322	123,433	472,000	61,214	468,429	1,151,398	-	1,151,398
Interest allocated	-	61,729	-	-	-	61,729	-	61,729
Transfer from Life Assurance Fund	-	66,000	33,320	-	-	99,320	-	99,320
Dividends	-	(121,082)	-	-	-	(121,082)	-	(121,082)
Balance at December 31, 2016	26,322	130,080	505,320	61,214	468,429	1,191,365	-	1,191,365

4. Statements of Cash Flows

THE GROUP

	Dec 31, 2017	Dec 31, 2016
	Rs'000	Rs'000
Net cash generated from operating activities	2,078,113	1,938,374
Net cash (used in)/generated from investing activities	(2,945,345)	130,013
Net cash used in financing activities	(136,287)	(136,087)
(Decrease) / Increase in cash and cash equivalents	(1,003,519)	1,932,300
Movement in cash and cash equivalents		
At January 1,	3,602,170	1,669,019
(Decrease) / Increase	(1,003,519)	1,932,300
Effects of exchange rate changes	(16,950)	851
At December 31,	2,581,701	3,602,170

THE COMPANY

	Dec 31, 2017	Dec 31, 2016
	Rs'000	Rs'000
Net cash generated from operating activities	1,987,010	1,880,197
Net cash (used in)/generated from investing activities	(2,947,407)	130,577
Net cash used in financing activities	(121,082)	(121,082)
(Decrease) / Increase in cash and cash equivalents	(1,081,479)	1,889,692
Movement in cash and cash equivalents		
At January 1,	3,310,990	1,419,232
(Decrease) / Increase	(1,081,479)	1,889,692
Effects of exchange rate changes	(14,222)	2,066
At December 31,	2,215,289	3,310,990

Copies of these condensed audited financial statements and the statement of officers' interests are available to the public free of charge with the Secretary, at the Company's registered office, Swan Centre, 10 Intendance Street, Port Louis. This Communiqué is issued pursuant to DEM Rule 18 and published as per the Securities Act 2005. The Board of Directors of Swan Life Ltd accepts full responsibility for the accuracy of the information contained in this communiqué.

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