CENTRAL BANK OF SAMOA

INSURANCE ANNUAL REPORT

July 2018 – June 2019

OFFICE OF THE INSURANCE COMMISSIONER

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Commissioner's Foreword

1. The World Economy

The International Monetary Fund's July 2019 World Economic Outlook (WEO) Update points to a slowdown in the global economy, with a 3.4 percent growth rate in FY 2018/2019 compared to 3.7 percent in FY2017/2018. This was a further downward revision from a 3. 5 percent expansion in the April 2019 WEO, reflecting slower growth rates of 2.0 percent in advanced economies and 4.3 percent in the emerging market and developing economies, compared to higher growth rates of 2.3 percent and 4.7 percent respectively in FY2017/2018.

Mounting headwinds in the last twelve months has weighed heavily on global economic growth as increased trade protectionism by the United States posed the greatest threat. The softening economic dynamics in China as the authorities implement required regulatory measures to address shadow banking in addition to escalating trade tensions with the US, loss of growth momentum in the Euro area economy due to weakening consumer and business confidence, continued uncertainty in prolonged Brexit negotiations, political and policy uncertainty as well as natural disasters were the major risks that saw the global economy dip after strong growth in past years. These confluence of factors, albeit waning, will continue to have a lingering impact in the short term, with the ongoing US-China trade dispute being the key downside and decisive risk to the global economy's recovery path.

Inflationary pressures picked up marginally to an estimated 3.3 percent in FY2018/2019 from 3.2 percent in the previous year. Of Samoa's major trading partners, their inflation rates continued to decline below their average annual targets of around 3.0 percent.

On the other hand, labour market conditions continued to improve worldwide, with decreased unemployment rates in Samoa's major source markets for tourism revenue and private remittances, namely New Zealand, Australia and the USA.

Overall, monetary policies in most economies were largely accommodative in 2018/2019, except for the United States which continued its tightening stance during the year.

2. Domestic Economy

The economy grew faster at 3.5 percent compared to -2.2 percent in FY2017/2018. This expansion was due entirely to improvements in the 'commerce' sector which accounted for positive results from tourism earnings and remittances. Also contributing positively to economic growth was increased activities in the 'constructions' sector highlighting the completion of some major government projects as well as ongoing projects.

On prices, annual headline inflation was much lower at 2.2 percent at end June 2019 than initially expected, mainly due to drop in prices of imported selected food commodities and fuel prices, which saw downward trend in imported inflation from 5.2 percent to 0.8 percent last year. On the other hand, the upward pressures from local agricultural produce fuelled the increase in domestic inflation of 3.7 percent from 2.1 percent in June 2018.

On foreign reserves, the balance of payments recorded a $96.6 million surplus in 2018/2019, from its huge surplus of $109.3 million in FY2017/2018. This level accounted for the continuous improvements from tourism and visitor earnings as well as gains from export proceeds. As a result, the import cover rose to 6.7 months (higher than 6.1 months cover last year).

Liquidity conditions continued to improve during the year, rising to $274.0 million at end June 2019 from $218.90 million a year earlier. This reflects large inflows of foreign funds especially those for Government budget as well as earnings from visitor arrivals, private remittances and export receipts.

On interest rates, the overall weighted average yield on CBS securities edged up 0.19 percent; two basis points higher than its rate in June 2018. Meanwhile, the commercial banks' weighted average deposit rates stood at 2.85 percent against the weighted average lending rate of 8.97 percent.

There is broad acceptance internationally that insurance supervision should be exercised over insurance companies to protect policyholders' interests and foster a competitive and innovative market place. More specifically, the aim is to ensure that insurance companies meet contractual commitments made to the insured and are at all times in a sound financial position by maintaining sound solvency standards.

At the end of June 2019, the insurance industry performed well and remained resilient, achieving good results as follow:

- Total assets stood at $102.3 million;
- Recorded a solvency surplus of SAT$13.3 million;
- Achieved a net profit after tax of

SAT$3.1 million;
- Reported an underwriting surplus of SAT$5.7 million;
- Maintained a strong liquidity position aggregated at SAT$25.5 million;
- Recorded a combined gross premiums income of SAT$23.0 million; and
- Gross claims paid and policy payments totalled SAT$10.2 million.

The outlook for the domestic insurance industry is optimistic as better returns are anticipated given the forecasted higher economic growth due mainly to several ongoing government projects.

In June 2019, the Central Bank issued a press release to re-emphasize the prohibition of conducting an insurance business in Samoa without an insurance license. The CBS deemed it significant to warn and prevent the public from investing in an unlicensed insurance company which unlawfully operated in the country.

On strengthening our regulatory framework for the insurance industry, the Central Bank conducted its first ever onsite inspection to one of the general insurers. Visits to other insurance companies are underway and it is expected that the first round of inspection shall be completed at the beginning of 2020. Also, the insurance prudential standards were finalized and distributed to the insurance sector at the beginning of 2019 for information and effective implementation. Moreover, work is in the pipeline to enhance the Insurance Act 2007 to take into account recent developments in the insurance sector both domestically and the international arena.

I would like to acknowledge the ongoing assistance of our donor partners; the PFTAC, IMF, just to name a few in up skilling and developing staff capacity.

I also take this opportunity to thank the domestic insurance industry for its continued cooperation and support in our efforts to ensure a safe and sound insurance market contributing to the stability of Samoa's financial system.

Maiava Atalina Ainuu-Enari
GOVERNOR AND COMMISSIONER OF INSURANCE

1. Administration of the Insurance Act 2007

The Governor of the Central Bank of Samoa (the "Bank") is the Insurance Commissioner (the "Commissioner") appointed under section 4 of the Insurance Act 2007 (the "Act"), to carry out the functions and powers as stipulated under sections 5 and 6 of the Act.

The Bank has responsibilities under the Financial Institutions Act 1996 and the Insurance Act 2007 to supervise insurance companies in conjunction with the Bank's broader responsibilities aimed at promoting the health and stability of the financial system in general.

a. Insurance Supervision Prudential Standards (ISPS)

In February 2019, the Bank issued eight (8) prudential standards for both life and general insurance companies in accordance with section 5 (b) of the Insurance Act 2007.

The Bank's approach to supervision is to develop a number of prudential standards that insurance companies must adhere to, reduce the likelihood of insolvency and operational problems by limiting risks to prudent levels, and enhance the capacity of insurance companies to absorb any adverse developments that may occur.

The standards were developed broadly in line with the requirements of the Insurance Act 2007, the International Association of Insurance Supervisors ('IAIS') Core Principles and international best practice consistent with the size and complexity of the domestic insurance market.

This is the first ever set of standards issued by the Bank for the insurance sector since the Act was enacted and enforced in 2007.

2. Licensing and Insurance Market Structure

Section 9 of the Act requires all insurers and intermediaries conducting insurance business in Samoa to be licensed by the Commissioner. The Commissioner continued to receive and assess applications for renewal of licenses by insurers, insurance agents and insurance brokers. Licenses are renewed upon the payment of their license renewal fees by the end of December of each year. ***(Table 1)***

Table 1: Licensed Insurance Companies and Intermediaries as of June 2019

	General Insurers
1.	Apia Insurance Company Limited
2.	Federal Pacific Insurance Limited
3.	National Pacific Insurance Limited
4.	Progressive Insurance Company Limited
	Life Insurers
1.	Deseret Mutual Benefits
2.	Samoa Life Assurance Corporation
	Insurance Brokers
1.	Aon (Fiji) Limited
2.	Marsh Limited
3.	South Seas Financial Services Limited
4.	Willis NZ Limited
	Insurance Agents – Corporate
1.	ANZ Bank (Samoa) Limited
2.	National Bank of Samoa Limited
3.	Pacific Insurance Underwriters
4.	Samoa National Provident Fund
	Insurance Agents – Individual
1.	MVM Agency
2.	Letuna Insurance Agency
3.	Avaia Fruean
4.	Eseta Kavesi
5.	Faamanu Fonoti
6.	Kalepo Fanueli
7.	Livigisitone Galuvaa
8.	Omar Mauala
9.	Motugaafa Semua
10.	Reupena Iakopo
11.	Saolotoga Bentin
12.	Sirovai Sila
13.	Uatifoti Fatu

Source: Central Bank of Samoa

a. Licensed Insurance Companies

As of June 2019, a total of six (6) insurers were licensed under the Act as follows:

i. Four (4) insurers conducted general insurance business; and

ii. Two (2) insurers conducted life insurance business of which one insurer only provides insurance cover for employees of a certain church denomination.

b. Licensed Insurance Brokers

Four (4) insurance brokers' licenses were renewed in January 2019, upon the satisfaction of specific requirements given under section 12 and deposit requirements under section 20, of the Act.

c. Licensed Insurance Agents

Insurance agents are required to be licensed under section 9 of the Act, upon nomination by a licensed insurer. At end FY2018/2019, only 17 insurance agent licenses were issued by the Commissioner, 6 for general insurance and 11 for life insurance.

3. Key Statutory Requirements

a. Deposit Requirement

Every licensed insurance broker and agent is required under section 20 of the Act to make and maintain a deposit or provide a guarantee in the amount of $50,000. In the case of a broker, the equivalent to the deductible or excess amount applicable to the professional indemnity and fidelity guarantee insurance policies are required to be held by the broker, whichever is the greater.

Similarly, section 21 of the Act requires every licensed insurer to make and maintain a deposit in an amount of $100,000 or not less than the surplus of assets over liabilities required under the prescribed solvency requirements, whichever is the greater.

The deposits are to be in the prescribed nature or form acceptable to the Commissioner. As of June 2019, all licensed insurance companies and brokers complied with the deposit requirement.

b. Minimum Capital

An insurer licensed under the Act is required under section 24 to maintain at all times paid up capital of $1,000,000. All insurers complied with this requirement.

c. Additional Solvency Requirements

In addition to the capital requirement, every licensed insurer is also required under section 25 to comply with any solvency requirements imposed by the Commissioner. The licensed insurance companies continued to comply with the solvency requirements from time to time.

d. Policy and Claims Registers

An insurer licensed under the Act is required under section 36 to keep a register of policies issued by the insurer and a register of claims, showing for every claims made. If a licensed insurer carries on any insurance business outside of Samoa, the insurer is required to keep separate registers for its Samoan business and its non-Samoan business.

In relation thereto, intermediaries are also required under section 41 to have a register of policies placed or procured by or through the intermediaries.

4. Supervision

The Bank has an integrated, risk-based system of supervision that uses both offsite monitoring and on-site inspections, to examine the business of each insurer, evaluate its condition, quality, effectiveness and compliance with legislation and supervisory requirements.

In the previous years, the Bank has been regulating and supervising the performance of the insurance industry through offsite surveillance only. Given that, the size of the industry at the time was small as compared to the banking sector and non-banks. Overtime, the domestic insurance sector continues to grow and its market share (in terms of assets size) also increases. Given this positive performance from the sector, the Bank implemented the second phase of supervision (i.e. onsite inspection) in order to complete the insurance regulatory and supervisory framework.

a. Onsite Inspection

In May 2019, the Bank conducted its first ever full scope onsite inspection to one of the general insurers. Visits to other insurance companies are scheduled for the second half of 2019 and the beginning of 2020 respectively.

b. Offsite Monitoring

To ensure that licensed insurers comply with the Act, offsite monitoring is conducted which includes the assessment of periodic prudential returns submitted to the Commissioner.

c. Prudential Returns and Audited Accounts

Sections 32 and 35 of the Act require that licensed insurers and brokers submit annual audited accounts, and prescribed periodical statements to the

Commissioner. Prudential returns must be submitted within the last working day of the following month after the end of each quarter.

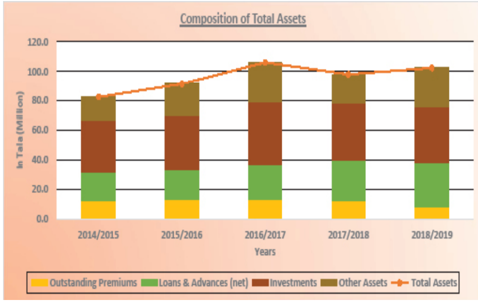
Annual audited accounts for both insurers and brokers are to be submitted within three months after each financial year.

5. Overview of the Domestic Insurance Industry Performance

a. Assets

The consolidated total assets of the insurance sector (life and general) stood at $102.3 million, up by 4.4 percent ($4.3 million) as compared to FY2017/2018. The composition of assets include investments aggregated at $38.1 million (equivalent to 37.3 percent), loans and advances totalled $30.2 million (29.5 percent), outstanding premiums of $7.6 million (7.5 percent) and other assets aggregated at $26.4 million (25.7 percent) in that order. The general insurance sector continued to dominate total assets at 52.6 percent ($53.9 million) ***(Graph 1).***

Graph 1 – Distribution of Assets for General & Life Insurance Companies

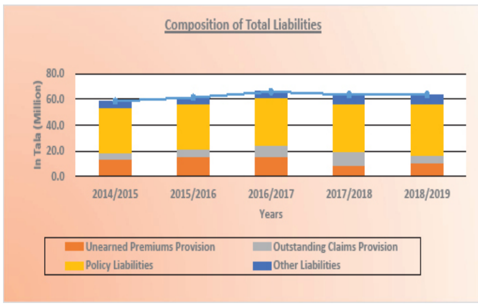


Source: *General and Life Insurance Companies*

b. Liabilities

On the liabilities side, it was also increased by 0.4 percent ($0.2 million) to $63.5 million over the past twelve months. Of total, life insurance accounted for 64.5 percent ($41.0 million) whilst general insurers represent 35.5 percent ($22.5 million) respectively ***(Graph 2).***

Graph 2 – Distribution of Liabilities for General & Life Insurance Companies

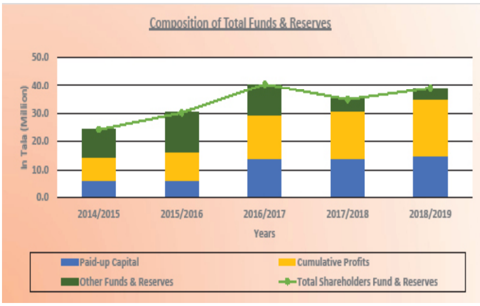


Source: *General and Life Insurance Companies*

c. Shareholders' Funds

The total shareholders' fund for the domestic insurance industry grew by 11.8 percent ($4.1 million) to $38.8 million over June 2018. Cumulative profits aggregated at $20.0 million is equivalent to 51.4 percent of total funds, followed by paid up capital of $15.0 million (38.6 percent) and Other Funds and Reserves of $3.8 million (10.0 percent) correspondingly. The general insurance sector dominates 80.7 percent ($31.3 million) ***(Graph 3).***

Graph 3 – Distribution of Shareholders' Funds & Reserves for General & Life Insurance Companies

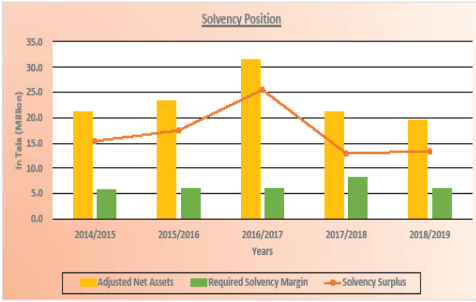


Source: *General and Life Insurance Companies*

d. Solvency Position

For the period under review, the insurance industry achieved a combined solvency surplus of $13.3 million, revealing an increase of 2.5 percent ($0.3 million) as compared to last year's balance of $13.0 million. Such surplus was derived from adjusted net assets of $19.5 million less solvency margin of $6.1 million. The general insurers dominated 60.9 percent ($8.1 million) of surplus ***(Graph 4).***

Graph 4 – Combined Solvency Position of the Insurance Industry

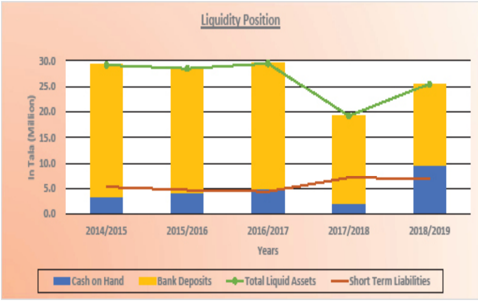


Source: *General and Life Insurance Companies*

e. Liquidity Position

For FY2018/2019, the combined liquid assets of the domestic insurance industry stood at $25.5 million, showing a 33.0 percent ($6.3 million) growth as compared to the last twelve months. Such movement was mainly caused by the increase on cash on hand by $7.4 million to $9.6 million, which was offset by the reduction in bank deposits by $1.1 million to $15.9 million respectively. Total liquid assets provide adequate coverage for short term liabilities of $6.9 million ***(Graph 5).***

Graph 5 – Liquidity Position of the Domestic Insurance Industry



Source: *General and Life Insurance Companies*

f. Gross Premiums

As of June 2019, the life and general insurance sectors' combined gross premium income stood at $23.0 million, compared to $20.7 million reported in June 2018 and revealed an increase of 11.3 percent ($2.3 million). Of total, the general insurance sector covered 65.1 percent ($15.0 million) while the remaining 34.9 percent ($8.0 million) was represented by the life insurance sector ***(Graph 6).***

g. Reinsurance Cessions/Outwards

From the insurance industry's combined gross premium income, 22.6 percent ($5.2 million) was ceded offshore for treaty and facultative reinsurance protection compared to $4.6 million reported in FY 2017/2018. The general insurance sector represented 97.2 percent ($5.0 million) of the total ***(Graph 6).***

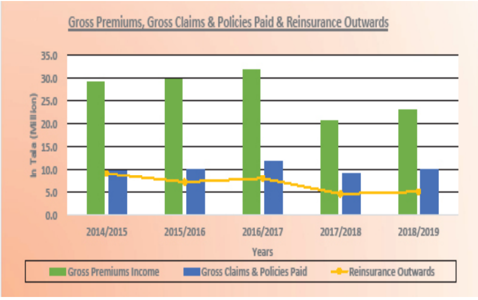
h. Net Premium Income

As of June 2019, the combined net premium income of the insurance industry stood at $17.8 million, up by 11.2 percent ($1.8 million) as compared to the same period last year. Bulk of this amount (i.e. 55.7 percent of $9.9 million) is related to the general insurers whilst life insurance sector covered 44.3 percent ($7.9 million). Net premium income is the portion of gross premiums retain by the local insurers and is derived from gross premiums less reinsurance outwards.

i. Claims

The total gross policy and claims payments for the insurance industry aggregated at $10.2 million grew by 10.2 percent ($0.9 million) over the past twelve months. The life insurance sector dominated 79.4 percent ($8.1 million) of claims paid ***(Graph 6).***

Graph 6 – Consolidated Gross Premiums, Gross Claims Paid and Policy Payments & Reinsurance Outwards



Source: *General and Life Insurance Companies*

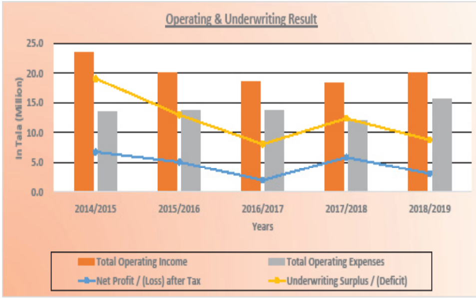
j. Underwriting Result

As at end FY 2018/2019, the underwriting performance of the insurance industry recorded a combined surplus of $5.7 million, which is 42.9 percent ($4.3 million) lower than FY2017/2018 performance of $10.0 million. The underwriting surplus is the major income component of the industry's operating result (i.e. profit) ***(Graph 7).***

k. Operating Performance

The insurance industry registered a reduction in combined profit of $3.1 million at end of June 2019 as compared to a profit of $5.9 million recorded in the same time a year ago. The industry's total operating income stood at $20.1 million compared to total operating expenses of $15.7 million respectively. The general insurance sector represents 95.2 percent ($3.0 million), of the industry's profit. ***(Graph 7).***

Graph 7 – Consolidated Operating and Underwriting Results



Source: *General and Life Insurance Companies*

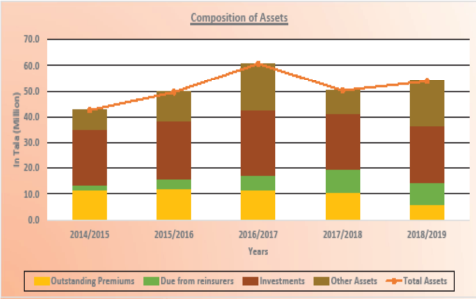
6. General Insurance Industry Performance

a. Assets

The general insurance sector continued to dominate the insurance market. At the end of FY2018/2019, total assets of the general insurance industry amounted to $53.9 million showing a growth of 7.2 percent ($3.6 million) as compared to FY2017/2018.

The asset composition of the general insurance sector include investments, accounting for majority at 41.2 percent ($22.2 million), followed by due from reinsurers' and outstanding premiums at 15.2 percent ($8.2 million) and 11.6 percent ($6.2 million) respectively ***(Graph 8).***

Graph 8 – Breakdown of General Insurers' Total Assets

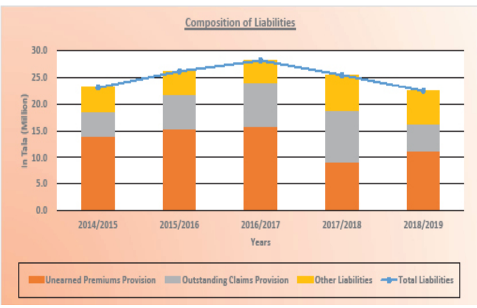


Source: *General Insurance Companies*

b. Liabilities

Similarly, the consolidated total liabilities of $22.5 million declined by 11.4 percent ($2.9 million) as compared to FY2017/2018. Unearned premiums provision is the major component, accounting for 49.8 percent ($11.2 million). Other components include outstanding claims provision of $5.0 million (22.1 percent) and other liabilities totalled $6.3 million (28.1 percent) correspondingly ***(Graph 9).***

Graph 9 - Breakdown of General Insurers' Total Liabilities

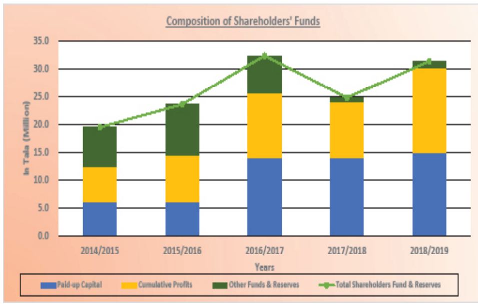


Source: *General Insurance Companies*

c. Shareholders' Funds

Total shareholders' funds of $31.4 million grew by 26.3 percent ($6.5 million) over the preceding year. Cumulative profits and paid-up capital are the major components, representing 48.5 percent ($15.2 million) and 47.8 percent ($15.0 million) in that order. During the period, one of the general insurers' had a capital injection of $1.0 million ***(Graph 10)***

Graph 10 – Breakdown of General Insurers' Total Shareholders' Funds and Reserves

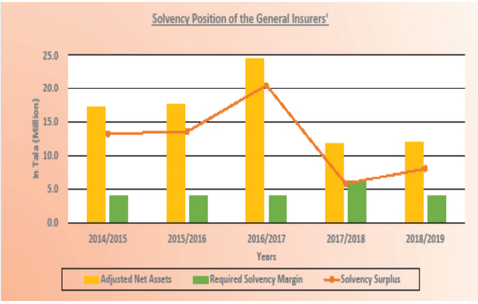


Source: *General Insurance Companies*

d. Solvency Position

The general insurance sector recorded a consolidated solvency surplus of $8.1 million for the review period, revealing a 41.3 percent ($2.4 million) increase as compared to the same time last year. The surplus is the difference between adjusted net assets totaled $12.1 million less the required solvency margin aggregated at $4.0 million respectively. To calculate the solvency margin, each general insurer is required to maintain at all times a surplus of assets over liabilities in Samoa of at least: ST$1 million; OR 20 percent of net premium income; OR 15 percent of net outstanding claims provision; whichever is the greatest ***(Graph 11).***

Graph 11 – Solvency Position of the General Insurers'

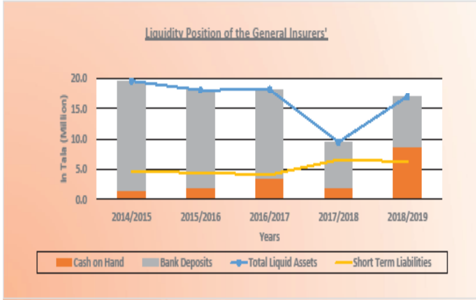


Source: *General Insurance Companies*

e. Liquidity

The liquidity position of the general insurance sector at end of FY 2018/2019 stood at $17.0 million, up by 79.6 percent ($7.5 million) as compared to $9.5 million reported in the same time last year. Such movement was mainly caused by the increase on cash on hand by $6.8 million to $8.8 million, accounting for 51.6 percent of total liquid funds. Other component included bank deposits totaled $8.2 million (48.4 percent). Total liquid assets is equivalent to 75.4 percent of total liabilities and provided adequate coverage for short term liabilities aggregated at $6.2 million ***(Graph 12).***

Graph 12 – Total Liquid Assets v Short Term Liabilities

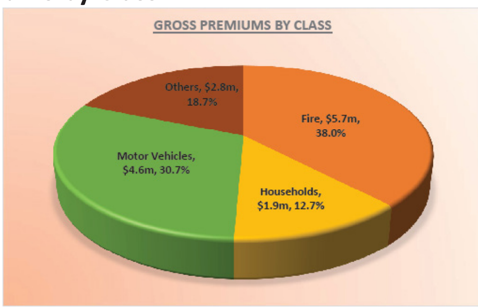


Source: *General Insurance Companies*

f. Gross Premiums

As of FY2018/2019, the general insurers' recorded total gross premium income of $15.0 million compared to $12.5 million in FY2017/2018 (i.e. grew by 19.8 percent or $2.5 million). The distribution of gross premiums by class revealed that fire class dominated the gross premium pool, accounting for 38.0 percent ($5.7 million) ***(Graph 13)***

Graph 13 – Composition of Gross Premiums by Class

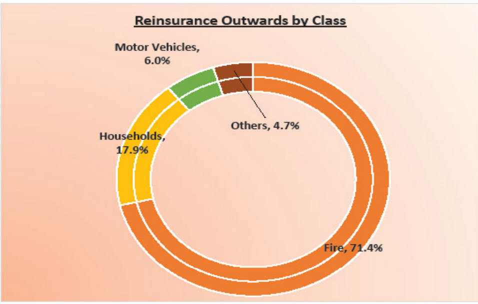


Source: *General Insurance Companies*

g. Reinsurance Cessions/Outwards

Total premiums ceded offshore for reinsurance arrangements stood at $5.0 million, showing an increase of 13.9 percent ($0.6 million) as compared to FY 2017/2018 figure of $4.4 million. Fire continued to be the most heavily reinsured due to the nature of the risk it covered, accounting for 71.4 percent ($3.6 million) of the total reinsurance costs. Treaty reinsurance continued to be the preferred arrangements for local insurers accounting for 99.2 percent ($5.0 million) of total reinsurance ***(Graph 14).***

Graph 14 – Reinsurance Outwards

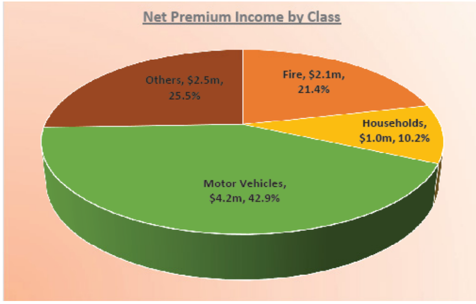


Source: *General Insurance Companies*

h. Net Premiums Income

Net premiums income of the general insurers amounted to $9.9 million, rose by 19.8 percent ($2.5 million) as compared to FY2017/2018. Net premiums income represents the portion of premiums retained by the local insurers after deducting reinsurance outwards. The motor vehicles class dominates the net premium pool at 42.9 percent ($4.2 million) ***(Graph 15).***

Graph 15 – Composition of Net Premium Income

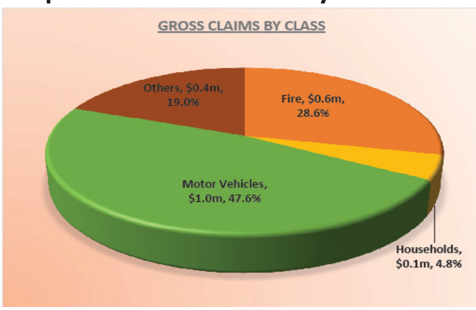


Source: *General Insurance Companies*

i. Claims

Gross claims paid as of FY2018/2019 stood at $2.1 million, down by 42.9 percent ($1.6 million) as compared to FY2017/2018. By class, motor vehicles dominated 47.6 percent ($1.0 million) of claims paid ***(Graph 16).***

Graph 16 – Gross Claims by Class

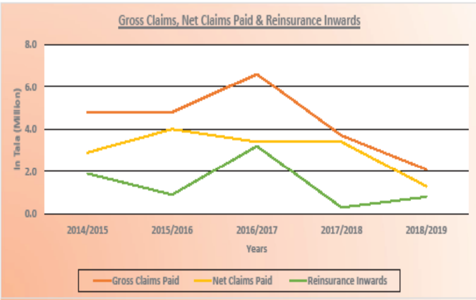


Source: *General Insurance Companies*

j. Reinsurance Recoveries/Inwards

For the period under review, 40.1 percent ($0.8 million) of gross claims were recovered from reinsurers compared to $0.3 million reported in FY 2017/2018, revealing a growth of $0.6 million. The fire class dominated 96.6 percent ($0.8 million) of the reinsurance recoveries ***(Graph 17).***

Graph 17 – General Insurers' Gross Claims, Net Claims Paid and Reinsurance Inwards

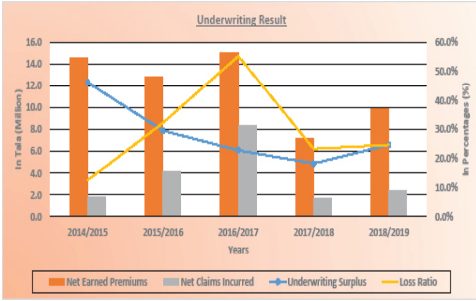


Source: *General Insurance Companies*

k. Underwriting Result

The general insurance sector recorded an underwriting surplus of $6.6 million at end of FY 2018/2019 ($4.8 million in FY 2017/2018). Such amount was derived from net earned premiums totalled $9.9 million less net claims incurred of $2.4 million and underwriting expenses of $0.8 respectively ***(Graph 18).***

Graph 18 – Underwriting Result



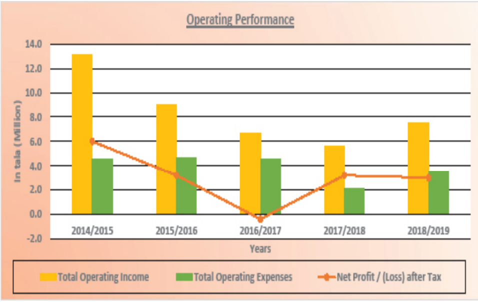
Source: *General Insurance Companies*

Meanwhile, the overall net loss ratio (net claims incurred as a percentage of net earned premiums) was reported at 24.8 percent, compared to 23.4 percent in FY 2017/2018. The fire class reported the highest net loss ratio of 56.6 percent. This was followed by personal accidents and the motor vehicle classes at 44.9 percent and 20.9 percent, respectively.

l. Operating Result

The general insurers' recorded a consolidated net profit after tax of $3.0 million for FY2018/2019 compared to a $3.2 million profit for FY2017/2018. During the period, the sector reported total operating income of $7.5 million ($5.6 million in June 2018) against total operating expenses of $3.5 million ($2.1 million in FY 2017/2018) in that order ***(Graph 19).***

Graph 19 – Operating Result



Source: *General Insurance Companies*

7. Appendices – Statistical Tables

a. Consolidated Table (Life and General)

Table 2: Domestic Insurance Industry – Financial Highlights

	In Tala Thousands				
	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19
ASSETS				4	
1. Total Assets	82,476	91,323	106,054	98,030	102,357
2. Outstanding Premiums	12,498	12,951	12,912	11,981	7,626
3. Due from reinsurers [1]	2,136	4,146	5,597	9,139	8,196
4. Loans & Advances (net)	18,829	20,054	23,760	27,662	30,249
5. Investments	35,391	36,574	42,212	39,118	38,135
6. Fixed Assets (net)	5,624	6,085	6,220	4,828	4,770
7. Other Assets	8,008	11,563	15,358	5,352	13,381
LIABILITIES					
1. Total Liabilities	58,413	61,207	65,730	63,291	63,514
2. Unearned Premiums Provision [1]	13,912	15,262	15,912	9,272	11,307
3. Outstanding Claims Provision	4,823	6,666	8,458	9,943	5,436
4. Policy Liabilities [2]	34,421	34,542	36,949	37,015	39,898
5. Other Liabilities	5,257	4,737	4,411	7,061	6,873
SHAREHOLDERS FUNDS & RESERVES					
1. Total Shareholders Fund & Reserves	24,063	30,116	40,324	34,739	38,843
2. Paid-up Capital [1]	6,000	6,000	14,000	14,000	15,000
3. Cumulative Profits	8,266	10,377	15,422	16,458	19,968
4. Other Funds & Reserves	9,797	13,739	10,902	4,281	3,875
SOLVENCY					
1. Solvency Surplus / (Deficit)	15,364	17,454	25,534	13,027	13,350
2. Required Solvency Margin	5,843	5,956	6,013	8,176	6,111
3. Adjusted Net Assets	21,207	23,410	31,547	21,203	19,461
LIQUIDITY					
1. Total Liquid Assets	29,242	28,537	29,538	19,169	25,494
a. Cash on hand	3,377	4,222	5,146	2,185	9,592
b. Bank deposits	25,865	24,315	24,392	16,984	15,902
UNDERWRITING RESULT					
1. Underwriting Surplus / (Deficit)	13,066	9,177	7,705	6,512	5,781
2. Gross Premiums Income	29,178	29,908	31,892	20,685	23,016
3. Net Premium Income/Insurance Premiums	19,998	22,576	23,761	16,030	17,823
4. Gross Claims Paid	9,879	10,122	11,796	9,279	10,223
5. Net Claims Paid & Policy Payments	7,952	9,254	8,618	9,014	9,379
6. Reinsurance Inwards [1]	1,927	868	3,178	265	844
7. Reinsurance Outwards	9,180	7,332	8,131	4,655	5,193
8. Net Earned Premiums [1]	14,572	12,755	15,038	7,201	9,872
9. Net Claims Incurred [1]	1,842	4,123	8,304	1,686	2,447
PROFITABILITY					
1. Net Profit / (Loss) after tax [3]	6,840	5,067	2,009	5,903	3,146
a. Total Operating Income	23,430	20,116	18,572	18,465	20,123
b. Total Operating Expenses	13,629	13,709	13,760	11,975	15,666

Source: General and Life Insurance Companies

Note:

1. Figures relate to general insurers' only
2. Figure relates to life insurer only.
3. General insurers' have different financial periods (i.e. March, June, September & December).
4. June 2018 figures were revised to reflect only the 'Inside Samoa' operations.

b. General Insurers’ Table

Table 3: General Insurers’ Financial Highlights

	In Tala Thousands				
	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19
ASSETS				2	
1. Total Assets	42,664	49,699	60,639	50,274	53,866
2. Outstanding Premiums	11,544	11,930	11,679	10,589	6,224
3. Due from reinsurers	2,136	4,146	5,597	9,139	8,196
4. Loans & Advances (net)	342	950	3,200	4,913	5,508
5. Investments	21,624	22,477	25,602	21,652	22,202
6. Fixed Assets (net)	2,106	2,291	1,740	74	285
7. Other Assets	4,912	7,905	12,821	3,897	11,411
LIABILITIES					
1. Total Liabilities	23,194	26,165	28,230	25,439	22,527
2. Unearned Premiums Provision	13,912	15,262	15,912	9,272	11,216
3. Outstanding Claims Provision	4,634	6,433	8,225	9,608	4,987
4. Other Liabilities	4,648	4,470	4,093	6,564	6,324
SHAREHOLDERS' FUND & RESERVES					
1. Total Shareholders Fund & Reserves	19,470	23,534	32,409	24,835	31,359
2. Paid-up Capital	6,000	6,000	14,000	14,000	15,000
3. Cumulative Profits	6,363	8,474	11,662	10,019	15,202
4. Other Funds & Reserves	7,107	9,060	6,747	816	1,157
SOLVENCY					
1. Solvency Surplus / (Deficit)	13,260	13,554	20,473	5,752	8,128
2. Required Solvency Margin	4,000	4,000	4,000	6,187	4,000
3. Adjusted Net Assets	17,260	17,554	24,473	11,939	12,128
LIQUIDITY					
1. Total Liquid Assets	19,613	18,055	18,190	9,461	16,989
a. Cash on hand	1,484	1,985	3,745	1,904	8,763
b. Bank deposits	18,129	16,070	14,445	7,557	8,226
UNDERWRITING ACCOUNT					
1. Underwriting Surplus / (Deficit)	12,333	7,906	6,062	4,590	6,645
2. Gross Premiums Income	22,673	22,529	24,220	12,504	14,976
3. Net Premium Income/Insurance Premiums	13,674	15,371	16,100	8,071	9,928
4. Gross Claims Paid	4,822	4,833	6,590	3,683	2,104
5. Net Claims Paid & Policy Payments	2,895	3,965	3,412	3,418	1,280
6. Reinsurance Inwards	1,927	868	3,178	265	844
7. Reinsurance Outwards	8,999	7,158	8,120	4,433	5,048
8. Net Earned Premiums	14,572	12,755	15,098	7,201	9,872
9. Net Claims Incurred	1,842	4,123	8,304	1,686	2,447
PROFITABILITY					
1. Net Profit / (Loss) after tax[1]	5,989	3,231	(364)	3,224	2,994
a. Total Operating Income	13,108	8,994	6,673	5,640	7,476
b. Total Operating Expenses	4,457	4,663	4,489	2,092	3,462

Source: General Insurance Companies

Note:

1. General insurers' have different financial periods (i.e. March, June, September & December).
2. June 2018 figures were revised to reflect only the 'Inside Samoa' operations.