



Solid Oak Insurance PCC Limited
(Registration number 8417764-4)
(Non Domestic Insurance number NDI 011)
Financial Statements
for the year ended 31 December 2024

Solid Oak Insurance PCC Limited

(Registration number: 8417764-4)

Financial Statements for the year ended 31 December 2024

General Information

Country of incorporation and domicile	Seychelles
Nature of business and principal activities	Non-domestic, linked long term insurance business
Directors	AJF van Niekerk EJ Tuohy JN Ackermann NJ Ackermann
Registered office	104, First Floor Waterside Property Eden Island Seychelles
Business address	106, First Floor Waterside Property Eden Island Seychelles
Auditors	Baker Tilly Chartered Accountants Seychelles
Actuaries	Insight Actuaries & Consultants
Company registration number	8417764-4
Non Domestic Insurance number	NDI 011
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Seychelles Companies Ordinance 1972.
Preparer	These annual financial statements were compiled by: CC Turner Chartered Accountant (SA)

Solid Oak Insurance PCC Limited

(Registration number: 8417764-4)

Financial Statements for the year ended 31 December 2024

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The reports and statements set out below comprise the financial statements presented to the shareholders:

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Solid Oak Insurance PCC Limited

(Registration number: 8417764-4)

Financial Statements for the year ended 31 December 2024

Directors' Responsibilities and Approval

The directors are required by the Seychelles Companies Ordinance 1972, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 December 2025 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

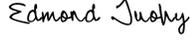
The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 4 to 7.

The financial statements set out on pages 14 to 28, which have been prepared on the going concern basis, were approved by the directors on 22 April 2025 and were signed on its behalf by:

Signed by:

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AJF van Niekerk

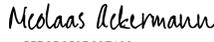
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EJ Tuohy

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JN Ackermann

Signed by:

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NJ Ackermann

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**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF SOLID OAK INSURANCE PCC LIMITED**

This report on the financial statements of the Company is made to the shareholders of Solid Oak Insurance PCC Limited (the "Company"), as a body, in terms of our engagement to conduct the audit on their behalf. Our audit work has been undertaken so that we might state to the members those matters which we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Solid Oak Insurance PCC Limited set out on pages 14 to 28 which comprise the statements of financial position at December 31, 2024, the related statement of profit or loss and other comprehensive income, statement of cash flows and statement changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") for Small and Medium-sized Entities and comply with the Seychelles Companies Act, 1972.

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 other ethical requirements that are relevant to our audit of the financial statements in Seychelles, and we have fulfilled our other ethical responsibilities.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF SOLID OAK INSURANCE PCC LIMITED *Continued***

Key Audit Matters

The company has entered into both formal and informal contractual agreements with its subsidiary, entities under common management, and other service providers. These agreements involve shared costs, including rent, and recharges for staff costs related to overlapping duties of certain management and other personnel working across the related entities. Additionally, certain insurance contracts are shared between the parent and subsidiary company, based on reinsurance agreement. The company has identified these shared costs and allocated them systematically and logically to ensure tax compliance. The associated risk is assessed as medium to low, given the distinct tax regimes applicable to the entities and their overall impact on the tax expense. For contracts with service providers, including those for consulting and other shared fees, the company ensures that the services are rendered and billed in accordance with the agreed terms.

Other Information

The Directors are responsible for the other information.

The other information comprises the Directors' Report, which we obtained prior to the date of this Auditor's Report. Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this audit report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors and Those Charged with Governance for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards ('IFRS') for Small and Medium-sized Entities and in compliance with the Seychelles Companies Act, 1972 and for such internal control as it 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, the Board 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 it 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.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF SOLID OAK INSURANCE PCC LIMITED *Continued*

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 the 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 controls;
- 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; and
- 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 communicate with management, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF SOLID OAK INSURANCE PCC LIMITED *Continued***

Report on Other Legal Regulatory Requirements

Companies Act, 1972

We have no relationship with, or interests, in the Company other than in our capacity as auditors, tax and business advisers and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records and comply with the provisions of the Seychelles Companies Act, 1972.



BAKER TILLY
Chartered Accountants



Dated: April 22, 2025
Mahé, Seychelles

Solid Oak Insurance PCC Limited (Solid Oak)
Actuarial valuation report as at 31 December 2024

The results of the actuarial valuation are set out below.

Statement of Actuarial Values of Assets and Liabilities (US\$ '000)	31 Dec 2024	31 Dec 2023
Value of assets	1 469 646,1	1 632 372,7
Assets backing policyholder liabilities	1 468 994,8	1 631 840,2
Other assets	651,3	532,5
Value of liabilities	1 469 440,7	1 632 202,9
Policy liabilities	1 468 994,8	1 631 840,2
Current Liabilities	445,9	362,8
Value of excess assets	205,4	169,8

Solid Oak, domiciled in the Seychelles, is an authorised Non-Domestic Long-Term Insurance company. It offers long-term savings policies to individuals.

This report has been prepared in compliance with the Insurance Act (Act 11 of 2008) of the Seychelles. The report also complies with the Codes of Actuarial Reporting Requirements issued by the Financial Services Authority of Seychelles on 1 October 2018, and is in line with actuarial best practice – as appropriate given the nature of the insurance business written.

The amount of Solid Oak’s insurance contract liabilities does not exceed its long-term insurance fund. Therefore, Solid Oak is solvent at 31 December 2023. Excess assets have increased from some US\$ 170,000 to some US\$ 205,000 over the year.



Louis van As – FASSA, FIA
Appointed Actuary: Solid Oak
For and on behalf of Insight Life Solutions
My primary regulator is the Actuarial Society of South Africa
28 March 2025

Solid Oak Insurance PCC Limited

(Registration number: 8417764-4)

Financial Statements for the year ended 31 December 2024

Directors' Report

The directors have pleasure in submitting their report on the financial statements of Solid Oak Insurance PCC Limited for the year ended 31 December 2024.

1. Incorporation

The company was incorporated on 16 May 2016 and was granted a license by the Financial Services Authority of Seychelles on 6 July 2016 to conduct linked long-term non-domestic insurance business.

2. Nature of business

Solid Oak Insurance PCC Limited was incorporated in Seychelles with interests in the insurance industry. The company operates worldwide.

There have been no material changes to the nature of the company's business from the prior year.

3. Listing on SECDEX Exchange

The entire issued share capital of the company was listed on the Main Board of MERJ Exchange on 14 December 2020 under the abbreviated name and share code "SOL" and ISIN SC79431AAH22.

On 19 January 2024, the entire issued share capital of the company was delisted from the Main Board of MERJ Exchange and listed on SECDEX Exchange on the same day under the abbreviated name and share code "SOL" and ISIN SC79431AAH22.

4. Consolidated financial statements

The company does not consolidate shares held in private equity investments as these are held purely as investments. These investments are included in policy assets which underwrite the company's policy liabilities.

5. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Seychelles Companies Ordinance 1972. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

6. Share capital

	2024		2023	
Authorised	Number of shares			
Ordinary shares			50,000,000	50,000,000
Issued	2024	2023	2024	2023
	\$	\$	Number of shares	Number of shares
Ordinary shares	1,000	1,000	5,000,000	5,000,000

There have been no changes to the authorised or issued share capital during the year under review.

7. Dividends

The company's dividend policy is to consider an interim and a final dividend in respect of each financial year totaling at least 85% of the annual profits after tax, after providing for budgeted capital expenditure and subject to available cash. At their discretion, the directors may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the directors may pass on the payment of dividends.

No dividends were paid or declared to the shareholders for the financial year ended 31 December 2024 (2023: \$500 000).

Solid Oak Insurance PCC Limited

(Registration number: 8417764-4)

Financial Statements for the year ended 31 December 2024

Directors' Report

8. Directors

The directors in office at the date of this report are as follows:

Directors	Nationality	Changes
AJF van Niekerk	South African	Appointed 25 November 2024
EJ Tuohy	Australian	
JN Ackermann	South African	
NJ Ackermann	South African / British	

9. Directors interests in shares

As at 31 December 2024, the directors of the company held indirect beneficial interests in 0% (2023: 24%) and indirect non-beneficial interests in 0% (2023: 40%) of its issued ordinary shares, as set out below.

Interest in shares - number of shares held

Interest in shares - number of shares held	2024 Direct	2023 Direct	2024 Indirect Beneficial	2023 Indirect Beneficial	2024 Indirect Non-Beneficial	2023 Indirect Non-Beneficial
Directors						
EJ Tuohy	-	-	-	292,933	-	1,038,581
JN Ackermann	510,446	10,446	-	240,000	-	260,000
NJ Ackermann	3,994,542	-	-	652,442	-	679,072
	4,504,988	10,446	-	1,185,375	-	1,977,653

10. Holding company

The company's holding company was PKF Capital Markets (Seychelles) Limited in 2023 which held 80% the company's equity. PKF Capital Markets (Seychelles) Limited is incorporated in Seychelles. Due to shareholding changes, there was no holding company as at 31 December 2024.

11. Ultimate holding company

The company's ultimate holding company was Turquoise Holdings Limited in 2023 which is incorporated in Seychelles.

12. Events after the reporting period

The directors are not aware of any material event or circumstance arising since the reporting date, not otherwise dealt with in this report or the financial statements, which significantly affects the financial position of the company to the date of this report.

13. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material noncompliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company's ability to continue as a going concern.

14. Auditors

Baker Tilly, Chartered Accountants, Seychelles continued in office as auditors for the company for the period ended 31 December 2024.

15. Cells authorised and used

The Financial Services Authority of Seychelles has authorised the use of 100 cells. As reported in prior years, the company has allocated 70 cells to different insurance assets and the Financial Services Authority of Seychelles approved the names of these cells. 30 cells remain unallocated and unnamed to be used in future.

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Financial Statements for the year ended 31 December 2024

Directors' Report

16. Property, plant and equipment

At 31 December 2024 the company's investment in property, plant and equipment amounted to \$16,011 (2023:\$18,974). Additions during the year were \$444 (2023: \$15,192). There were no disposals during the year (2023: \$-).

Property, plant and equipment is stated at cost less accumulated depreciation. The directors estimate that the carrying amount of property, plant and equipment at 31 December 2024 approximates its fair value.



Non-Domestic Insurer Licence no: NDI011
 Company Licence no: 8417764-4

Dear Shareholders,

CHAIRMAN’S AND MANAGING DIRECTOR’S ADDRESS 2024 YEAR.

I am pleased to welcome you to the ninth Annual General Meeting of our company, and to present to you the financial statements and reports for the year ended 31 December 2024.

The year under review

Solid Oak Insurance PCC Ltd (“Solid Oak”) has had a successful trading year ending 31 December 2024.

We did not increase our product range during 2024 but we built on increasing the number of policies in our product range.

I am very pleased how Solid Oak has performed since it was listed, and I have prepared a table of performance highlights to show how we have grown.

Solid Oak Insurance PCC Limited company only.

	2024	2023	2022	2021	2020
Dividend in USD cent per share	0	10	14.5	10	6.2
Increase in dividend	0	-31%	145%	161%	
Assets Under Management (USD Mil)	1,978	1 926	1 029	674	366
2024					
Increase Assets Under Management	2%	187%	152%	184%	
Type of Policies in the group	6	6	6	5	2
Closing Share Price in USD	6.00	6.00	6.00	4.00	1.95

We did not pay a dividend in 2024 as funds were needed to grow the business with the establishment of Solid Oak Insurance (Barbados) Limited, but we are on track to pay dividends in 2025 again.

Vision for 2025

Solid Oak will strive to grow the company in 2025 through maintaining our principle to concentrate on low volumes but high value policies and to increasing our product range and by acquisitions. We will strive to maintain a healthy dividend policy. This will assist in making the Company more attractive for investors to invest in Solid Oak.

Office staff

Our office staff is still small, and we will continue to monitor the workload of the staff and when the need arises, we will appoint suitable staff. During the year we appointed Guilliane Naiken to strengthen our admin staff.

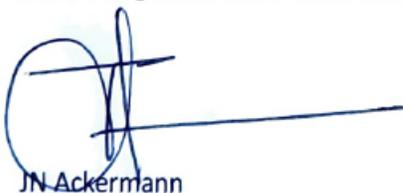
Board of Directors

In alignment with our corporate governance policy, the Board has decided to appoint Jakes van Niekerk as an Executive Director of the Company. He has been an integral part of the management team, serving as Chief Operating Officer for the past several years. Additionally, effective 1 March 2025, I will be transitioning from my role as Managing Director, passing the leadership baton to Nico Ackermann. Having served as Managing Director of Solid Oak for over more than nine years, I will now assume the role of Non-Executive Chairman of the Board.

I extend my sincere best wishes to the Executive Board as they continue to lead the Company into the future. Make us proud!

Capital needed to fund the growth.

Solid Oak generates sufficient income to fund the growth that is envisaged.

A handwritten signature in blue ink, consisting of a large, stylized 'J' and 'A' followed by a horizontal line extending to the right.

JN Ackermann

Chairman and Managing Director

Date: 28 February 2025

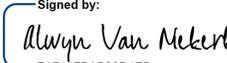
Solid Oak Insurance PCC Limited

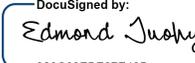
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Financial Statements for the year ended 31 December 2024

Statement of Financial Position as at 31 December 2024

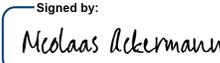
Figures in US Dollar	Notes	2024	2023
Assets			
Non-Current Assets			
Property, plant and equipment	2	16,011	18,974
Investments in subsidiaries	3	125,000	136,000
Investments underwriting policy liabilities	4	1,024,071,707	1,143,316,014
Reinsurance assets	5	444,923,070	488,524,152
		1,469,135,788	1,631,995,140
Current Assets			
Loan to shareholder	6	405,406	-
Trade and other receivables	7	37,976	38,149
Cash and cash equivalents	8	66,914	339,406
		510,296	377,555
Total Assets		1,469,646,084	1,632,372,695
Equity and Liabilities			
Equity			
Share capital	9	100,000	100,000
Reserves		2,200	2,500
Retained income		103,212	67,257
		205,412	169,757
Liabilities			
Non-Current Liabilities			
Policy liabilities	10	1,468,994,777	1,631,840,166
Current Liabilities			
Trade and other payables	11	177,716	252,995
Loans from group companies	12	256,294	26,248
Loan from shareholder	6	-	11,394
Current tax payable		11,885	72,135
		445,895	362,772
Total Liabilities		1,469,440,672	1,632,202,938
Total Equity and Liabilities		1,469,646,084	1,632,372,695

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Solid Oak Insurance PCC Limited

(Registration number: 8417764-4)

Financial Statements for the year ended 31 December 2024

Statement of Comprehensive Income

Figures in US Dollar	Notes	2024	2023
Revenue	13	927,783	703,615
Cost of sales	14	(330,101)	(51,881)
Gross profit		597,682	651,734
Other income	15	47,940	4,143
Operating expenses		(742,069)	(570,938)
Operating (loss) profit	16	(96,447)	84,939
Investment revenue	17	154,124	553,696
Fair value adjustments		(1,000)	-
Finance costs		(9,137)	-
Profit before taxation		47,540	638,635
Taxation	18	(11,885)	(72,135)
Profit for the year		35,655	566,500
Other comprehensive income		-	-
Total comprehensive income for the year		35,655	566,500

Solid Oak Insurance PCC Limited

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Financial Statements for the year ended 31 December 2024

Statement of Changes in Equity

	Share capital	Share premium	Total share capital	Maturity guarantee reserve	Retained income	Total equity
Figures in US Dollar						
Balance at 01 January 2023	1,000	99,000	100,000	3,200	57	103,257
Profit for the year	-	-	-	-	566,500	566,500
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	566,500	566,500
Transfer between reserves	-	-	-	(700)	700	-
Dividends	-	-	-	-	(500,000)	(500,000)
Total changes	-	-	-	(700)	(499,300)	(500,000)
Balance at 01 January 2024	1,000	99,000	100,000	2,500	67,257	169,757
Profit for the year	-	-	-	-	35,655	35,655
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	35,655	35,655
Transfer between reserves	-	-	-	(300)	300	-
Total changes	-	-	-	(300)	300	-
Balance at 31 December 2024	1,000	99,000	100,000	2,200	103,212	205,412
Notes	9	9	9			

Solid Oak Insurance PCC Limited

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Financial Statements for the year ended 31 December 2024

Statement of Cash Flows

Figures in US Dollar	Notes	2024	2023
Cash flows from operating activities			
Cash (used in) generated from operations	19	(168,146)	441,943
Interest income		154,124	153,280
Dividends received		-	400,416
Finance costs		(9,137)	-
Tax paid		(72,135)	-
Net cash from operating activities		(95,294)	995,639
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(444)	(15,192)
Acquisition of subsidiary		-	(125,000)
Disposal of subsidiary		10,000	-
Net cash from investing activities		9,556	(140,192)
Cash flows from financing activities			
Movement in loans from group companies		230,046	(34,269)
Movement in shareholder loans		(416,800)	(18,002)
Dividends paid		-	(775,000)
Net cash from financing activities		(186,754)	(827,271)
Total cash movement for the year		(272,492)	28,176
Cash at the beginning of the year		339,406	311,230
Total cash at end of the year	8	66,914	339,406

Solid Oak Insurance PCC Limited

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Financial Statements for the year ended 31 December 2024

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Seychelles Companies Ordinance 1972. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in US Dollars.

The cells presently measure their assets at carrying value which are either fair value or approximate fair value, as permitted by the International Financial Reporting Standard for Small and Medium-sized Entities.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty

The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Cost includes the costs incurred initially to acquire or construct an item of property, plant and equipment and the costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Computer equipment	Straight line	3 years
Furniture and fixtures	Straight line	5 years
Motor vehicles	Straight line	5 years

Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount.

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

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Financial Statements for the year ended 31 December 2024

Accounting Policies

1.2 Property, plant and equipment (continued)

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables, trade payables, investments underwriting policy liabilities, reinsurance assets and policy liabilities. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit and loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

1.4 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

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Financial Statements for the year ended 31 December 2024

Accounting Policies

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.6 Share capital and equity

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the year to which they relate.

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered), are recognised in the period in which the service is rendered and are not discounted.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the company's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

1.8 Revenue

Revenue is recognised to the extent that the company has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

The company recognises revenue from the following major sources:

- Premium income from insurance contracts (investment wrappers)
- Premium income from annuity insurance policies
- Premium income from life pay non-participating life assurance policies
- Premium income from critical illness policies
- Premium income from wrappers with asset insurance policies (investment wrappers)
- Premium income from private placement life insurance policies (PPLI)

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it renders a service to a customer.

1.9 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

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Financial Statements for the year ended 31 December 2024

Accounting Policies

1.10 Foreign exchange

Foreign currency transactions

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

All transactions in foreign currencies are initially recorded in US Dollar, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.

Solid Oak Insurance PCC Limited

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Financial Statements for the year ended 31 December 2024

Notes to the Financial Statements

Figures in US Dollar	2024	2023
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2. Property, plant and equipment

	2024			2023		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Computer equipment	9,198	(6,839)	2,359	8,754	(4,198)	4,556
Furniture and fixtures	1,000	(417)	583	1,000	(217)	783
Motor vehicles	14,155	(1,086)	13,069	14,155	(520)	13,635
Total	24,353	(8,342)	16,011	23,909	(4,935)	18,974

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Depreciation	Closing balance
Computer equipment	4,556	444	(2,641)	2,359
Furniture and fixtures	783	-	(200)	583
Motor vehicles	13,635	-	(566)	13,069
	18,974	444	(3,407)	16,011

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
Computer equipment	6,236	1,037	(2,717)	4,556
Furniture and fixtures	983	-	(200)	783
Motor vehicles	-	14,155	(520)	13,635
	7,219	15,192	(3,437)	18,974

3. Investments in subsidiaries

Name of subsidiary	% holding 2024	% holding 2023	Carrying amount 2024	Carrying amount 2023
Solid Oak (Mauritius) Ltd	- %	100.00 %	-	11,000
Solid Oak Insurance (Barbados) Limited	100.00 %	100.00 %	125,000	125,000
			125,000	136,000

The carrying amounts of subsidiaries are shown gross of impairment losses.

The liquidation of Solid Oak (Mauritius) Ltd commenced during the 2023 financial year and the company was finally liquidated on 21 May 2024.

4. Investments underwriting policy liabilities

At fair value		
Investment in shares	28,350,526	26,782,398
Investment with asset managers	222,580,726	264,506,252
	250,931,252	291,288,650

Solid Oak Insurance PCC Limited

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Financial Statements for the year ended 31 December 2024

Notes to the Financial Statements

Figures in US Dollar	2024	2023
4. Investments underwriting policy liabilities (continued)		
At amortised cost		
Investments with guaranteed returns	773,030,035	825,455,664
PKFPCC1 Bonds Senior debt with limited recourse, interest of 5% p.a. paid quarterly, 5 year bond with maturity date 30 June 2025.	101,971	101,969
PKFPCC2 Bonds Senior debt with limited recourse, interest of 20% p.a. paid quarterly, 5 year bond with maturity date 01 April 2026. Interest payments were suspended on 15 April 2024 and the security was voluntarily suspended on 11 June 2024.	8,449	7,420
Policyholder receivable	-	26,462,311
	110,420	26,571,700
	773,140,455	852,027,364
Total other financial assets	1,024,071,707	1,143,316,014
Non-current assets		
At fair value	250,931,252	291,288,650
At amortised cost	773,140,455	852,027,364
	1,024,071,707	1,143,316,014
5. Reinsurance assets		
At amortised cost		
Reinsurance assets	444,923,070	488,524,152
Non-current assets		
At amortised cost	444,923,070	488,524,152
Represents the reinsurance of annuity premiums received.		
6. Loans to (from) shareholders		
NJ Ackermann Unsecured, bears interest at 4% p.a. and is repayable within the next 12 months.	405,406	-
PKF Capital Markets (Seychelles) Limited Unsecured, interest free with no fixed terms of repayment.	-	(11,394)
	405,406	(11,394)
7. Trade and other receivables		
Trade receivables	26,888	30,583
Deposits	2,743	2,743
Interest receivable	4,582	4,424
Prepayments	3,763	399
	37,976	38,149

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Notes to the Financial Statements

Figures in US Dollar	2024	2023
8. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	37	16
Bank balances	44,877	339,390
Payment in transit	22,000	-
	66,914	339,406
9. Share capital		
Authorised		
50 000 000 Ordinary shares of \$ 0.0002 each	10,000	10,000
Issued		
5 000 000 Ordinary shares of \$ 0.0002 each	1,000	1,000
Share premium	99,000	99,000
	100,000	100,000
10. Policy liabilities		
At fair value		
Annuity policies	444,923,070	488,524,152
Endowment policies	801,490,980	852,347,451
	1,246,414,050	1,340,871,603
At amortised cost		
Private placement life policies	222,580,727	290,968,563
Non-current liabilities		
At fair value	1,246,414,050	1,340,871,603
At amortised cost	222,580,727	290,968,563
	1,468,994,777	1,631,840,166
<p>The endowment policy liability is raised in accordance with the investments underwriting the policy liability. Fair value is determined by fair value evaluation of the investment and the corresponding liability is raised.</p> <p>The fair value of the annuity policy liability is determined based on the reinsurance value of each premium, as the premium liability is limited to the reinsurance value.</p> <p>The value of the private placement life policies is determined based on the investments with guaranteed returns at amortised cost.</p>		
11. Trade and other payables		
Trade payables	95,386	252,235
Other accrued expenses	-	760
Amounts due to related parties	82,330	-
	177,716	252,995

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Notes to the Financial Statements

Figures in US Dollar	2024	2023
12. Loans to (from) group companies		
Subsidiaries		
Solid Oak Insurance (Barbados) Limited Unsecured, bears interest at 4% p.a. and is repayable within the next 12 months.	(256,294)	-
Solid Oak Insurance (Barbados) Limited Unsecured, interest free with no fixed terms of repayment.	-	(16,248)
Solid Oak (Mauritius) Ltd Unsecured, interest free with no fixed terms of repayment.	-	(10,000)
	(256,294)	(26,248)
13. Revenue		
Premiums received	927,783	703,615
14. Cost of sales		
Rendering of services		
Commission paid	-	51,881
Reinsurance fee	330,101	-
	330,101	51,881
15. Other income		
Profit on exchange differences	32,530	-
Other income	15,410	4,143
	47,940	4,143
16. Operating (loss) profit		
Operating (loss) profit for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
• Contractual amounts	32,824	31,200
Other		
(Loss) profit on exchange differences	(32,530)	2,590
Depreciation on property, plant and equipment	3,407	3,437
Employee costs	98,841	169,878
17. Investment revenue		
Dividend revenue		
Subsidiaries - Local	-	400,416
Interest revenue		
Other interest	154,124	153,280
	154,124	553,696

Solid Oak Insurance PCC Limited

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Financial Statements for the year ended 31 December 2024

Notes to the Financial Statements

Figures in US Dollar	2024	2023
18. Taxation		
Major components of the tax expense		
Current taxation		
Local normal tax - year	11,885	72,135
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense.		
Accounting profit	47,540	638,635
Tax at the applicable tax rate of 25%	11,885	17,683
Tax at the applicable tax rate of 33%	-	187,408
Adjusted for:		
Exempt income	-	(132,162)
Tax loss (from prior years) available for set off against future taxable income	-	(2,321)
Non-deductible expenses	-	1,527
	11,885	72,135
19. Cash (used in) generated from operations		
Profit before taxation	47,540	638,635
Adjustments for:		
Depreciation and amortisation	3,407	3,437
Dividends received	-	(400,416)
Interest received	(154,124)	(153,280)
Finance costs	9,137	-
Fair value adjustments	1,000	-
Changes in working capital:		
Trade and other receivables	173	109,472
Trade and other payables	(75,279)	244,095
	(168,146)	441,943
20. Directors' emoluments		
2024		
Directors' emoluments	Directors' emoluments	Total
JN Ackermann	9,600	9,600
2023		
Directors' emoluments	Directors' emoluments	Total
Services as director or prescribed officer		
JN Ackermann	9,600	9,600

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Financial Statements for the year ended 31 December 2024

Notes to the Financial Statements

Figures in US Dollar	2024	2023
21. Related parties		
Relationships		
Subsidiaries	Refer to note 3	
Entities under common management	PKF Business Solutions Limited PKF Capital Markets (Seychelles) Limited PKF Corporate Services Limited PKF PCC	
Shareholder & director	JN Ackermann NJ Ackermann	
Other directors	EJ Tuohy	
Related party balances		
Loan accounts - Owing (to) by related parties		
NJ Ackermann	405,406	-
PKF Capital Markets (Seychelles) Limited	-	(11,394)
Solid Oak Insurance (Barbados) Limited	(256,294)	(16,248)
Solid Oak (Mauritius) Ltd	-	(10,000)
Amounts included in trade receivables (trade payables) regarding related parties		
PKF Capital Markets (Seychelles) Limited	(1,741)	-
Solid Oak Insurance (Barbados) Limited	(80,589)	-
Interest receivable from related parties		
PKF PCC Cell 1	1,271	1,269
PKF PCC Cell 2	1,408	356
Policyholder investment		
EJ Tuohy	1,794,000	1,794,000
JN Ackermann	1,122,764	1,122,764
NJ Ackermann	100,000	100,000
Policyholder liability		
EJ Tuohy	(1,794,000)	(1,794,000)
JN Ackermann	(1,122,794)	(1,122,794)
NJ Ackermann	(100,000)	(100,000)
Investment in bonds issued by related parties		
PKF PCC Cell 1	100,700	100,700
PKF PCC Cell 2	7,041	7,064
Cash managed by related party		
PKF Capital Markets (Seychelles) Limited	13,332	13,299

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Financial Statements for the year ended 31 December 2024

Notes to the Financial Statements

Figures in US Dollar	2024	2023
21. Related parties (continued)		
Related party transactions		
Rent paid to related party		
PKF Capital Markets (Seychelles) Limited	31,200	31,200
Revenue received from related party as regulated intermediary		
PKF Capital Markets (Seychelles) Limited	(66,600)	(44,000)
Reinsurance fee paid to related party		
Solid Oak Insurance (Barbados) Limited	330,101	-
Accounting, administration and consulting fees paid to related party		
PKF Capital Markets (Seychelles) Limited	35,658	65,598
PKF Corporate Services Limited	310	220
Sponsor advisory fees paid to related party		
PKF Capital Markets (Seychelles) Limited	40,000	-
Dividends received from related party		
Solid Oak Insurance (Barbados) Limited	-	(138,218)
Solid Oak (Mauritius) Ltd	-	(262,197)
Interest paid to (received from) related party		
NJ Ackermann	(14,498)	-
PKF PCC Cell 1	(5,085)	(3,369)
PKF PCC Cell 2	(1,408)	(1,071)
Solid Oak Insurance (Barbados) Limited	9,137	-
Operating expenses recharged by (to) related parties		
PKF Capital Markets (Seychelles) Limited	12,703	5,768
PKF Capital Markets (Seychelles) Limited	(52,212)	(36,000)
PKF Corporate Services Limited	(985)	(1,034)
Fair value loss on investment in subsidiary		
Solid Oak (Mauritius) Ltd	1,000	-