

SAFELANE INSURANCE BROKERS LTD

(Previously known as
SAFELANE INSURANCE CONSULTANTS LTD)

FINANCIAL STATEMENTS
30 JUNE 2024

CHARTIST ASSOCIATES LLP
CHARTERED CERTIFIED ACCOUNTANTS

SAFELANE INSURANCE BROKERS LTD
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Corporate data

		Date of appointment	Date of Resignation
Directors	Mrs. Valerie Ah-Chuen Juban	14 July 2022	05 October 2023
	Mr. Ah-Chuen Patrick Andrew Dean	14 July 2022	-
	Mr. Ah Yoong Sydney	18 October 2023	-
	Mr. Carosin Gregory	05 October 2023	-
Company secretary	ABC Professional & Secretarial Services Ltd Military Road ABC Centre, Port Louis Republic of Mauritius		
Registered office	C/o ABC Professional & Secretarial Services Ltd Military Road ABC Centre, Port Louis Republic of Mauritius		
Auditor	Charlist Associates LLP 4, Stein Street Beau Bassin Republic of Mauritius		
Banker	ABC Banking Corporation Ltd Port Louis Main,7, Duke of Edinburgh Avenue, Place D'Armes,Port Louis, Republic of Mauritius		
	Mauritius Commercial Bank Limited 9-15 Sir William Newton Street, Port Louis, Republic of Mauritius		

The directors have pleasure in submitting the Annual Report of Safelane Insurance Brokers Ltd ("the company") together with the audited financial statements for the year ended June 30, 2024.

Principal activity

Safelane Insurance Brokers Ltd (previously known as "Safelane Insurance Consultants Ltd") (the "Company") was incorporated on 14 July 2022 as a private company limited by shares and forms part of the ABC Financial Services Cluster. The Company has been set up with an aim to become a respected and reliable name in the field of insurance services in Mauritius by providing customised brokerage services to individual and corporate clients.

The Company is licensed by the Financial Services Commission and has obtained its Insurance Broker Licence pursuant to Section 70 of the Insurance Act 2005 and the Financial Services (Consolidated Licensing and Fees) Rules on 17 May 2024.

The Company has started its operations as an Insurance Broker as from 02 September 2024.

Results

The results for the year ended 30 June 2024 are shown on page 11.

State of affairs

The state of the company's financial position at the reporting date is set out on page 10.

Directors' responsibility statement

The company's directors are responsible for the preparation and fair representation of the financial statements comprising the statement of financial position as at 30 June 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include summary of material accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act.

The directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or errors; selecting and applying appropriate accounting policies and making accounting policies and making accounting estimates that are reasonable in the circumstances.

Particulars of entries in the interests register

The directors' interests in the capital of the Company as at 30 June 2024, were as follows:

Directors	Direct Shareholding
Ah-Chuen Patrick Andrew Dean	40%
Carosin Gregory	30%
Sydney Ah-Yoong	30%

Directors' service contracts

None of the directors have a service contract with the Company.

Directors' remuneration

The directors were not paid any remuneration during the financial year ended 30 June 2024.

Donations


No donations were made during the year (2023: Nil).

Auditor

Chartist Associates LLP was the auditor of the company for the year under review. The directors approved the following for services rendered during the year.

	2024	2023
	Rs	Rs
Audit services	25,000	N/A

Approved by the Board of Directors on 05/11/2024

Directors:

Gregory Carosin

.....

Patrick Andrew Dean Ah-Chuen

Safelane Insurance Brokers Ltd

(the "Company")

File No.: C189119 BRN: C22189119

SECRETARY'S CERTIFICATE

(Pursuant to section 166(d) of the Companies Act 2001)

In our capacity as Company Secretary of the Company, we hereby confirm that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, for the financial year ended 30 June 2024, all such returns as are required of the Company under Companies Act 2001.

**ABC Professional & Secretarial Services Ltd**

Company Secretary

Per Cindy Larose, ACIS

Dated this: 05/11/2024

Statement of Compliance
(Section 75 (3) of the Financial Reporting Act)

Name of Company: Safelane Insurance Brokers Ltd (previously known as Safelane Insurance Consultants Ltd)

Reporting Period: 30 June 2024

Throughout the financial year ended 30 June 2024, to the best of the Board's knowledge, the Company has not complied with the Code due to the fact that it has obtained its Insurance Broker Licence on 17 May 2024 from the Financial Services Commission and it is only as from 02 September 2024, after satisfying the licensing requirements of the Financial Services Commission that the Company has started its operations.

However, the Board wishes to reiterate its commitment to comply with all Principles of the National Code of Corporate Governance in the year ending 30 June 2025.



.....
Gregory Carosin
Chairperson of the Board

Date: 05/11/2024



.....
Patrick Andrew Dean Ah-Chuen
Executive Director

Safelane Insurance Brokers Ltd (formerly known as Safelane Insurance Consultants Ltd) has recently obtained its Insurance Broker Licence and is hence required to adopt good governance practices in keeping with the National Code of Corporate Governance (the "Code") being classified as a Public Interest Entity.

The Company is led by an effective unitary Board which comprises of three (3) directors classified as follows:

Mr. Gregory Carosin, Non-Executive Chairman (As from 05.10.2023)

Mr. Patrick Andrew Dean Ah-Chuen, Managing Director

Mr. Sydney Ah Yoong, Independent Director (As from 18.10.2023)

The Company has recently obtained its Insurance Broker Licence on the 17th May 2024 and has only started its operations as from 02 September 2024. It has not yet set up any sub-committees to assist the Board and therefore, the Company has not complied with the code of Corporate Governance.

The Board wishes to reiterate its commitment to comply with all Principles of the National Code of Corporate Governance in the year ending 30 June 2025.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Safelane Insurance Brokers Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Safelane Insurance Brokers Ltd (previously known as Safelane Insurance Consultants Ltd) (the "Company") set out on pages 14 to 24 which comprise the statement of financial position as at 30 June 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2024, and notes to the financial statements, including significant accounting policies.

In our opinion, these financial statements give a true and fair view of the financial position of the Company as at 30 June 2024, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Mauritius Companies Act 2001.

Basis of Opinion

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

Other matter

The financial statements of the Company for the year ended 30 June 2023 were unaudited.

Other information

The directors are responsible for the other information. The other information comprises of the corporate data, annual report, secretary certificate and corporate governance as required by the Mauritius Companies Act 2001, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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, 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.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Safelane Insurance Brokers Ltd

Report on the Audit of the Financial Statements (Continued)

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001, and for such internal control as the directors determine are 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 directors are 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 the directors either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve a collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director'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.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Safelane Insurance Brokers Ltd

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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 the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Company's shareholders, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholders, as a body, those matters 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 Company and the Company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Report on Other legal and Regulatory Requirements

Financial Services Act Circular Letter CL281021

Our responsibility under the Financial Services Act Circular Letter CL281021 is to report on the compliance with the Code of Corporate Governance disclosed in the financial statements and assess the explanations given for non-compliance with any requirement of the Code. In our opinion, the disclosure in the annual report is not consistent with the requirements of the code.

Companies Act 2001

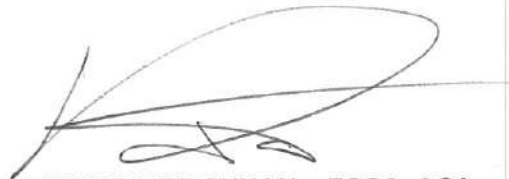
We have no relationship with or interests in the company other than in our capacity as auditors.

We have obtained all other 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.



CHARTIST ASSOCIATES LLP
CHARTERED CERTIFIED ACCOUNTANTS
BEAU BASSIN



K. WONG KEE CHUAN – FCCA, ACA
Licensed by FRC

Date:

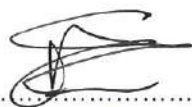
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SAFELANE INSURANCE BROKERS LTD
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

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	<u>Notes</u>	<u>2024</u> <u>Rs</u>	Unaudited <u>2023</u> <u>Rs</u>
ASSETS			
<i>Current assets</i>			
Other receivables	7	1,107,400	1,000
Cash and bank balances		449,660	-
Total current assets		<u>1,557,060</u>	<u>1,000</u>
Total assets		<u>1,557,060</u>	<u>1,000</u>
EQUITY AND LIABILITIES			
<i>Capital and reserves</i>			
Issued capital	8	1,500,000	1,000
Accumulated losses		(50,550)	(530)
Total equity		<u>1,449,450</u>	<u>470</u>
<i>Current liabilities</i>			
Other payables	9	107,610	530
Total current liabilities		<u>107,610</u>	<u>530</u>
Total equity and liabilities		<u>1,557,060</u>	<u>1,000</u>

Approved by the Board of Directors on 05/11/2024

Directors: 
 Gregory Carosin


 Patrick Andrew Dear Ah-Chuen

SAFELANE INSURANCE BROKERS LTD
 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 30 JUNE 2024

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		Year ended 30 June 2024	Unaudited For the period from 14 July 2022(date of incorporation) to 30 June 2023
	<u>Notes</u>	<u>Rs</u>	<u>Rs</u>
<u>Revenue</u>			
Commission received		-	-
<u>Less:</u>			
Administrative expenses		(50,020)	(530)
Loss before tax		(50,020)	(530)
Income tax expense	6	-	-
LOSS FOR THE YEAR / PERIOD		(50,020)	(530)
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR / PERIOD		(50,020)	(530)

SAFELANE INSURANCE BROKERS LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	<u>Note</u>	<u>Issued Capital Rs</u>	<u>Accumulated losses Rs</u>	<u>Total Rs</u>
Balance at 14 July 2022(Date of incorporation)		1,000	-	1,000
Loss for the period		-	(530)	(530)
Balance at 1 July 2023	8	1,000	(530)	470
Issue of shares		1,499,000	-	1,499,000
Loss for the year		-	(50,020)	(50,020)
Balance at 30 June 2024	8	1,500,000	(50,550)	1,499,450

SAFELANE INSURANCE BROKERS LTD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

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		Year ended 30 June 2024	Unaudited For the period from 14 July 2022(date of incorporation) to 30 June 2023
	<u>Notes</u>	<u>Rs</u>	<u>Rs</u>
Cash flows from operating activities			
Loss before tax		(50,020)	(530)
<i>Movements in working capital</i>			
* Increase in other receivables		(57,060)	(1,000)
Increase in other payables	9	107,080	530
Cash generated from operations		-	(1,000)
Income tax paid		-	-
Net cash generated from operating activities		-	(1,000)
Cash flows from financing activities			
Proceeds from issue of shares		449,660	1,000
Net cash used in financing activities		449,660	1,000
Net increase in cash and cash bank balances		449,660	-
Cash and bank balances at the beginning of the year / period		-	-
Cash and bank balances at the end of the year / period		449,660	-

Non-cash item:

* During the year, there was an increase in share capital of Rs 1,499,000. Only an amount of Rs 449,660 was financed by cash and Rs 1,049,340 of the remaining unpaid share capital was treated as other receivables (Note 7). For the statement of cash flows, this was treated as a non-cash item.

1 General information

Safelane Insurance Brokers Ltd is a private limited company incorporated on the 14th July 2022 in Mauritius. The address of its registered office and principal place of business is ABC Centre, Military Road, Port Louis. The company acts as a insurance broker. The company is presenting its accounts for the year ended 30 June 2024. The financial statements were authorised for issue by the Board of directors on the date stamped on page 7.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 *New standards, amendments and interpretations adopted during the year*

In the current year, the Company has applied all of the new and revised Standards and Interpretations issued by the International Accounting Standards Borad ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 July 2023.

- Amendments to IAS 1 and IFRS practice statement 2 - Disclosure of accounting policies
- IAS 8 - Definition of accounting estimates
- IFRS 17 - Insurance contracts
- Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 12 - International Tax Reform - Pillar Two Model Rules

The adoption of the above new and amended standards and interpretations has no impact on the financial statements of the Company, except for the amendments to IAS 1 and IFRS Practice Statement 2, which had an impact on the accounting policies disclosures.

2.2 *Accounting standards and interpretations issued but not yet effective*

The following standards, amendments to existing standards and interpretations were in issue but not yet effective. They are mandatory for accounting periods beginning on the specified dates, but the Company has not early adopted them:

<i>New or revised standards and interpretations:</i>	<i>Effective for accounting period</i>
Amendments to IFRS 16: Lease Liability in a Sale and Leaseback	01-Jan-24
Classification of liabilities as current or non-current (Amendments to IAS 1)	01-Jan-24
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	01-Jan-24
Lack of exchangeability (Amendments to IAS 21)	01-Jan-25

The amendments are not expected to have a material impact on the Company's financial statements.

3 Summary of material accounting policies

3.1 *Statement of compliance*

The financial statements have been prepared in accordance with International Financial Reporting Standards and comply with the Mauritius Companies Act 2001.

3 Summary of material accounting policies (Cont'd)

3.2 Basis of preparation

The financial statements have been prepared on the historical cost and incorporate material accounting policies as set out below:

The financial statements are presented in Rs.

3.3 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Sales of services are recognised when services are rendered.

3.3.1 Commission income

Commission income is accrued in accordance with the relevant agreement.

3.3.2 Interest income

Interest income from a financial asset is recognised when it is probable that economic benefits will flow to the company and the amount of income can be measured reliably.

3.4 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.4.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in statement of profit or loss and other comprehensive income because of the items of income and expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

3.4.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction that affects neither taxable profit nor accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3 Summary of material accounting policies (Cont'd)

3.4 Taxation (Cont'd)

3.4.2 Deferred tax (Cont'd)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or asset realised, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.4.3 Current and deferred tax for the year

Current and deferred taxes are recognised in profit or loss.

3.5 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.6 Financial instruments

3.6.1 Financial assets

3.6.1.1 Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

3 Summary of material accounting policies (Cont'd)

3.6 Financial instruments (Cont'd)

3.6.1 Financial assets (Cont'd)

3.6.1.1 Initial recognition and measurement (Cont'd)

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

3.6.1.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative of gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition. (equity instruments)
- Financial assets at fair value through profit or loss.

3.6.1.2.1 Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

And

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised modified or impaired.

3 Summary of material accounting policies (Cont'd)

3.6 Financial instruments (Cont'd)

3.6.1.2 Financial assets - Subsequent measurement (Cont'd)

3.6.1.2.2 Financial assets at fair value through OCI

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling.

And

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

3.6.1.2.3 Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract such as default or delinquency in interest or principal payments; or
- if becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

3.6.1.2.4 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

3 Summary of material accounting policies (Cont'd)

3.6 Financial instruments (Cont'd)

3.6.2.1 Initial recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

3.6.2.2 Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.
- Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

3.6.3 Derecognition of financial assets and liabilities

3.6.3.1 Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised where:

- the rights to receive cash flows from the asset have expired;
- Or
- the Company has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset or has entered into a pass – through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

3 Summary of material accounting policies (Cont'd)

3.6 Financial instruments (Cont'd)

3.6.3.2 Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3.6.4 Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Impairment of financial assets is recognized in stages:

Stage 1 — as soon as a financial instrument is originated or purchased, 12-month expected credit losses are recognised in profit or loss and a loss allowance is established. This serves as a proxy for the initial expectations of credit losses. For financial assets, interest revenue is calculated on the gross carrying amount (i.e. without deduction for expected credit losses).

Stage 2 — if the credit risk increases significantly and is not considered low, full lifetime expected credit losses are recognised in profit or loss. The calculation of interest revenue is the same as for Stage 1.

Stage 3 — if the credit risk of a financial asset increases to the point that it is considered credit-impaired, interest revenue is calculated based on the amortised cost (i.e. the gross carrying amount less the loss allowance). Financial assets in this stage will generally be assessed individually. Lifetime expected credit losses are recognised on these financial assets.

The Company has recognised an allowance for ECL given that from previous dealings while the credit worthiness was assessed.

4 Key sources of estimation uncertainty

In preparing the financial statements, management is required to request to make estimates and judgements assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates. There were no estimates and assumptions that might have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

5 Going Concern

Directors and management have made an assumption of the company's ability to continue as a going concern and are satisfied that the company has the adequate resources to continue in business for the foreseeable future.

6 Taxation

	Year ended 30 June 2024	Unaudited For the period from 14 July 2022(date of incorporation) to 30 June 2023
	<u>Rs</u>	<u>Rs</u>
Net loss	(50,020)	(530)
Tax effect of:		
Expenses that are not deductible in determining taxable profit	-	-
Allowable deductions	-	-
Loss adjusted for tax purposes	<u>(50,020)</u>	<u>(530)</u>
Tax charge/(credit) for the year/period	-	-
Losses brought forward from previous year/period	<u>(530)</u>	-
Loss during the year	<u>(50,020)</u>	<u>(530)</u>
Chargeable loss carried forward	<u>(50,550)</u>	<u>(530)</u>

7 Other receivables

	<u>2024</u> <u>Rs</u>	Unaudited <u>2023</u> <u>Rs</u>
Prepayments	57,100	-
Amount due by related party (Note 10)	1,050,300	1,000
	<u>1,107,400</u>	<u>1,000</u>

8 Issued capital

	<u>2024</u>	Unaudited <u>2023</u>	<u>2024</u>	Unaudited <u>2023</u>
	Number of shares		<u>Rs</u>	<u>Rs</u>
Issued and fully paid ordinary shares	<u>150,000</u>	100	<u>1,500,000</u>	1,000

There has been a right issue of 149,900 shares during the year which amounts to Rs 1,499,000. The ordinary shares are entitled to dividend and one share carry one voting right.

9 Other payables

Unaudited

2024

2023

Rs

Rs

Other payables

107,610

530

10 Related party transactions

The following balances were outstanding at the end of the reporting

Unaudited

Name of related party

Relationship

Nature of transactions

2024

2023

Rs

Rs

Amount due by related party

Shareholders

Unpaid share capital

1,050,300

1,000

The amount due by related parties of Rs 1,050,300 relates to unpaid share capital as at 30 June 2024.

11 Financial risk management, objectives and policies

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

11.1 Credit risk

Credit risk is the risk that one party will be unable to pay amounts in full when due. Credit risk arises mainly from cash and cash equivalents. At the reporting date, there was no significant concentration of credit risk.

Unaudited

2024

2023

Rs

Rs

Cash and cash equivalents

449,660

-

The cash at bank is maintained with a reputable financial institution.

11 Financial risk management, objectives and policies (Cont'd)

11.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages its liquidity risk by ensuring that there are sufficient funds to meet its financial obligations as and when they fall due by maintaining an appropriate level of bank balance and raising funds from its shareholders as and when necessary.

The following are the Company's contractual maturities of financial liabilities:

For the year ended 30 June 2024	Carrying amount Rs	Within 12 months Rs	1-5 years Rs	1 - 5 years Rs
Other payables	<u>107,610</u>	<u>107,610</u>	<u>-</u>	<u>-</u>
For the year ended 30 June 2023	Carrying amount Rs	Within 12 months Rs	1-5 years Rs	1-5 years Rs
Other payables	<u>530</u>	<u>530</u>	<u>-</u>	<u>-</u>

11.3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: interest rate risk, currency risk and other price risk.

The Company's strategy for the management of market risk is driven by the Company's investment objective. The Company's market positions and risk profile are monitored regularly by the board of directors with assistance from the Company's shareholders.

Currency risk

Currency risk is the potential for changes in value of the Company's investments due to changes in foreign exchange rates.

All of the Company's financial assets and liabilities are denominated in Rs hence the Company is not exposed to any currency risk.

Price risk

Price risk is the risk that the fair value of future cash flows will fluctuate because of changes in market prices other than those arising from interest rate risk or foreign currency risk whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instruments traded in the market. The Company has no exposure against price risk.

11 Financial risk management, objectives and policies (Cont'd)

11.4 Fair value of financial instruments

The Company's financial assets and liabilities consist of financial assets at amortised cost, cash and cash equivalents and other payables. The carrying amounts of these assets and liabilities approximate their fair values.

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

Financial assets

	<u>2024</u>	Unaudited <u>2023</u>
	<u>Rs</u>	<u>Rs</u>
Other receivables	1,050,300	-
Cash and cash equivalents	<u>449,660</u>	-
	<u><u>1,499,960</u></u>	<u>-</u>

Financial Liabilities

	<u>2024</u>	Unaudited <u>2023</u>
	<u>Rs</u>	<u>Rs</u>
Other payables	107,610	530

At 30 June 2024, prepayments amounting **Rs 57,100** (2023: Nil) were excluded from the above as they were not considered to be financial assets.

12 Capital risk management

The Company's objectives when managing capital are to raise sufficient funds for the initial investment and to safeguard the Company's ability to pay its debt as they fall due in order to continue as a going concern and to provide returns for the shareholder. Capital comprises equity. In order to maintain or adjust the capital structure, the Company may issue new shares or have recourse to its parent for funding and vary the amount of dividends or return of capital to the shareholder.

13 EVENTS AFTER THE REPORTING DATE

On 22nd August 2024, the name of the company has been changed from Safelane Insurance Consultants Ltd to Safelane Insurance Brokers Ltd.

Apart from the above, there were no other significant events after the reporting date which need disclosure in or amendment to the financial statements for the year ended 30 June 2024.