



SEYCHELLES PENSION FUND

MEDIA RELEASE

Thursday 17th August 2017

ACTIVITY REPORT FIRST HALF 2017

PRESS RELEASE from SEYCHELLES PENSION FUND

The Board of Trustees and the CEO of the Seychelles Pension Fund have the pleasure to submit our half year report of the activities of SPF for the period ending 30th June 2017.

Total contributions collected for the period up to 30th June 2017 amounted to SCR118m which was SCR12m over the budget. Total pension paid for the same period amounted to SCR102m to 4563 beneficiaries, which was over the budget by SCR3m and SCR3.5m more than the same period last year which was for 3919 beneficiaries.

Surplus funds generated for the half year from contribution stands at SCR16m.

Other income from investments for the half year totaled SCR84m, a SCR11m increase from budget, whilst other administrative and property management expenses were SCR64m, which is SCR6m below budget.

For the half year a net surplus of SCR20m from investments were made.

Thus SPF has made a total surplus of SCR36m for the half year from both contributions and investments.

SEYCHELLES PENSION FUND			
Consolidated Income and Expenditure as at 30th June 2017			
	Budget SCR'm	Actual SCR' m	Variance SCR'm
Total SPF Income			
1. Contributions	106	118	12
2. Other sources of income from investments:			
Rental income	49	55	6
Other investment income	24	29	5
Total other income	73	84	11
Total Income (1 + 2)	179	202	23
Total SPF Expenditure			
1. Pension and benefits	99	102	-3
2. Other Expenditure:			
Administration expenses	20	18	2
Property Management expenses	17	14	3
Interest credited to members	28	28	0
Other expenses	5	4	1
Total Other Expenditure	70	64	6
Total Expenditure + Pension/Benefits	169	166	3
GROSS SURPLUS	10	36	26

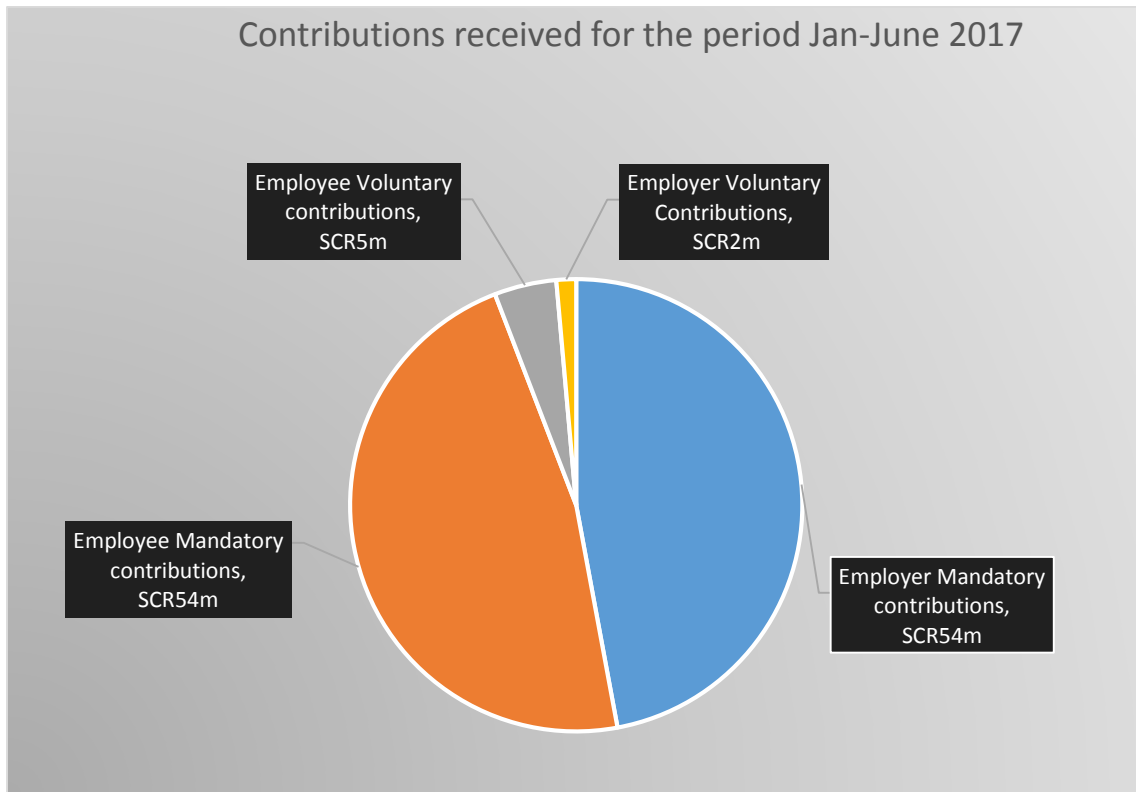
SEYCHELLES PENSION FUND			
Members Fund			
	2015*	2016*	Actual as at 30th June 2017*
	SCR'm	SCR'm	SCR'm
Contributions:			
Mandatory	195	212	108
Voluntary	10	11	7
Surcharges			3
Total	205	223	118
Pension & Benefits:			
Normal Retirement	66	101	75
Permanent Incapacity	22	38	15
Surviving Spouse	5	7	5
Children's Pension	2	3	2
Others (non-qualifying benefits, migration refunds etc)	7	9	5
Total	102	158	102
Excess of Contributions over Pension	103	65	16

% Excess of Contributions received over Pension paid (full year)	50%	29%	
% Excess of Contributions received over Pension paid for half year	25%	14%	11%

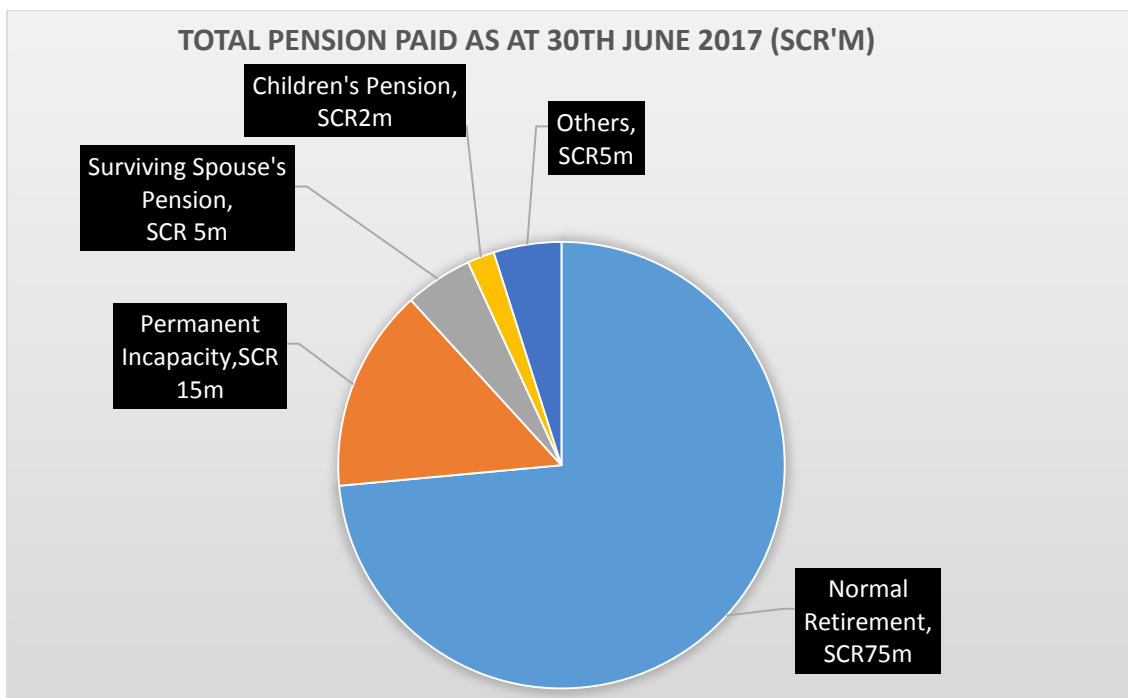
The percentage increase of net contributions after payment of pension has decreased to 11% for the half year compared to previous 2 years.

*New pension formula used from 1/1/2015

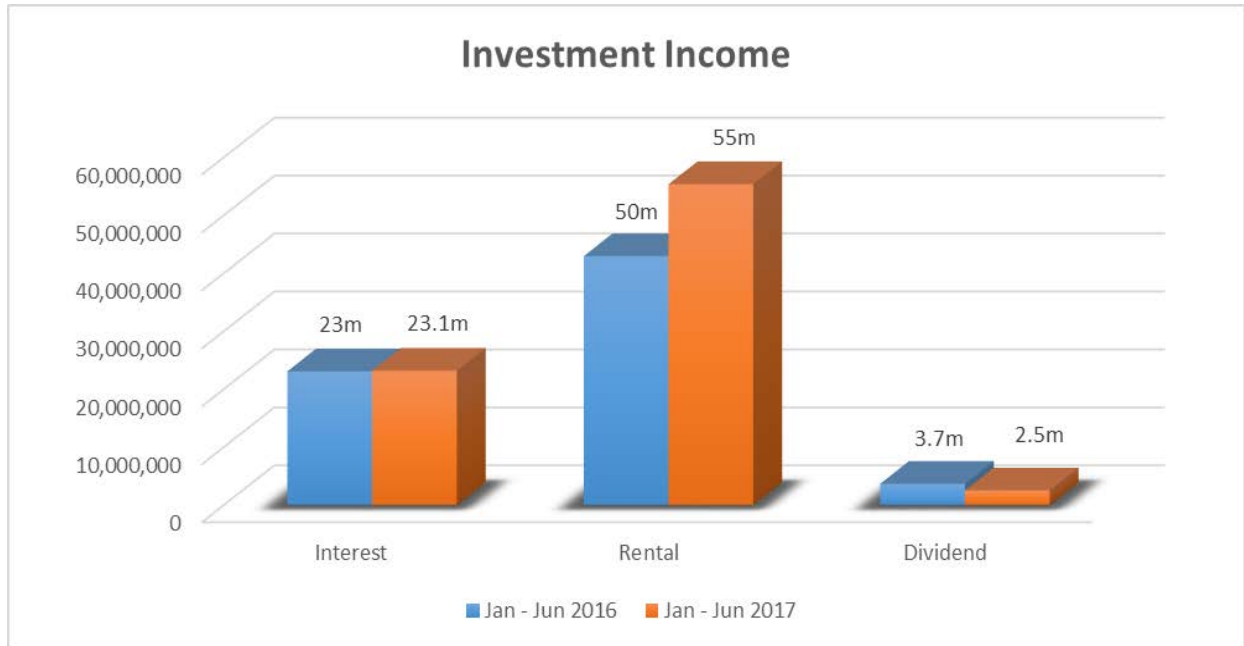
1. CONTRIBUTIONS



2. PENSION AND BENEFITS PAID



3. INVESTMENTS



The total rate of return on investments as at 30th June 2017 was 4%.

Latest Investments

1) Equities

SPF purchased an additional 2.3% shares in the Seychelles Commercial Bank increasing its shareholding to 5.7% in the bank.

2) Real Estate

In real estate, SPF added the Anse Boileau Micro Enterprise Project and Eve Island Warehouse following their completion during the 1st half of 2017. Eve Island was opened in June 2017 and Anse Boileau Micro Enterprise project will be opened in September 2017.



Anse Boileau Micro Enterprise



Eve Island Warehouse



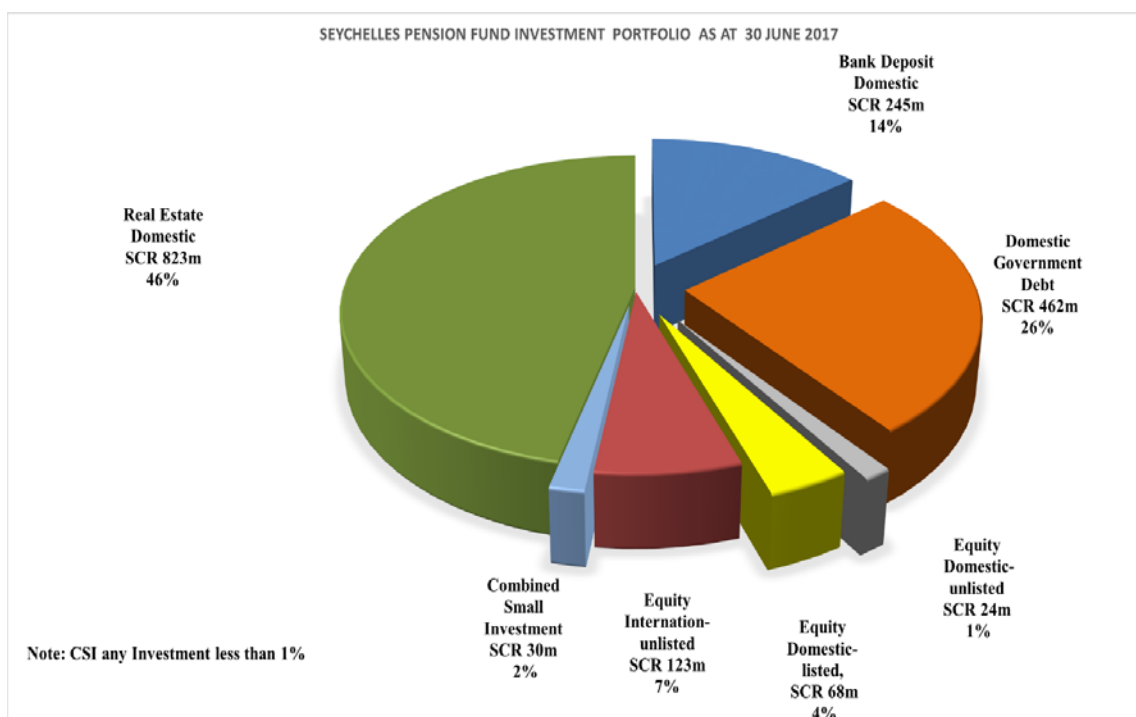
A short ceremony was held for the opening of Eve island Warehouse in June 2017

3) Government Securities

SPF increased investment in local financial instruments (Treasury Bills) taking advantage of the rising interest rate during the 1st half of the year.

Investments as at 30th June 2017 stands at SCR 1.8 billion

The total rate of return on investments as at 30th June 2017 was 4%.



The aim of all these investments are to earn a good rate of return to assist in the sustainability of SPF in the long term, to continue paying pension and related benefits. The trend is indicating a higher increasing rate of benefits being paid compared to contributions being received which is increasing at a much reduced rate compared to previous years, due to higher number of pensioners and pension pay-outs, hence the need to increase contribution rates which was done from 1st July 2017 by 1% for employees only . Investments will play a key role in sustaining the SPF in the long run.

FOR IMMEDIATE RELEASE