

# ASSURIA LIFE (GY) INC. FINANCIAL REPORT 2019



# Table of Contents



Independent Auditor's Report.....	I-3
Financial Statements .....	4-6
Statement of Financial Position.....	4
Statement of Comprehensive Income.....	5
Statement of Changes in Equity .....	6
Statement of Cash Flows.....	7

## **INDEPENDENT AUDITOR'S REPORT**

**To the Shareholders of Assuria Life (GY) Inc**

**Report on the Audit of Financial Statements**

### **Opinion**

We have audited the financial statements of Assuria Life (GY) Inc, which comprise the statement of financial position as at December 31, 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 1 to 34.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Assuria Life (GY) Inc, as at December 31, 2019 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### **Material Uncertainty Related to Going Concern**

We draw attention to Note 35 in the financial statements, which explained uncertainties regarding the going concern of the company and further financing that may be required from related companies to maintain the company's solvency requirement as per the Insurance Act 2016.

Our opinion is not modified in respect of this matter.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Guyana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

### **Report on Other Legal and Regulatory Requirements**

The financial statements comply with the requirements of the Companies Act 1991 and those of the Insurance Act 2016 and its Regulations.

HLB, R. Seebarran & Co

HLB, R. Seebarran & Co  
Chartered Accountants  
73 Canje Street & Stone Avenue,  
Section 'K', Campbellville,  
Georgetown

April 21, 2020

Assuria Life (GY) Inc.  
 (Subsidiary of Assuria N.V)  
 Statement of Financial Position  
 As at December 31, 2019

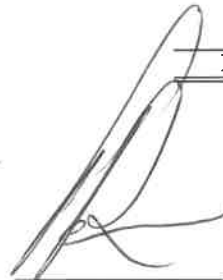
	Notes	2019 G\$	2018 G\$
<b>ASSETS</b>			
<b>Non current assets</b>			
Financial investments	4	477,981,624	371,607,608
Property, office furniture & equipment	5	96,174,295	246,643
Investment property	6	-	130,000,000
Finance lease receivable	7	2,963,681	-
Intangible assets	8	12,038,046	8,242,875
		<u>589,157,646</u>	<u>510,097,126</u>
<b>Current assets</b>			
Related parties	I6	-	2,599,277
Finance lease receivable	7	1,481,841	-
Trade and other receivables	9	24,512,939	19,405,173
Cash and cash equivalents	I0	410,422,198	258,302,950
		<u>436,416,978</u>	<u>280,307,400</u>
<b>TOTAL ASSETS</b>		<u><b>1,025,574,624</b></u>	<u><b>790,404,526</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity and reserves</b>			
Share capital	II	376,750,000	288,750,000
Revaluation reserve	I2	21,105,760	28,912,000
Investment reserve	I3	37,038,161	26,422,618
Accumulated (deficit)		<u>(107,310,225)</u>	<u>(180,961,365)</u>
		327,583,696	163,123,253
<b>Non-current liabilities</b>			
Actuarial liabilities	I4	235,058,110	244,942,772
Administration of pension fund	I5	225,198,742	146,338,237
Lease liability	7	2,963,681	-
Related parties	I6	192,063,675	212,093,448
		<u>655,284,208</u>	<u>603,374,457</u>
<b>Current liabilities</b>			
Related parties	I6	10,014,905	-
Trade and other payables	I7	29,893,154	12,515,599
Claims payable	I8	-	8,703,534
Lease liability	7	1,481,841	-
Tax payable	I9	1,316,820	2,687,683
		<u>42,706,720</u>	<u>23,906,816</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>1,025,574,624</b></u>	<u><b>790,404,526</b></u>

These financial statements were approved for issue on \_\_\_\_\_

On behalf of the Board:



Director



Director

"The accompanying notes form an integral part of these financial statements".



Assuria Life (GY) Inc.  
(Subsidiary of Assuria N.V)  
Statement of Comprehensive Income  
For the year ended December 31, 2019

	Notes	2019 G\$	2018 G\$
<b>Income</b>			
Gross premium	20	198,662,391	145,759,113
Re-insurance premium	20	(16,210,082)	(8,118,005)
Premium tax	20	(875,344)	(438,372)
Net premium		181,576,965	137,202,736
Investment income	21	18,196,665	10,655,327
Other income	22	8,090,544	13,137,619
<b>Total income</b>		207,864,174	160,995,682
<b>Expenditure</b>			
Commissions	23	41,564,347	26,561,649
Management expenses	24	72,327,024	31,207,680
Claims expense	25	4,504,832	11,496,030
Surrenders/Maturities	26	22,798,266	10,996,987
		141,194,469	80,262,346
<b>Net before actuarial liabilities</b>		66,669,705	80,733,336
Provision for actuarial liabilities	27	9,884,663	(75,025,037)
<b>Net after actuarial liabilities</b>		76,554,368	5,708,299
Taxation	28	(2,903,228)	(2,687,683)
Net profit after taxation		73,651,140	3,020,616
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME</b>			
Revaluation of investment property		(7,806,240)	13,792,000
Fair value adjustments for investments		10,615,543	26,422,618
Total other comprehensive income		2,809,303	40,214,618
<b>Total comprehensive income for the year</b>		76,460,443	43,235,234
Basic earnings per share	29	377	28

"The accompanying notes form an integral part of these financial statements".

Assuria Life (GY) Inc.  
 (Subsidiary of Assuria N.V)  
 Statement of Changes in Equity  
 For the year ended December 31, 2019

	Share capital G\$	Revaluation reserve G\$	Investment reserve G\$	Accumulated (deficit) G\$	Total G\$
Balance at December 31, 2017	188,750,000	15,120,000	-	(183,981,981)	19,888,019
Operating profit for the year	-	-	-	3,020,616	3,020,616
Increase during the year	100,000,000	13,792,000	26,422,618	-	140,214,618
Balance at December 31, 2018	288,750,000	28,912,000	26,422,618	(180,961,365)	163,123,253
Operating profit for the year	-	-	-	73,651,140	73,651,140
Increase/(Decrease) during the year	88,000,000	(7,806,240)	10,615,543	-	90,809,303
Balance at December 31, 2019	376,750,000	21,105,760	37,038,161	(107,310,225)	327,583,696

*"The accompanying notes form an integral part of these financial statements".*



Assuria Life (GY) Inc.  
(Subsidiary of Assuria N.V)  
Statement of Cash Flows  
For the year ended December 31, 2019

	2019 G\$	2018 G\$
<b><u>Operating activities</u></b>		
Operating profit for the year	76,554,368	5,708,299
Adjustments for:		
Increase in actuarial liabilities	(9,884,662)	74,442,408
Increase in pension funds	78,860,505	49,421,111
Depreciation	198,447	470,874
<b>Operating profit before working capital changes</b>	<b>145,728,658</b>	<b>130,042,692</b>
<b>Working capital changes</b>		
(Increase)/Decrease in trade and other receivables	(5,107,766)	2,348,309
Increase/(Decrease) in trade and other payables	17,377,555	(1,112,952)
Increase/(Decrease) in claims payable	(8,703,534)	5,203,534
	<b>149,294,913</b>	<b>136,481,583</b>
Taxes paid	(4,274,091)	-
<b>Net cash flow generated from operations</b>	<b>145,020,822</b>	<b>136,481,583</b>
<b><u>Investing activities</u></b>		
(Increase) in financial investments	(95,758,473)	(109,450,186)
Acquisition of fixed assets	(96,126,099)	(205,629)
(Increase) in intangible assets	(3,795,171)	(8,242,875)
(Increase)/Decrease in investment property	122,193,760	(30,708,000)
<b>Net cash used in investing activities</b>	<b>(73,485,983)</b>	<b>(148,606,690)</b>
<b><u>Financing activities</u></b>		
Share capital issued	88,000,000	100,000,000
Increase/(Decrease) in due to related parties	(7,415,591)	42,552,068
<b>Net cash provided by financing activities</b>	<b>80,584,409</b>	<b>142,552,068</b>
Net increase in cash and cash equivalents	152,119,248	130,426,961
Cash and cash equivalents at beginning of year	258,302,950	127,875,989
Cash and cash equivalents at end of year	<b>410,422,198</b>	<b>258,302,950</b>
<b>Cash and cash equivalents as shown in the statement of financial position</b>		
Cash and cash equivalents	410,422,198	258,302,950
	<b>410,422,198</b>	<b>258,302,950</b>

"The accompanying notes form an integral part of these financial statements".