



## **SEYCHELLES PENSION FUND**

# **MEDIA RELEASE**

**Monday 30<sup>th</sup> March 2020**

**RELEASE ANNUAL REPORT 2019**

### **SPF registers its best ever performance from investment income in 2019**

**Seychelles Pension Fund registers its best ever surplus in 2019 of SCR 129m, with the highest net investment income of 53m and the highest amount collected in voluntary contributions of SCR 28 million, since its inception 13 years ago.**

This was the highlight of SPF's comprehensive 2019 Annual Report that was handed over by the CEO, Mrs. Lekha Nair to the Minister of Finance, Trade and Economic Planning, Mr. Maurice Loustau-Lalanne, in a short ceremony at Liberty House on Monday 30<sup>th</sup> March 2020.

The annual report also looked at the important issues affecting the Fund over the last twelve months, together with full details about its performance in administering the pensions in the country, whilst the audited Financial Statements of SPF recorded a growth of 6% in its total net assets that is now worth SCR 3.3 billion at the end of the financial year 2019.

The net surplus of investment income over investment expenses and administrative costs, was recorded at SCR 53 million, and together with surplus income of SCR 76 million from contributions over pension payments, the total surplus for the year was SCR 129 million. This is 13% higher than 2018 and again the highest surplus made so far by SPF.

In terms of contributions collected and pensions paid out, 2019 has also been a year showing the highest for both. Whilst, on the contributions side, there was a 21% increase over last year with SCR 423 million collected due mostly to contribution rate having increased, a similar 21% increase was also noted in benefits paid out in 2019, with the highest amount of SCR 347 million paid.

2019 saw a record number of 43,715 contributors which represented 96 % of the total workforce in the country. Total number of pensioners also increased by 8 %. This is lower than in previous years, possibly due to the flexible retirement age which came into force in 2019 whereby members can opt to retire anytime from 60 years onwards.

The Financial Statements were prepared under the International Financial Reporting Standards and was audited by the Auditor General, who outsourced the audit to Pool and Patel Chartered Accountants.

Now that the audit is completed, SPF is pleased to inform its members that their statement of accounts for the year 2019 will be dispatched individually as customary. In addition, this year, members wishing to access their statement of accounts online, may do so on the newly introduced online portal of SPF through its website [www.pensionfund.sc](http://www.pensionfund.sc). However, members need to register with SPF first by calling on our hotline number 2609666, for security purposes. Once they are registered they will have access anytime to view their member accounts and contributions paid to SPF on <https://www.mypensionfund.sc/login> SPF requests all members to check the correctness of their statements and to call the same hotline number 2609666 if there are any queries.

The ceremony was kept small without the presence of the media in line with social distancing measures in the country.

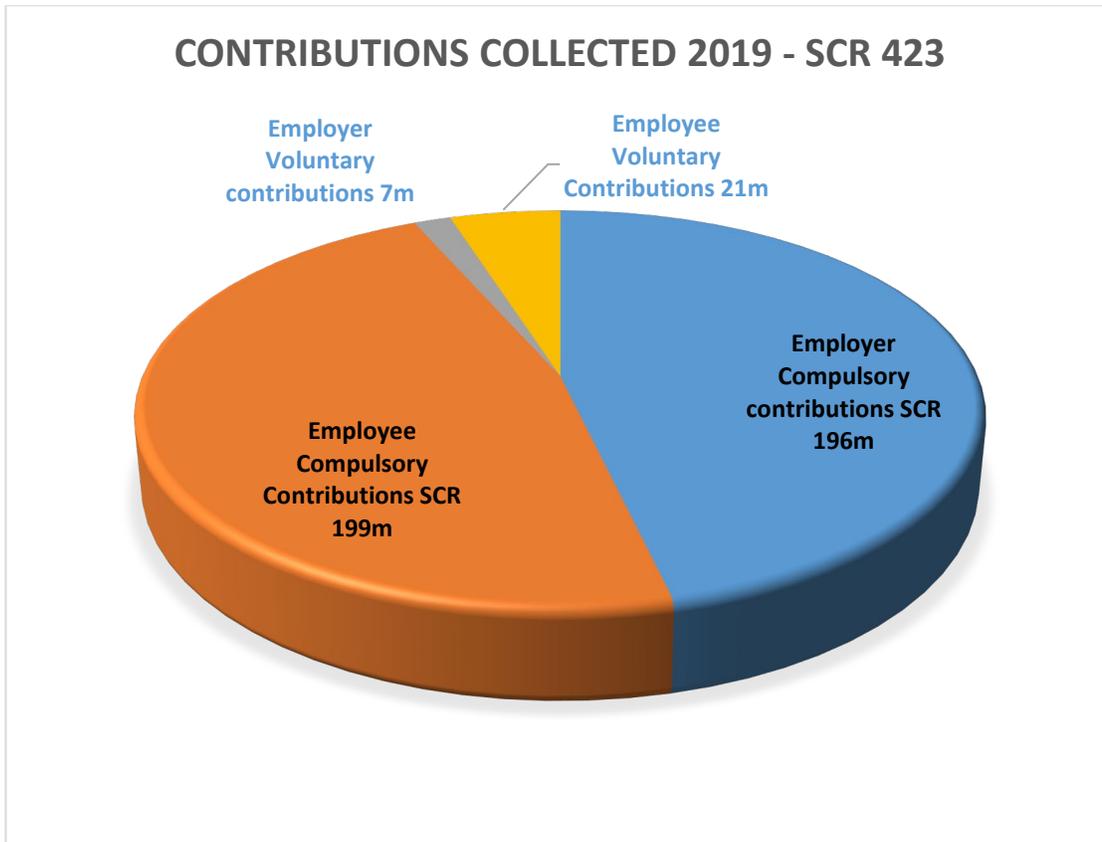
SPF takes the opportunity to thank all their members and stakeholders for another good year.

The Annual Report 2019 will hereafter be submitted to the National Assembly and will be publicised on SPF's website, as required under SPF's Act, Section 53 (5) and (6). Members of the public can access the SPF 2019 Annual report on our website [www.pensionfund.sc](http://www.pensionfund.sc)

Some of the main highlights are herewith presented:

SPF Contributions

Contributions received in 2019

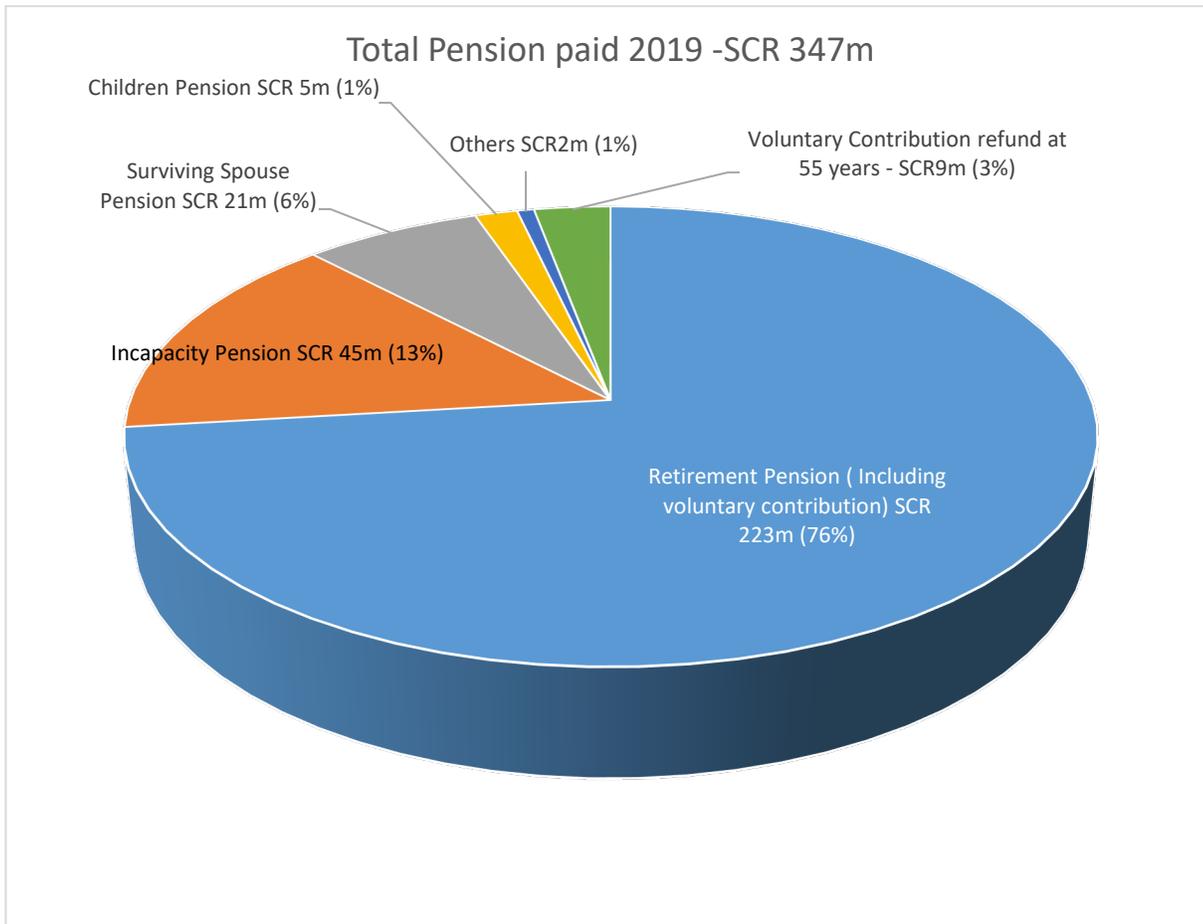


Comparative contributions for period 2016 to 2019

Year	Mandatory Contributions			Voluntary Contributions			Total Contributions
	Total Contributors	Employer Mandatory	Employee Mandatory	Total Contributors	Employer Voluntary	Employee Voluntary	
2016	41,085	SCR 106m	SCR 106m	5,759	SCR 3m	SCR 8m	SCR 223m
2017	42,760	SCR 115m	SCR 140m	6,351	SCR 4m	SCR 11m	SCR 270m
2018	43,561	SCR 148m	SCR 185m	8,150	SCR 4m	SCR 14m	SCR 351m
2019	43,715	SCR 196m	SCR 199m	8,325	SCR 7m	SCR 21m	SCR 423m

SPF Pension and Benefits

SPF Pension and Benefits paid

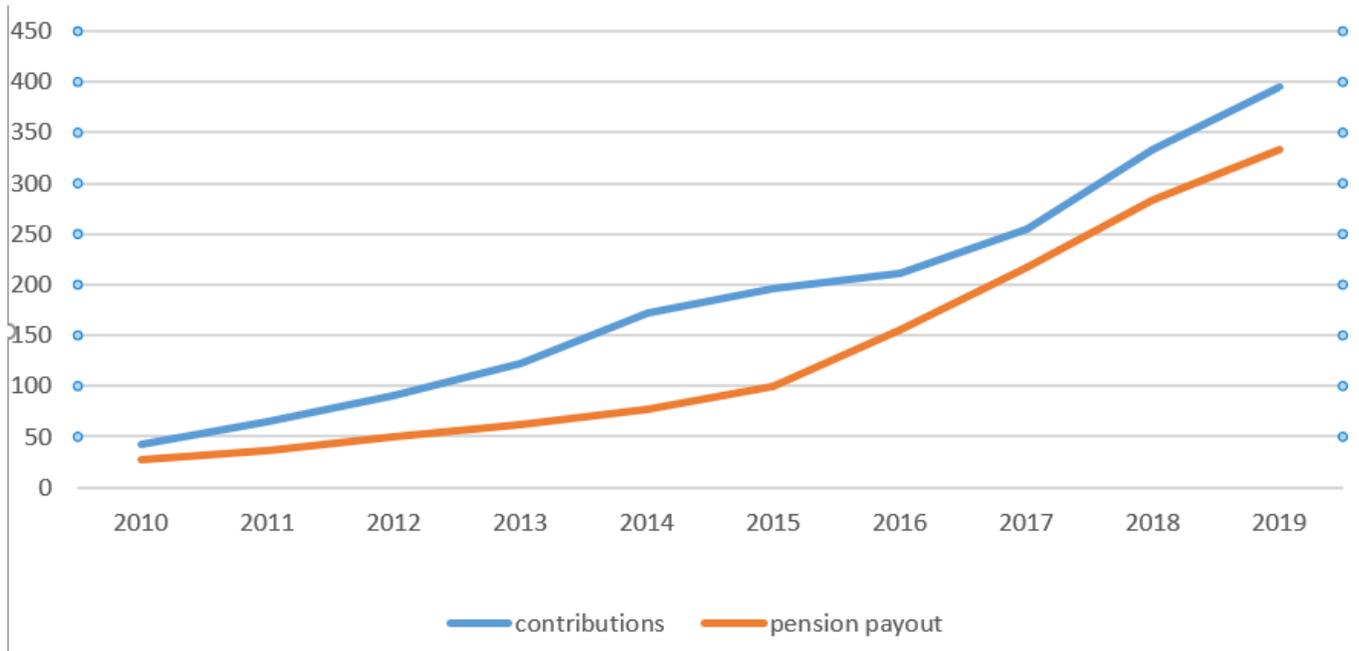


Comparative benefits paid for 2016 to 2019

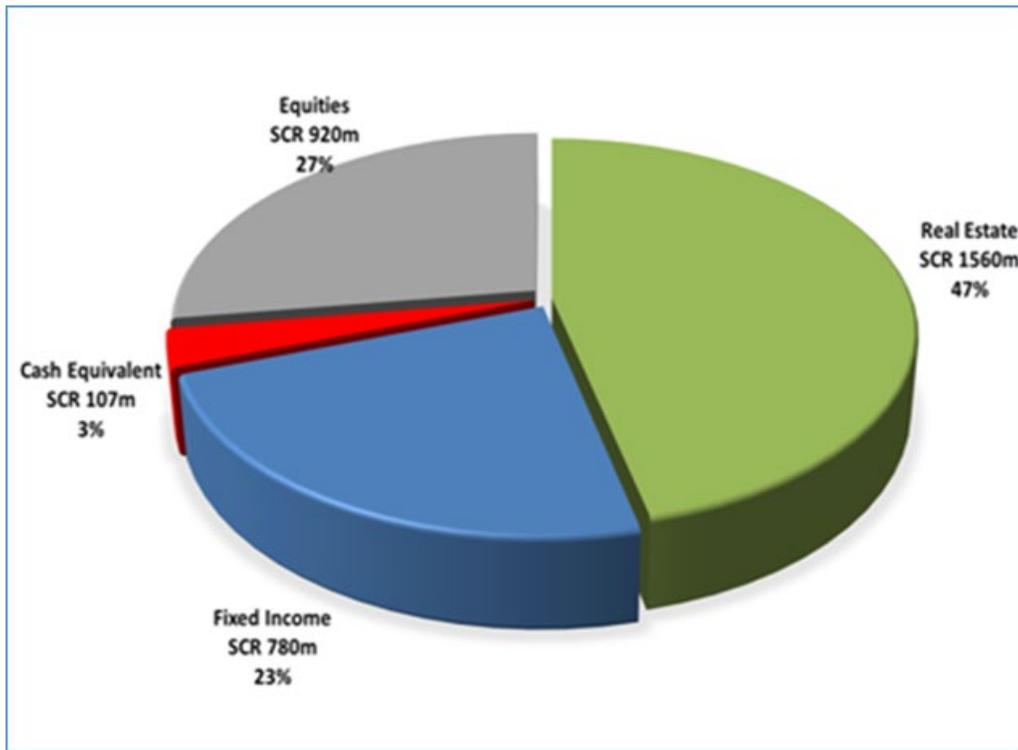
Year	Total Pensioners	Total Benefits paid	Benefits types					Refund of Voluntary Contributions at 55 years plus
			Retirement	Permanent Incapacity	Surviving Spouse Pension	Children Pension	Others	
2016	3496	SCR 158m	SCR 102m	SCR 37m	SCR 13m	SCR 3m	SCR 3m	
2017	4929	SCR 222m	SCR 164m	SCR 34 m	SCR 16 m	SCR 4m	SCR 4m	
2018	5501	SCR 286m	SCR 223m	SCR 39m	SCR 17m	SCR 4m	SCR 3m	
2019	5918	SCR 347m	SCR 265m	SCR 45m	SCR 21m	SCR 5m	SCR 2m	SCR 9m

- New benefit for 2019 – Voluntary Contribution refund at 55 years plus: SCR 9 m

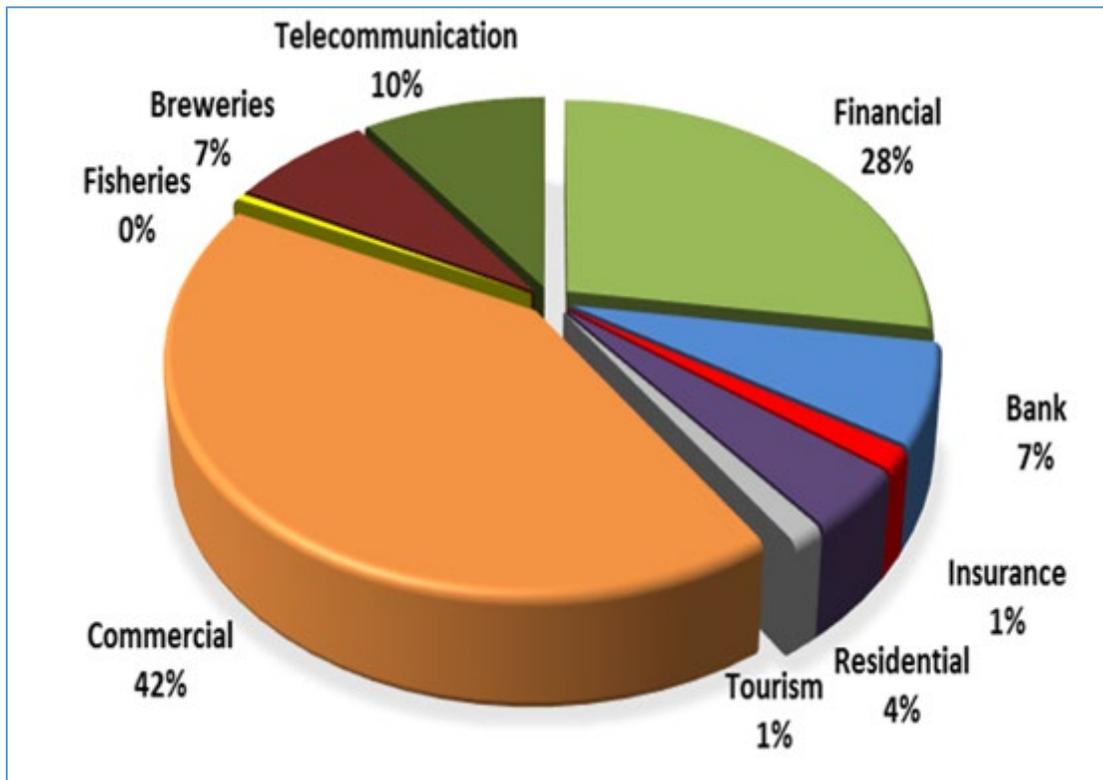
Comparison of mandatory contributions v/s pension pay-outs



Total investments of SCR 3.4 b



Investment by Sectors



**SEYCHELLES PENSION FUND**  
**STATEMENT OF ASSETS AVAILABLE FOR BENEFITS - 31st DECEMBER 2019**

	Notes	2019 SCR	2018 SCR
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	6	31,391,046	35,753,062
Investment properties	7	1,528,634,904	1,441,036,578
Right to use on leasehold land	8	42,654,639	43,170,103
Investment in subsidiary	9	44,426,026	44,426,026
Investment in associates- Seybrew	10	248,595,450	258,539,268
Investment in associates- Al Salam Bank	10	22,403,666	21,836,581
Investment in associates- Cable & Wireless	10	330,404,100	-
Investment in financial assets	13	412,392,968	336,284,925
Loan to PMC	15	108,036,059	123,970,625
		<b>2,768,938,859</b>	<b>2,305,017,168</b>
<b>Current assets</b>			
Investment in financial assets	13	516,928,203	604,782,670
Receivables and prepayments	14	73,327,280	81,080,344
Assets held for sale	11	55,481,321	-
Loan to PMC	15	15,934,566	14,786,813
Cash and cash equivalents	12	106,359,146	97,597,640
		<b>768,030,516</b>	<b>798,247,466</b>
<b>Total assets</b>		<b>3,536,969,375</b>	<b>3,103,264,635</b>
<b>Current liability</b>			
Other payables	16	232,465,077	21,685,241
<b>Non-current liability</b>			
Retirement benefit obligations	17	7,238,580	6,231,559
Deferred Property Lease	18	6,635,395	6,744,074
<b>Net assets available for benefits</b>	19	<b>3,290,630,324</b>	<b>3,068,603,761</b>
<b>Made up as follows:</b>			
Member's fund	20	1,645,446,896	1,521,918,474
Other fund	21	533,279,754	533,279,754
Reserve funds	22	14,568,591	14,568,591
Other reserves	23	153,926,109	151,390,274
Retained earnings		943,408,914	847,446,668
		<b>3,290,630,324</b>	<b>3,068,603,761</b>

These Financial Statements have been approved for issue by the Board of Trustees on 19th March 2020

  
 Facqesha Durgasse  
 Chairperson

  
 Lekha Nair  
 Chief Executive Officer

The notes on pages 11 to 42 form an integral part of these financial statements.  
 Auditor's Report are on pages 3 to 6

SEYCHELLES PENSION FUND  
 INCOME AND EXPENDITURE OF MEMBERS ACCOUNT - YEAR ENDED 31st DECEMBER 2019

	Notes	2019	2018
<b>Contribution Income</b>		<b>SCR</b>	<b>SCR</b>
<b>Compulsory contributions:</b>			
- by employees		199,312,997	184,690,529
- by employers		196,031,445	147,694,145
<b>Voluntary contributions:</b>			
- by employees		21,072,271	14,254,039
- by employers		7,036,488	4,167,743
		<b>423,453,201</b>	<b>350,806,456</b>
<b>Investment income</b>			
Interest received by members	26	47,434,547	38,405,594
Net surplus for the year from investments		49,462,764	42,415,459
Revaluation of property to reserve	7	2,535,894	-
Net fair value changes - Page 9		46,499,482	105,534,141
		<b>145,932,687</b>	<b>186,355,194</b>
<b>Total contribution and investment income</b>		<b>569,385,888</b>	<b>537,161,650</b>
<b>Benefits Paid</b>			
- Normal Retirement		257,883,358	216,476,494
- Voluntary retirement refund upon retirement		3,712,600	4,780,481
- Death before Normal Retirement		2,870,125	1,460,202
- Permanent Incapacity		45,468,748	38,995,942
- Pre-Migration Retirement		713,268	1,119,454
- Death after Normal Retirement		11,060	16,815
- Surviving Spouse Pension		11,188,849	9,645,674
- Children Pension		4,018,126	3,768,460
- Post-Retirement Surviving Spouse		9,784,281	7,791,920
- Post-Retirement Children Pension		1,078,091	627,631
- Voluntary retirement contribution refund at 55 yrs onwards		9,050,318	-
- Refund of overpaid contributions		506,153	330,475
- Adjustments (reconciling)		1,074,346	547,068
<b>Total Benefits paid</b>		<b>347,359,325</b>	<b>285,560,616</b>
<b>Excess contribution over benefits paid</b>		<b>76,093,876</b>	<b>65,245,840</b>
Adjustment: Prior year deferred lease	18	-	6,852,754
Adjustment- Salaries and amortisation (restated)		-	1,411,169
<b>Overall surplus for the year- net increase in assets available for benefits</b>		<b>222,026,563</b>	<b>259,864,957</b>
Balance at January 1,		3,068,603,761	2,808,738,805
<b>Balance as at December 31,</b>		<b>3,290,630,324</b>	<b>3,068,603,761</b>

## SEYCHELLES PENSION FUND

## INCOME AND EXPENDITURE ON INVESTMENTS - YEAR ENDED 31st DECEMBER 2019

	Notes	2019	2018
		SCR	SCR
<b>INCOME</b>			
Interest income	24	50,720,458	44,101,740
Investment/ Dividend income	25	20,541,298	14,043,439
Rental income	7c	118,023,582	114,510,673
Other income- Surcharges		810,642	1,225,160
Change in provision for bad debts	14	-	1,041,128
Amortisation of deferred Government Grant	18	108,680	108,680
		<b>190,204,659</b>	<b>175,030,818</b>
<b>EXPENDITURE</b>			
Interest credited to members	26	47,434,547	38,405,594
Administrative expenses	27	47,741,010	44,466,598
Investment fees		362,721	347,554
Events and marketing		3,712,018	3,095,316
Property management expenses	7c	30,637,148	37,068,039
Depreciation of property and equipment	6	6,296,444	6,143,447
Amortisation of right to use	8	515,464	515,464
Loss on disposal of Property, Plant and Equipment		-	154,930
Auditors remuneration		460,000	460,000
Other professional fees	28	4,485,530	1,195,595
		<b>141,644,881</b>	<b>131,852,537</b>
Surplus		<b>48,559,778</b>	<b>43,178,281</b>
Gain/(Loss) on exchange differences		902,986	(762,822)
Surplus for the year before fair value changes		<b>49,462,764</b>	<b>42,415,459</b>
Increase/(Decrease) in fair value of quoted equities	13c	3,637,681	(1,507,759)
Increase in fair value of investment properties	7a	32,713,251	8,681,320
(Decrease) /Increase in fair value of associates (Seybrew)	10 (i)	(9,943,818)	43,546,779
Increase in fair value of associates (Al Salam Bank)	10 (ii)	567,086	-
Total fair value changes		<b>26,974,201</b>	<b>50,720,341</b>
<b>Other comprehensive income</b>			
Increase in fair value of unquoted equities	13c	19,525,282	13,401,447
Increase in fair value of unquoted equities - 2014 to 2017	13c	-	41,198,565
Increase in fair value of PPE	6	-	213,789
Total other comprehensive income		<b>19,525,282</b>	<b>54,813,801</b>
Net changes in fair values of investment		<b>46,499,482</b>	<b>105,534,141</b>
Surplus for the year after fair value changes and other comprehensive income		<b>95,962,246</b>	<b>147,949,600</b>
Total comprehensive income brought forward		<b>847,446,668</b>	<b>699,497,068</b>
Surplus carried forward		<b>943,408,914</b>	<b>847,446,668</b>

The notes on pages 11 to 42 form an integral part of these financial statements.  
Auditor's Report are on pages 3 to 6

**FOR IMMEDIATE RELEASE**

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