



# ISLANDS DEVELOPMENT COMPANY LTD



**ANNUAL REPORT 2021-2022**

**Islands Development Company Ltd.**

Annual Report for the financial year ending 31<sup>st</sup> March 2022



**Sustainable Development of the Outer Islands**



*S7-1DC on Providence*

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# contents



*MV Nordvaer*

Upon independence, the three BIOT islands (Desroches, Farquhar and Aldabra) reverted to Seychelles and initially came under the Ministry of Agriculture. In 1979, a Presidential delegation toured the Outer Islands aboard MV Nordvaer, and following discussions on Farquhar, a decision was taken to set up a new parastatal to manage these islands. It was the vision of Guy Morel, Principal Secretary for Finance at the time, that this new structure would give new impetus to the economic activities taking place, as well as improve the working and social conditions existing on these far-away outposts of the country.

To that end on 29<sup>th</sup> April 1980, IDC was created as a parastatal company under the Seychelles Companies Act of 1972. Its first General Manager was Mr. Joseph Belmont and the first Chairman was Mr. Morel himself.

IDC has been entrusted with the management and development of 14 islands or atolls owned by the Government of Seychelles; Alphonse, Astove, Assomption, Coëtivy, Cosmoledo, Desroches, Desnoeuvs, Farquhar, Marie-Louise, Ile Plate, Poivre, Providence, Remire and Silhouette. All the islands are coralline outer islands except Silhouette which is a granitic island and falls in the inner island group.

## **The company's activities include:**

- the provision of air and sea links throughout the outer islands of Seychelles the construction and maintenance of infrastructure to support economic activities, including tourism and agriculture
- provide facilities for electricity generation and distribution, the production of potable water and the treatment of sewerage and solid waste
- build, manage and maintain airfield facilities, as well as harbour and maritime infrastructure
- provide all of our islands with an inventory of food and essential supplies, including medical equipment
- provide medical and medevac facilities as required
- maintain law and order and manage national emergency plans for the outer islands
- provide facilities, including accommodation, transport and equipment, for our environmental partner Island Conservation Society (ICS). ICS runs conservation centres at premises provided by IDC on Alphonse, Desroches, Farquhar and Silhouette
- support ICS expeditions to other islands, including Astove, Cosmoledo and Providence

## **Mission**

“To ensure that the outer islands actively contribute to the socio-economic development of the Seychelles in an environmentally sustainable manner”

## **Vision**

“To transform the outer islands into a more productive and economically sustainable environment for the betterment of Seychelles”

# Travel time from Mahé

ALDABRA ATOLL



ASSUMPTION



COSMOLEDO ATOLL



ASTOVE



ST PIERRE

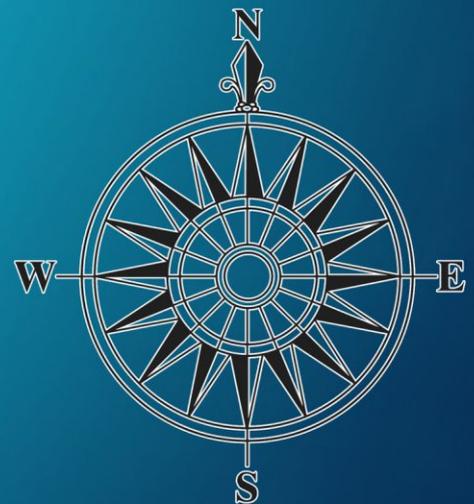
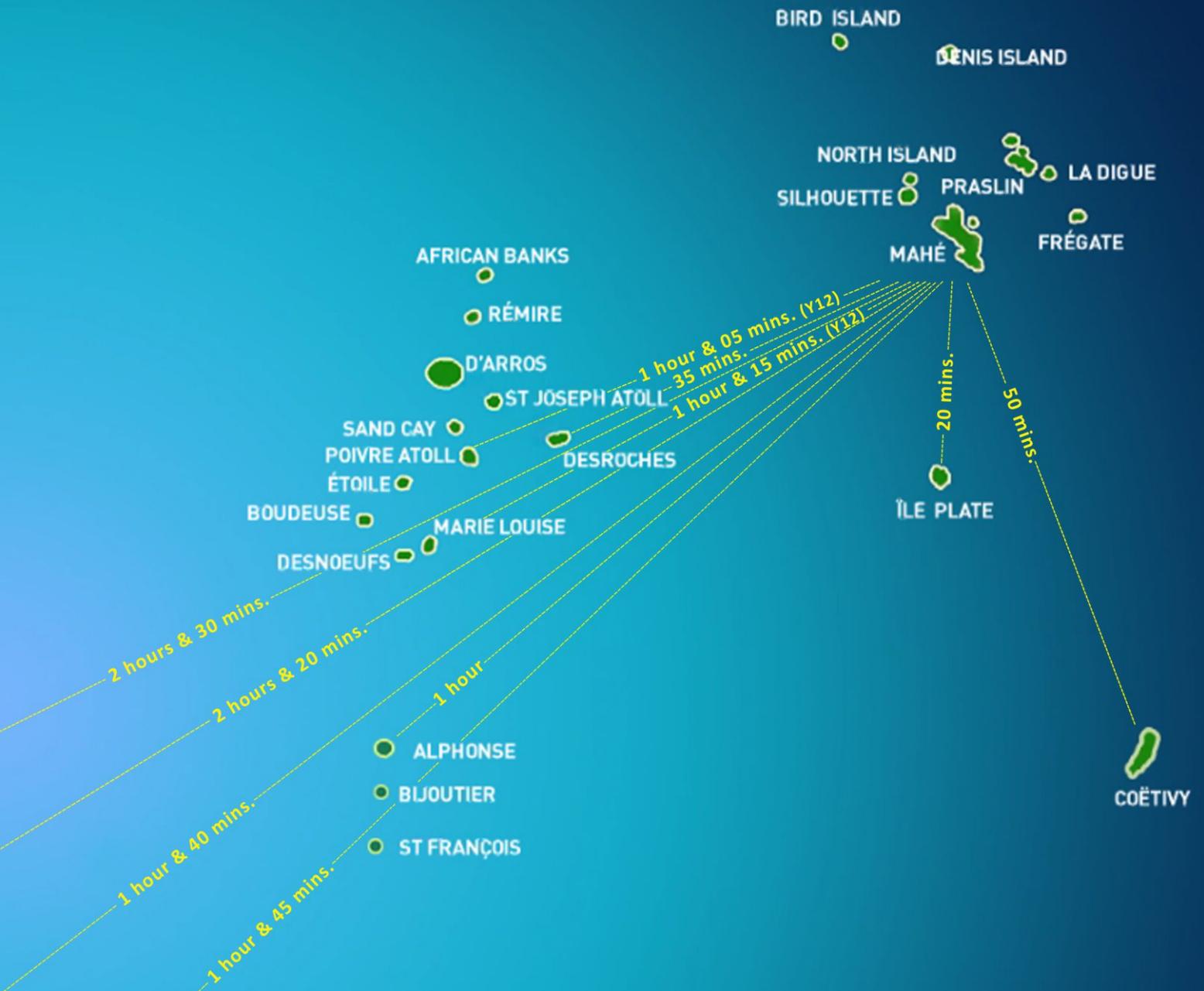


PROVIDENCE



FAROUHAR ATOLL







*The Red-footed Booby is a graceful, slim-winged seabird named for its vivid coral-red feet. Most booby species nest on the ground, but the Red-footed nests in trees. Like other members of the Booby family, Red-footed Boobies pursue fish by diving into the sea.*

board of directors



**Patrick Berlouis**  
*Chairman*

Mr. Berlouis joined IDC as Chairman of the Board of Directors in January 2017, after serving for eight years as Principal of the Independent School. His early career was in the field of education, starting as a teacher, before moving into Educational Planning and later, management of educational institutions. He was later to head the government's information services (RTS, Nation, etc) during the final three years before the country reverted to a multi-party system. An interesting period to have been in the media!

He joined the private sector in 1994 and had the opportunity to work as an occasional Relief Manager of Cousine island while at Gondwana Enterprises. That was his first experience of an island which was implementing a comprehensive management plan for environmental conservation and rehabilitation. He would later observe similar initiatives on the IDC islands of Desroches, Farquhar, Alphonse, Silhouette and even take part in the 2020 bird-eggs survey on Desnoeuvs. Priceless experiences!

Mr. Berlouis has now spent 5 years at IDC and he has been able to visit all fourteen island groups managed by the company, even the infamous and fearsome St. Pierre, now abandoned since 1970, when the last ton of guano was extracted. All the other islands are truly of another dimension of beauty, and since most people will not be able to visit them, he has worked with a committed and talented team to produce a series of TV documentaries, to bring the splendour of these places to people's living rooms.



**Glenny Savy**  
*CEO*

Mr. Savy joined IDC in 1982, the year after he graduated with a BA, with majors in Economics at Murdoch University in Australia. He has been engaged in many other projects in Seychelles involving agriculture, fisheries, tourism and port operations. He holds a pilot license and is an experienced diver.



**Christian Lionnet**  
*Deputy CEO*

Mr. Lionnet joined IDC as Deputy CEO in 2019. Prior to that, he spent his professional career in the Ministry of Land Use and Housing where he occupied various positions. He formed part of the top management team of the Ministry from 2007 where he occupied the post of Principal Secretary and in 2012, Mr. Lionnet was appointed Minister with the Land and Housing portfolio. He holds a Master's degree in Civil Engineering from the University of Manchester, UK.



**Sherin Francis**

Mrs. Francis holds a BSc degree in Economics and Business Studies from the University of Manchester and an MSc degree in Finance from the University of London International Programmes. She served as Chief Executive Officer of the Seychelles Investment Board before she took on the post of Chief Executive Officer of the Seychelles Tourism Board until her appointment as Principal Secretary for Tourism.



**Patrick Lablache**

Mr. Lablache is a Fellow of the Royal Institution of Chartered Surveyors (FRICS) and holds an MSc in Urban Land Appraisal from the University of Reading UK (1984) and a BSc in Estate Management from Thames Polytechnic London (1979). He is the Special Advisor and Consultant for Reclamation Works at the Ministry of Lands and Housing.



**Angelique Antat**

Ms. Antat graduated from the Middlesex University, UK in 2010 with a degree in Business and Business Economics and also holds a Master's degree in Law and Development, from Manchester University. For over 11 years, Ms. Antat had been employed by the Ministry of Finance. In 2017 she was appointed as Chief Executive Officer of the Seychelles Investment Board. Ms. Antat was the Principal Secretary for the Department of Industry and Entrepreneurship Development before she joined the IDC Group as General Manager of Green Island Construction Company (GICC).



**Willy Confait**

Mr. Confait has had a long and distinguished career in the Public Sector since December 1965. He holds a post-graduate Diploma in Public Administration and Policy Analysis and a MA degree from the University of Warwick. He held a number of senior positions including Chief Executive Officer of Seychelles Licensing Authority, Chief Executive Officer and then Advisor at the Seychelles Pension Fund. Mr. Confait served as Director on a number of private and public boards. He is currently a Member of the Constitutional Appointments Authority (CAA).



**Angele Lebon**

Mrs. Lebon is qualified in Accounting and Human Resources with extensive experience throughout the Public Service in Administration. Prior to her retirement, she was the Director General for Human Resources, Administration and Budget Management Control at the Police Department.



**Denis Matatiken**

Mr. Matatiken has been in the Ministry of Environment for the last 25 years where he has occupied various positions. He holds a first degree in Environment Science at the University of Sheffield and a Master's Degree in Botanical Conservation at the University of Plymouth, UK. Mr. Matatiken is presently the Principal Secretary for Environment.



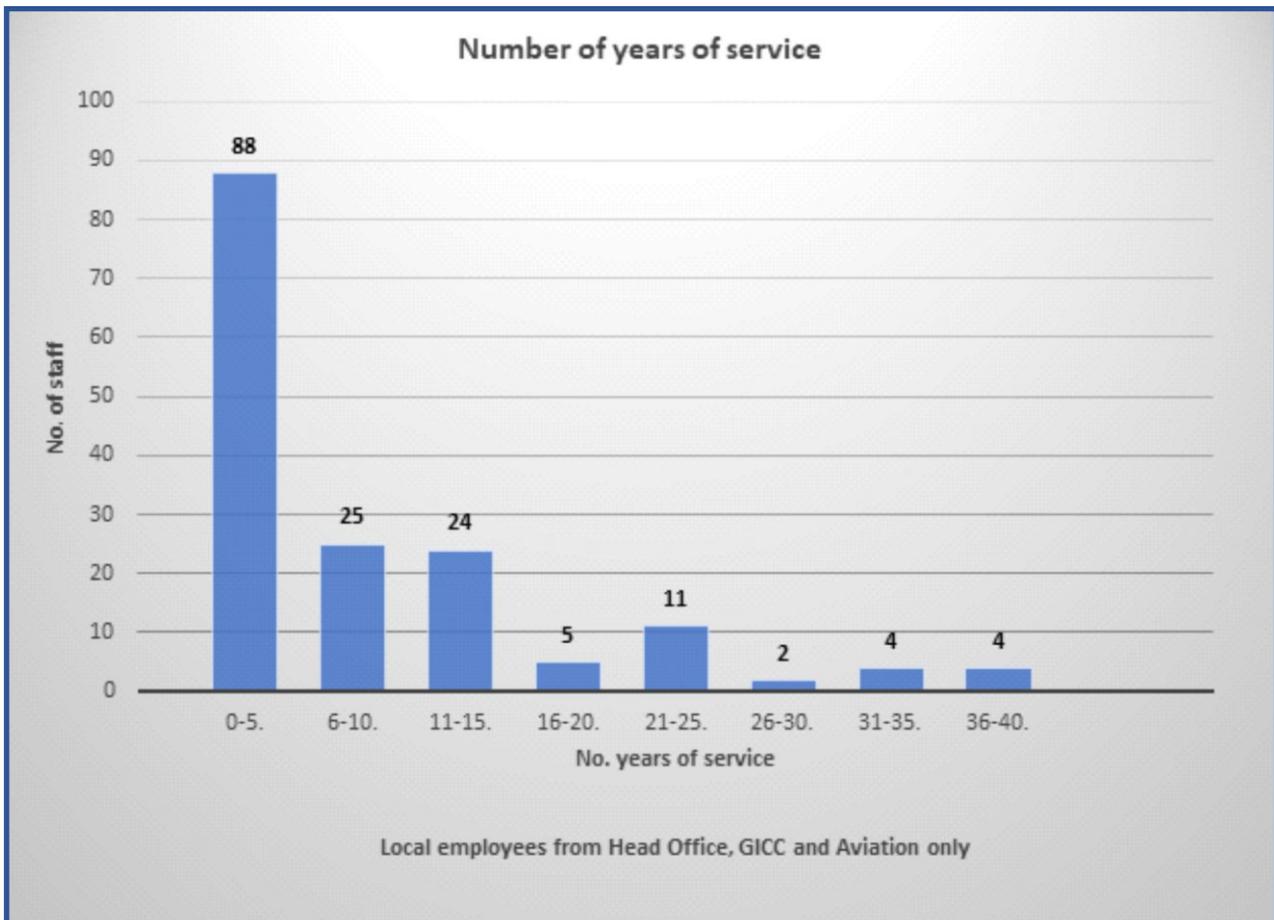
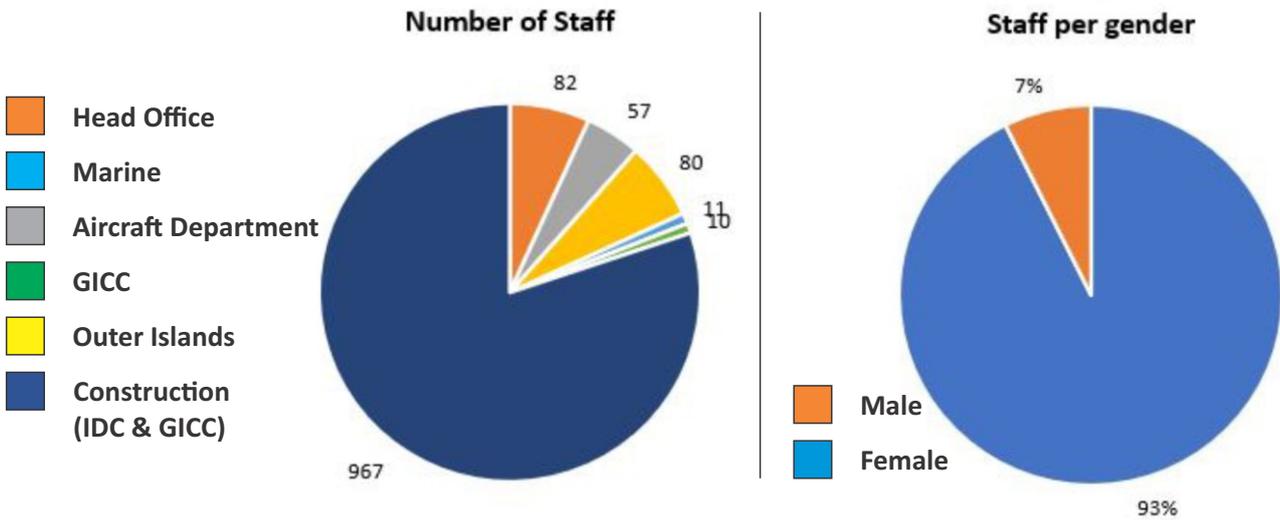
*Pti Astove was part of Astove but became a separate island due to erosion.*



*Bijoutier (whose name in French means “jeweler”) is a gem of an island in the Alphonse group. Its shape has suffered an impressive transformation from a perfect circle to an elongated form, with severe erosion along the west coast and deposition on the northeastern coasts.*

staffing

At the end of March 2022, the IDC group of Companies employed 1,207 staff. There was an increase of 15% in wages and salaries during the year. The salaries for the group of companies in the current year was SR 80 million as compared to SR 70 million the previous year.



## Senior Management as at 31<sup>st</sup> March 2022

Name	Post	Joined
Mr. Glennly Savy	Chief Executive Officer	1982
Mr. Barry Laurencine	Warehouse Manager	1988
Mr. Anand Kumar	Technical Advisor	1991
Mrs. Lima Jarrymanana	Chief Accountant	1992
Capt. Marcus Labrosse	General Manager Aviation	2000
Ms. Valerie de Commarmond	Administrative Manager CEO's Office	2003
Mr. Anup Hari	Chief Financial Officer	2004
Mr. Senthil Raju	Senior Software Analyst	2011
Ms. Louisa Victorine	Ground Operations Manager Aviation	2012
Ms. Sreedevi Suresh	Purchasing and Stores Manager	2012
Mr. Harry Jean-Louis	Aviation Security Manager	2012
Ms. Vivianne Dubel	Client Services Manager GICC	2013
Capt. Christiaan Scheffer	Flight Operations Manager Aviation	2014
Mr. Michael Govinden	Public Relations Manager	2016
Mr. Nirav Jani	Construction Manager	2016
Dr. David Payet	Senior Medical Officer	2017
Capt. Pedro Junca	Quality Manager Aviation	2017
Mr. Akash Hari	CAMO Manager Aviation	2018
Mr. Justin Moustache	Agricultural Project Manager	2019
Mr. Christian Lionnet	Deputy Chief Executive Officer	2019
Mr. Michel Coopoosamy	Island Operations Manger	2019
Mr. Hughes Mederick	Health and Safety Manager	2019
Mr. Paul Medor	Information System Manager	2020
Mr. Francis Raoul	Engineering Workshop Manager	2020
Mr. Liam Weber	Trainee Aquaculture Farm Manager	2020
Mr. Neil Valmont	AMO Manager	2021
Ms. Angelique Antat	General Manager GICC	2021
Mr. Yves Choppy	Project Manager	2021
Dr. Karine Rassool	Fisheries/Aquaculture Development Manager	2021
Mrs. Deloresse Guedes Consuegra	Clinic Manager	2022



*During the nesting season, Giant trevallies (Karang Ledan in Kreol) come hunting for young birds. Just off the island of Goëlettes in the Farquhar atoll the GTs leap out of the sea to catch fledgling Sooty terns and Brown noddies in flight. This spectacular sequence was shown on the BBC Blue Planet series.*

# chairman's statement

It was with much enthusiasm and hope that I travelled to COP 26 in Glasgow, as part of the Seychelles delegation. Having witnessed the devastation wrought on the company's facilities on the island of Farquhar just 5 years earlier by cyclone Fantala, and after having observed the alarming effects of the frequent erosion events that Desroches, Coëtivy and Rémire experience, I was confident that this coming together of all nations of the world would lead to positive outcomes. It was indeed a rare, but timely opportunity for the political leaders to advance the many measures that need to be implemented to mitigate and (why not?) reverse climate change.

The desperate plea by the Secretary General of the United Nations, Mr. António Guterres during the opening ceremony followed by eloquent and heartfelt statements by His Royal Highness, The Prince of Wales (now King Charles III of the United Kingdom), the renowned broadcaster Sir David Attenborough and Ms. Mia Amor Mottley, Prime Minister of Barbados gave one much reason for optimism. They all advocated real, meaningful and immediate action to help the planet, and most specially people of the third world who were most vulnerable to the deadly and costly events already being caused by global warming.

Dear Lord! How hopelessly optimistic these august personalities, and I were!

Over the course of the next two weeks, it would become clear that some countries had come to Glasgow opposed to stronger action on climate. The negotiations in the technical meetings and various specialized committees reflected fierce opposition from oil-producing and coal-producing countries, and from those heavily dependent on consuming fossil fuels.

40,000 people participated in COP 26, from



the world's most powerful leaders (President Biden attended), to apprehensive natives from the foothills of the Himalayas as well as angry forest dwellers from the Amazon region, with their colourful feathered headdress. Were the results in proportion to this massive mobilization of peoples from all corners of the planet?

For a start, it is really doubtful if the measures agreed at COP 26 can keep global temperature rise to 1.5 °C. And it went southwards from there.

As a result, many countries and environmental NGOs left Glasgow disappointed, bitterly disappointed, and as Friends of the Earth would state: "the world was not on track to keep temperatures below 1.5°C. The Agreements reached in Glasgow didn't deliver on "Loss and Damage" and they have not addressed the "complexity and urgency of phasing out fossil fuels".

Another organization, CarbonBrief, pointed out that while the commitment to doubling Climate Adaptation finance was welcomed by many, others were disappointed that this COP once again failed to provide vulnerable nations with the "money to rebuild and respond to the unavoidable impacts of climate change." In other words, COP 26 was yet another missed opportunity.

The Outer Islands of Seychelles, especially these in the extreme south, are therefore condemned to suffer the effects of climate



Landing on St Pierre is very difficult as the whole island is surrounded by steep jagged cliffs

change in full, effects which are set to become more devastating in the short and medium term, as the critical 1.5 °C rise limit is still not acquired. It means that IDC will have to mobilise extra resources to mitigate the effects of climate change and repair the destruction that will ensue.

Closer to home, I had an exceptional opportunity, during this past year to land on St Pierre, one of Seychelles “guano” islands, for a short, and extremely difficult visit and I also participated in the production of the three documentary programmes on Silhouette, which are now being broadcast on SBC (August to October 2022).

These two, quite unrelated events, drove home the massive progress that has been made in the lives and working conditions of people who chose, or who were forced by their economic circumstances to go and work on the outlying islands, on Silhouette and other large coconut plantations on the main islands.

I was particularly struck by a phrase that I found in Mr. Charles Dupon's 1971 article entitled *“Aspects de l'Agriculture aux Seychelles; l'Exemple de l'Île Silhouette”*. He observed that: *“Dans des situations extrêmes comme celles de Silhouette, seuls les très bas salaires et la bonne volonté des cocotiers qui continuent à produire, rendent possible la poursuite de l'exploitation.”*

Yes, *“les très bas salaires”*. It is undeniable that things have changed immensely over the past 50 years, especially since IDC started managing the Outer Islands and Silhouette in the early 80's. The workers in those places started earning a proper wage and IDC has also ensured, over the years, that they have decent housing and that their living conditions are comparable with people on Mahé, Praslin and La Digue.



St Pierre: The island most devastated by guano mining

In my last statement (for 2020-2021) I indicated, with much relief, that we were rising from the potential disaster of the eighteen months of COVID. The figures for the financial year under review show a reduction of some 23 M in turnover, from SR 599 M for 2020-2021 to SR 576.5 M. This is the result of a seven month hiatus between the completion of Mango House and the start of the Darros Island contract. That period of inactivity has cost us more than we had envisaged and it was unfortunate, but we had to await the approval from other agencies to proceed. We shall consider this however as a blip on the radar, as various major building projects break ground in 2022 and 2023 and the high-end Ile Plate Resort starts operating in the third quarter of 2023.

Another area where IDC and GICC, its subsidiary, have registered significant growth is in the number of building contracts that have been signed over the past year. These will no doubt increase the profitability of the company over the medium term.

Some of these are for iconic buildings, which will no doubt enhance the architectural landscape of Victoria and other spaces in Seychelles for the decades to come.

I should mention here the complete renovation and refurbishment of the National Library building, which will be completed in April 2023. This has a particular resonance for IDC as it was Mr. Guy Morel, the company's first

Chairman, who led the national committee which designed, financed and built that cultural centre back in 1994. We are thus proud to be the organisation which will bring it back to its former glory and enhance its multi-faceted function to the Seychellois public.

IDC's and GICC current combined projects list is of very significant value, a fair proportion of which originate from private developers. On the list we find the SeaFront complex in Providence as well as the futuristic headquarters of the Seychelles Revenue Commission. Furthermore, the company is proud to have been given the responsibility for La Digue Hospital and that island's first sewage treatment plant. We know that our long years of experience in setting up and running STPs on the Outer Islands will be a boon when installing the treatment plant.

We also look forward to working on another heritage project, this time in Au Cap district. This will be the historic Maison St Joseph, which was until recently known as the Creole Institute. This beautiful building, erected in 1920, must be saved from terminal deterioration and IDC/GICC, with some partners will strive to do exactly that. The function of the France Jumeau's 100 year old "Grann Kaz" will change as a result and in future it will offer local and overseas visitors an innovative "Outer Island experience", apart from being the main outlet for kreol books as well as local audio and video productions.



*The concept for the main entrance of the National Library*

Exciting developments are also in the offing for the Aviation Section. IDC is already building modern office premises for the Aviation staff as well as larger hangars which will be able to accommodate the more capacious aircraft that will be acquired over the next two years. These planes will offer a higher level of comfort and more amenities to visitors and staff travelling to and from the Outer Islands.

Coëtivy, the 3rd largest Outer Island of Seychelles, with its 931 hectares will soon come into its own as a major agricultural centre. The land available for large scale agriculture is immense, and plans are being drawn up to use innovative agricultural techniques to produce crops in areas that presently are just covered by very old and unproductive coconut plantations. This island will surely become an important part of the country's overall food security structure. And of course there will be the much awaited prawn farm, while trials on other forms of aquaculture (e.g. rabbit fish, sea cucumbers, etc) will also be undertaken.

On the Governance front, progress has been made with the setting up of the Audit and Risk Committee and the appointment of the Manager for Internal Audit. The Board is currently reinstating the Projects Monitoring Committee, after its function was temporarily transferred to the full Board for two years. Other elements of Governance, as are being advocated by PEMC will no doubt occupy the time and effort of the next Board.

It has been a successful year for the company therefore, and a firm base has been laid to ensure that this trend continues over the foreseeable future.

Such splendid results only come through the hard work of men and women in all the various sections of IDC and GICC, on Mahé, on the fourteen islands, near and far, which they

deliver under the professional, responsible and intelligent leadership of the senior management. The company has grown, and is still growing so as to be able to deliver on the many projects that we have been awarded or have been asked to do. We take these requests for direct participation in the national development effort very seriously and I would thus like to commend and congratulate the staff for all the work realised and the commitment shown.

I am also indebted to all the Board members for their engagement and active participation in our mission of bringing progress and growth to the company. The Board's deliberations provided valuable advice to Management as well as critical insight to the various proposals that the executives developed for our consideration. Your unstinting support is much appreciated!

In concluding, I also want to say a special "Thank You" to Mr. Michael Govinden, the company's Public Relations and Communications Manager who worked with me (and a few others) to produce the TV documentaries on the six islands (so far), including the three episodes on Silhouette. It has been an exciting adventure, and an invaluable education, for both of us.



I take this opportunity to wish COP 27, which will be held in Egypt this year, all possible success. The planet cannot afford yet another cop out as the window of opportunity is closing fast. Very fast.

**Patrick Berlouis, Chairman**



*Astove is surrounded by sheer drop-offs on its western side, and this makes for a unique diving and even snorkeling experience. The "Wall" of Astove is breathtakingly beautiful and is best described as looking down into the Grand Canyon. It is reputed to be one of two best wall-diving places in the world – the other, being the "Tongue of the Sea" in the Bahamas.*



chief executive  
officer's report

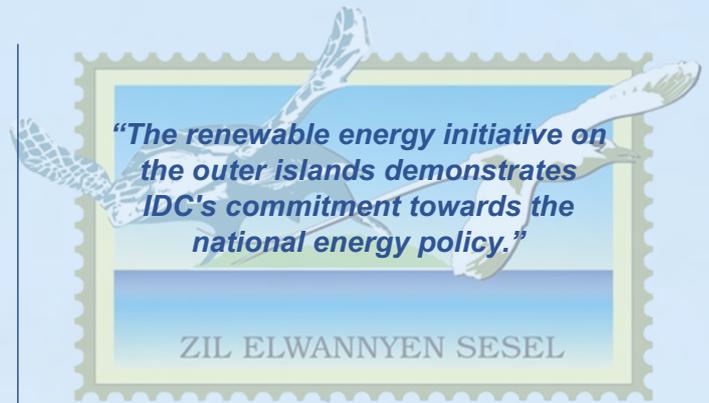
With the increase in the price of fuel worldwide heightened by the ongoing war between Russia and Ukraine, I look back at the 2021-2022 financial year, relieved that the Islands Development Company has been forward thinking and has embraced renewable energy as an alternative source to the burning of fossil fuel to produce electricity on the islands.

The highlight of this financial year has been the setting up and commissioning of three solar farms on the outer islands. Astove, Farquhar and Desroches now produce over 90% of their electricity requirements from solar energy. The inauguration of the solar farms on Astove and Farquhar were held in April 2021, while a bigger plant on Desroches was commissioned six months later, in October. The Desroches solar farm is the second largest solar facility in the country, second only to the one on Ile de Romainville. All three facilities were inaugurated by the President of the Republic, Mr. Wavel Ramkalawan and the IDC Chairman, Mr. Patrick Berlouis.



*The Desroches solar plant*

With the setting up of the solar farms, IDC will make additional savings on the transportation and consumption of fuel on the islands. The money saved will go towards further infrastructure development on the islands.



The renewable energy initiative on the outer islands demonstrates IDC's commitment towards the national energy policy, which stipulates the need for the country to reduce its dependency on fossil fuel through increased use of green energy with a target of 15% of electricity generation from renewable sources by 2030.

IDC now boasts solar farms on four outer islands. The first such installation was on Alphonse in 2018. Ile Plate, where we are currently building a luxury resort, will be the next scene for IDC's energy masterplan. At the same time, IDC has plans to set up smaller systems on Poivre, Marie-Louise, Desnoeuvs and Rémire, while on Coëtivy the installation will grow as economic activities develop on the island.

In aviation, it has been a particularly challenging year for our Aircraft department, but nonetheless it has also been an interesting twelve months.

To coincide with our 41st anniversary in April 2021, IDC added a third Beechcraft to its fleet. The USD 2.8 million plane, named S7-ALP, after Alphonse Island, was welcomed in a ceremony at the IDC Aviation hangar at Point Larue in the presence of Vice President Ahmed Afif, who holds the portfolio for the islands,

and the Minister for Transport, Mr. Antony Derjacques. The aircraft was purchased in the United States of America and from there flew to South Africa for internal refurbishment and painting in the IDC Aviation colours. The third such aircraft was much needed for further development of the islands and as a result of the increase in the number of flights to the outer islands, it would be convenient when another plane is undergoing maintenance works.



*Vice President Afif, Minister Derjacques, the IDC Chairman and CEO in a souvenir photo with S7-ALP*

In view of continued development and activities on the outer islands, IDC has plans in the near future to replace the three Beechcraft with more comfortable and larger ATR-42 aircraft. Technical assessments are ongoing.

In preparation for this milestone, IDC concluded negotiations with the government for the exchange of our current Aviation premises at Pointe Larue for the ex-Agro property, some 300 metres further north. Our construction team wasted no time to demolish the old buildings there to make way for the new terminal and hangar, which will be able to accommodate the ATR planes. The much

awaited project will cost USD 4.5 million and will offer a more comfortable environment to the five and six-star clients flying to the luxury establishments on the islands. The wellbeing of our staff is just as important and the new, modern aviation terminal will surely boost their morale and give fresh impetus to the already excellent service being delivered to our clients.

There is also an increasing demand from clients to fly to the smaller restrictive airfields such as Cosmoledo for fly fishing, but also to Marie-Louise and Desnoeuufs for bird watching or even Rémire for a getaway vacation. IDC is exploring the possibility of getting a small airplane that can access these islands.

I am pleased to report that the IDC Aircraft department has recorded a turnover of SR 81 million during this financial year against last year's turnover of SR 32 million. This is helping to recover the losses that IDC Aviation incurred during the peak of the COVID pandemic.

Following the President's appeal for voluntary contributions towards the COVID-19 vaccination campaign, Green Island Construction Company (GICC) contributed a sum of USD 100,000 to the COVID-19 Relief Fund. This gesture was done in solidarity with our Seychellois brothers and sisters infected and affected by the virus and was our small contribution towards the national effort to overcome the health emergency.

Through this contribution, we also showed our gratefulness and appreciation for the assistance that the Government extended to the parent Company, through the Financial Assistance for Job Retention (FA4JR), during the last financial year.



*Mr. Berlouis presenting the cheque to the President*

On the construction front, 2021-2022 has been a remarkable year for both IDC and its subsidiary Green Island Construction Company (GICC). As stated above, work on the USD 50 million 42-room luxury villa resort on Ile Plate (130km from Mahé) is progressing well and the project is on track to be completed and handed over to the developer during the

third quarter of 2023. The six-star establishment will be managed by the pinnacle of the Hilton brand, Waldorf Astoria. The redevelopment of infrastructure on D'Arros started with the upgrade of the island airfield using a new technology called Teragrid plastic matting. Phase two of the project to upgrade the infrastructure is ongoing.

On Mahé and the inner islands, GICC had a busy work schedule in this financial year. With the sudden surge in local COVID-19 cases at the beginning of 2022 and the emergence of new variants, GICC was called upon to upgrade the 60-bed Perseverance field hospital donated by the Qatari Government to enable the Ministry of Health to make maximum use of the facility. GICC completed the works, which included modifications to the exterior façade and erecting of support facilities for staff, in a record three weeks' period.

GICC is also undertaking several other Government projects. The two major ones are the renovation of the National Library and the construction of the La Digue hospital.



*One of the villas of Plate Island Resort being built*

The National Library was closed to the public nine years ago due to fungus infection. GICC moved on the site in February 2022 for major renovation works on the building. The refurbished Library will be delivered to the Government in the first quarter of 2023 at a cost of SR 75 million. The other project of national significance is the construction of a new, state-of-the-art hospital at l'Union Estate on La Digue, which started in March 2022. This facility, being funded by the United Arab Emirates Government, will have all the departments of a modern health centre as well as an operating theatre for minor interventions. Work on the hospital is expected to finish in May 2023.

The biggest private project currently being undertaken by GICC is the multi-faceted Sea Front development at Roche Caiman for Land Marine. This project comprises a medical component, shopping complex, villa development and hotel.

As part of its portfolio diversification, IDC is re-introducing shrimp farming on Coetivy to satisfy local consumption and act as an import substitution to what is currently available on the market. Significant progress has been made during this financial year and IDC is now in the final stages of rehabilitating nine of the 198 ponds on the island for the project. The Company anticipates to spend USD 1 million to rehabilitate existing infrastructures on the island for prawn production. Seeding is expected to start in the latter part of 2022 and prawns should be available on the local market next year.

Substantial progress has also been made in agricultural development. The trial farm on



*SIAH students on the farm on Desroches*

Desroches is doing well and IDC is currently supplying the Four Seasons Resort on the island with high quality fresh eggs and organic vegetables. Plans are underway to build houses for broilers on Desroches. These will be premium semi free-range chicken which will mainly target the tourism establishments. Production on Coetivy will be on a much larger scale with a targeted 1,000 – 1,300 tons of chicken annually.

As part of our strategic plan to encourage young Seychellois to join the Company and take up employment on the outer islands, IDC partnered with the Seychelles Institute of Agriculture and Horticulture (SIAH) and in February 2022, four students from the school spent a month on Desroches to gain first-hand experience working in agriculture on an outer island. They were mentored by our team of experienced personnel in the fields of

livestock and crop farming and were heavily engaged in agricultural production. We hope that the skills and knowledge that they acquired on the farm on Desroches will complement their school curriculum. A second group of students will have the opportunity to go to Desroches in the coming months. Our wish is that some of these young aspiring farmers join the IDC team after their studies to contribute in agricultural development on the islands.

Another method to get local manpower for the outer islands is the partnership that IDC has forged with the Prison Service. Following the signing of a Memorandum of Understanding between the two parties, prisoners with good behaviour now have the opportunity to work on the outer islands. The rehabilitation programme is aimed at giving convicts the opportunity to be productive in the society while serving their sentence. It also provides them with certain skills for their future life after prison. The first cohort of prisoners were sent to Coëtivy island and they will be engaged in agriculture and livestock farming, construction, copra and coconut oil production, among other duties.

Climate change and natural disasters are and will remain a great concern for the outer islands. Most of these outposts of our country are being badly affected by coastal erosion and in the next financial year, IDC will start a pilot project to try and counter the effects of erosion on some of the islands.

The outer islands, especially those further south, are also prone to tropical storms and cyclones as they lie in the cyclonic belt. Just as we started the financial year in April 2021,

Farquhar, Assomption, Astove, Cosmoledo along with Aldabra experienced heavy rains, strong winds gusting up to 150 km/h and high waves brought about by cyclone Jobo, but no major damage was caused. Cosmoledo suffered some structural damage as the facilities on the island are temporary, but the staff took shelter in the cyclone bunker and no one was hurt.

I am however very pleased to note that the steps we have taken are proving to be the right ones, as we did not have to do any evacuation and everybody was safe and sound. IDC now considers cyclones as part and parcel of the yearly events.

After three months on dry dock for thorough inspection and major renovation works, the lifeline of the outer islands, Enterprise II was back at sea in September 2021. The 25 year old landing craft has been supplying the outer islands with provisions for the past 12 years.



*The proud crew of Enterprise II*

There are also exciting news in the marine sector. IDC has entered into a contract to build a 30-meter landing craft to service the outer islands. The USD 1.6 million vessel will be delivered in March 2023. The Company also has plans to invest in a 1,500 ton vessel in the future to replace Enterprise II.

The collection of Sooty Tern eggs (dizef zwazo) has been banned for two years (2022-2023) after the 2021 census showed a significant decline in the population of the species.

IDC was a partner in the exercise led by the Ministry of Agriculture, Climate Change and Environment in June 2021 and contributed SR 400,000 towards the survey which was done across islands where there are known nesting colonies of Sooty Tern; Cosmoledo, Desnoeuvs, Bird, Aride, Recif, Farquhar, Etoile,

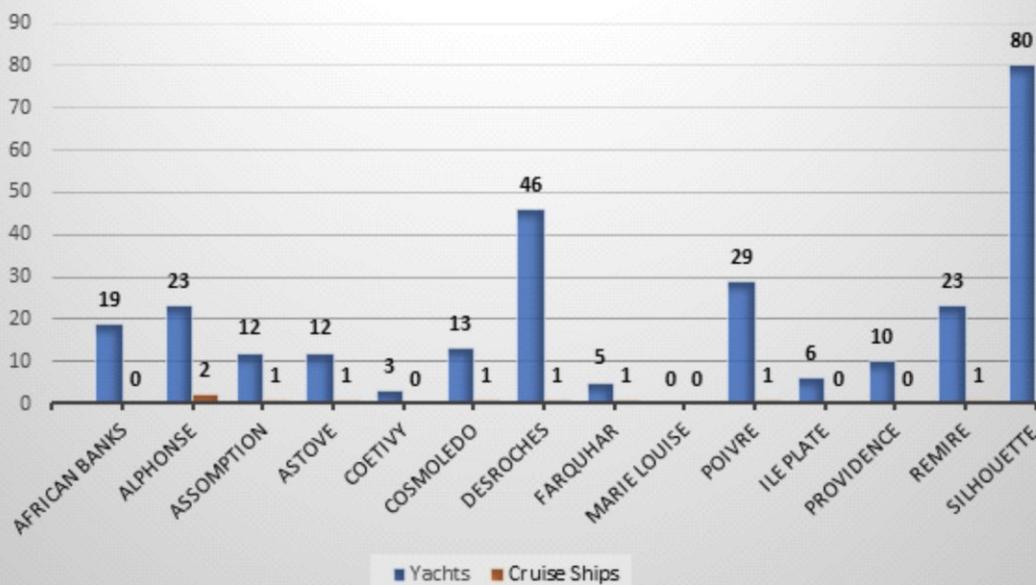


Sooty Tern census on Cosmoledo

Boudeuse and African Banks. The objective of the census was to determine the status of the sooty tern population in Seychelles in order to better guide policy and decision making for future management of the species.

To better implement the survey, 2021 was declared a close season for birds' eggs collection and a regulation to that effect came into force. An analysis of the collected data published in March 2022 showed that the Sooty Tern population had declined by 60 to 70 percent on average on all islands compared to the 1999 figures when the last census was undertaken. The last time IDC collected birds' eggs was in 2020 where a total of 880,000 eggs were harvested. Another census will be held in June 2022 and we sincerely hope that the situation will improve in the future.

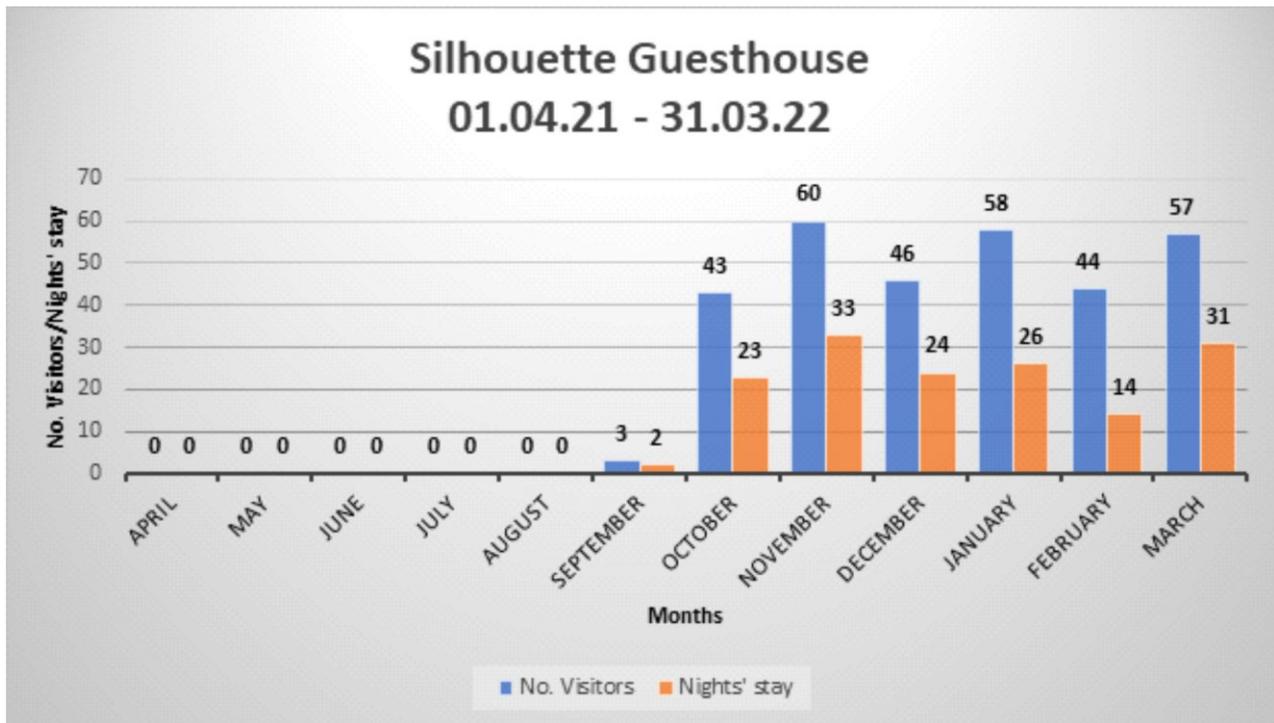
### Visiting Yachts and Cruise Ships 01.04.21 - 31.03.22



An increasing number of yachts visited the islands during 2021–2022, with Silhouette getting the most visits, as shown in the table above. On average, 6 to 7 yachts stopped at Silhouette every month during the last financial year. Nine cruise ships also called on various islands during the year.

The limited number of seats on the hotel flights have severely affected our ability to send Seychellois wanting to spend a few days in the IDC guesthouses on the outer islands. Because of the COVID pandemic, Desroches and Alphonse hotels have reduced the frequency of flights to the islands.

companies. After a USD 250,000 investment to improve the Company's IT infrastructure, I am pleased to announce that during the first quarter of 2023, we will be moving to our new premises at Ile du Port. This more modern and comfortable Head Office Complex will surely offer a better, more spacious and more



However, because of its proximity to Mahé and the availability of the scheduled ferry from Labriz Hotel, Seychellois could still enjoy their stay in the guesthouse on Silhouette from September 2021, when IDC got permission from the Public Health Authority to reopen the facility. On average, 44 people stayed in the guesthouse on Silhouette per month from September 2021 to March 2022.

All these achievements are due to the dedicated team of men and women in the IDC family. I am thankful to each and every one of them for their hard work which have contributed to the profitability of the group of

conducive work environment to everyone. And after that, the Aviation staff will also move into the new Aviation terminal.

I am also particularly grateful to the dedicated team of Directors for their wise counsel and support given to the Management team throughout this year.

Together we look forward to the 2022-2023 financial year with a lot of optimism as we chart another chapter in the development of the outer islands.

**Glenny Savy** , Chief Executive Officer



*The waters around the outer islands  
have witness several shipwrecks.  
Some of the remains are still  
visible at low tide.*





*The Gold-dust Gecko is found in the Farquhar group, northern Madagascar and in the Comoros. Farquhar lies 500 kilometres closer to Madagascar than to Mahé. This proximity may explain why it occurs in the Farquhar group and nowhere else in Seychelles.*

financial review

## Directors' Report

The Directors have the pleasure to present their report together with the audited financial statements of the Company and the group for the financial year ended 31st March 2022.

## Principal Activities

The principal activity of the Company during the financial year were the management of the outer islands and Silhouette as mandated by Government, the transportation related thereto and construction activities.

The Company is also actively engaged in promoting tourism and private investment, which has resulted in the Company engaging in the construction of resorts and villas on islands that it manages.

### The activities of its subsidiaries are:

- **Green Island Construction Company Ltd.**  
– Building contractor
- **Green Tree Investment Company Ltd.**  
– Developing, managing and leasing immovable properties

## Directors and their interest in the Company

The Directors of the Company since the date of the last report and the date of this report are:

- **Mr. G. Savy**
- **Mr. P. Lablache**
- **Mrs. S. Francis**
- **Mr. P. Berlouis**
- **Ms. A. Antat**
- **Mrs. A. Lebon**
- **Mr. W. Confait**
- **Mr. C. Lionnet**
- **Mr. D. Matatiken**

None of the Directors held an interest in the shares of the Company or its subsidiaries during the financial year.

## Statement of Directors' Responsibilities

The Directors are required to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss for the period. In preparing those accounts, the Directors are required to:

- prepare financial statements on a going concern basis unless it is inappropriate to assume continuance of business
- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent

- disclose and explain any material departures from applicable accounting standards

The Companies Act 1972 also requires the Directors to keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. They also have the general responsibility for taking reasonable steps to safeguard the assets of the Company and detect fraud and other irregularities.

## Auditors

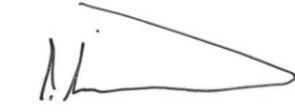
The retiring auditors are Pool & Patel, who are eligible for reappointment.



Patrick Berlouis



Glenný Sávy



Christian Lionnet



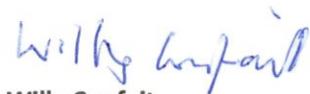
Sherin Francis



Patrick Lablache



Angele Lebon



Willy Confait



Angelique Antat



Denis Matatiken

## INDEPENDENT AUDITOR'S REPORT

### ISLANDS DEVELOPMENT COMPANY LIMITED AND SUBSIDIARIES

#### Opinion

We have audited the financial statements of Islands Development Company Limited on pages 6 to 23, which comprise the statement of financial position for the Parent Company and the Group as at 31 March 2022, the statement of income by nature and retained earnings and cash flow statement for the year then ended, a five year financial summary and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the Company and the Group as at 31 March 2022 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small Medium Enterprises (IFRS for SMEs) and requirements of the Seychelles Companies Act, 1972 and the Public Enterprise Monitoring Commission Act, 2013.

#### Basis for opinion

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

#### Emphasis of matter – Credit risk arising from associated company

We draw your attention to note 21 in respect of an unsecured debt of SCR 14.7m from an associated company, which is dependent on continued financial support of the company, and going concern of which is contingent on this support or its ability to become profitable in the future.

#### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards (IFRS for SMEs) and requirements of the Seychelles Companies Act, 1972 and Public Enterprise Monitoring Commission Act, 2013, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

#### Auditor's responsibilities for the audit of the financial statements

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

- 4 -

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**INDEPENDENT AUDITOR'S REPORT (cont...)**

**ISLANDS DEVELOPMENT COMPANY LIMITED AND SUBSIDIARIES**

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

ICAEW membership number of the engagement partner responsible for signing this independent auditors' report is 6813446.

*Pool . Patel*

**POOL & PATEL**  
**CHARTERED ACCOUNTANTS**  
20 June 2022

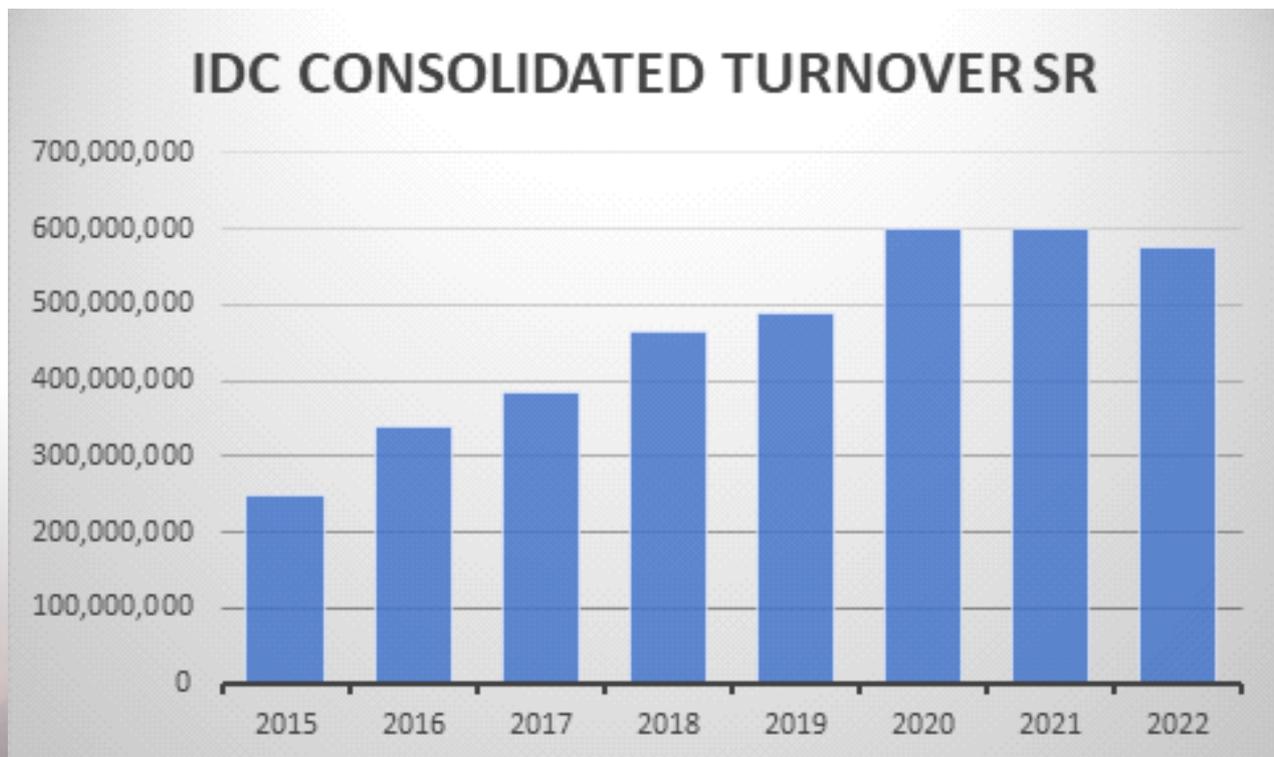
## Turnover

IDC recorded a turnover of SR 478 million, against a turnover of SR 288 million the previous year. This represents an increase of 65.9%.

GICC recorded a turnover of SR 98 million, against a turnover of SR 311 million, representing a decrease of 237%.

IDC and GICC therefore recorded a turnover of SR 576 million against last year's turnover of SR 599 million.

Year	Amount (SR)
<b>2015</b>	248,004,351
<b>2016</b>	339,597,329
<b>2017</b>	384,022,412
<b>2018</b>	463,913,482
<b>2019</b>	489,081,072
<b>2020</b>	600,029,074
<b>2021</b>	599,002,905
<b>2022</b>	576,479,686



## Profit before business tax

IDC recorded a profit of SR 26 million before business tax.

GICC's profit before business tax was SR 19 million and Green Tree's profit before business tax SR 8 million.

The consolidated profit came to SR 53 million before business tax and 36 million after business tax against last year's consolidated after tax profit of SR 2 million.

Year	Amount (SR)
2015	24 million
2016	25 million
2017	20 million
2018	33 million
2019	43 million
2020	26 million
2021	22 million
2022	53 million

## Consolidated Statement of Income

	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	31.03.2020	31.03.2021	31.03.2022
	(SR)							
REVENUE	248,004,351	339,597,329	384,022,412	463,913,482	489,081,072	600,029,074	599,002,905	576,479,686
% increase year on year		137%	113%	121%	105%	123%	100%	96%
DIRECT COSTS	149,356,945	227,951,176	252,230,160	316,361,548	280,727,346	395,627,833	376,564,016	341,787,823
OTHER GENERAL EXPENSES	68,985,975	87,281,782	107,159,171	107,653,871	154,943,059	168,993,093	180,412,077	203,165,861
OPERATING PROFIT	29,661,431	24,364,371	24,633,081	39,898,063	53,410,667	35,408,148	42,026,812	31,526,002
FINANCE INCOME	461,676	7,803,757	12,468,625	10,861,461	11,935,680	9,129,202	17,976,987	58,504,399
FINANCE COSTS	5,767,439	7,255,976	17,017,563	17,480,758	22,032,118	17,965,625	-38,248,421	-36,775,071
FINANCE NET	-5,305,763	547,781	-4,548,938	-6,619,297	-10,096,438	-8,836,423	-20,271,434	21,729,328
PROFIT BEFORE INCOME TAX	24,355,668	24,912,152	20,084,143	33,278,766	43,314,229	26,571,725	21,755,378	53,255,330
INCOME TAX EXPENSES	4,345,335	6,284,049	7,906,663	7,308,934	9,313,055	12,561,616	19,626,080	17,171,312
NET PROFIT FOR THE YEAR	20,010,333	18,628,103	12,177,480	25,969,832	34,001,174	14,010,109	2,129,298	36,084,018
RETAINED EARNINGS 31 MARCH	60,892,453	76,453,657	88,631,137	110,697,679	141,698,853	150,708,962	132,838,260	168,922,278
DIVIDEND	-3,000,000	-3,000,000	0	0	-3,000,000	5,000,000	20,000,000	20,000,000

## Consolidated Balance Sheet

	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	31.03.2020	31.03.2021	31.03.2022
	(SR)							
<b>Assets:</b>								
Property, Plant and equipment	88,708,338	92,789,672	78,992,038	157,697,344	232,033,423	215,437,812	298,120,396	291,040,959
Investments	50,237	3,951,527	3,956,126	4,599	4,599	4,599	4,599	4,599
Lendings	2,169,690	94,021,812	91,801,032	88,667,961	69,223,596	55,196,892	37,305,600	19,042,646
Due from related parties	16,156,853	12,335,014	14,022,034	17,215,045	13,856,481	22,854,468	22,872,883	14,736,039
Capital work in progress	51,227,671	3,825,177	44,214,381	81,351,479	62,453,126	102,662,600	6,205,921	30,852,695
Deferred income tax asset	873,181	1,534,267	1,980,081	2,158,760	7,089,667	7,988,421	13,310,517	6,474,296
<b>Non-Current Assets</b>	<b>159,185,970</b>	<b>208,457,469</b>	<b>234,965,692</b>	<b>347,095,188</b>	<b>384,660,892</b>	<b>404,144,792</b>	<b>377,819,916</b>	<b>362,151,234</b>
Lendings	0	2,206,466	11,541,238	16,190,560	13,132,291	15,563,203	17,552,846	18,046,643
Asset held for sale	0	0	0	0	0	0	0	2,845,407
Inventories	16,581,710	43,141,332	43,140,429	14,606,664	51,581,901	16,352,625	65,899,816	48,392,217
Taxation	1,939,363	0	2,070,386	749,032	0	0	0	0
Trade and other receivables	86,956,262	82,545,300	77,831,518	81,644,571	119,469,531	111,961,830	131,805,927	215,829,615
Cash and cash equivalent	31,737,242	128,249,508	78,117,184	94,657,190	89,555,744	41,868,496	61,540,987	42,332,589
<b>Current Assets</b>	<b>137,214,577</b>	<b>256,142,606</b>	<b>212,700,755</b>	<b>207,848,017</b>	<b>273,739,467</b>	<b>185,746,154</b>	<b>276,799,576</b>	<b>327,446,471</b>
<b>Total Assets</b>	<b>296,400,547</b>	<b>464,600,075</b>	<b>447,666,447</b>	<b>554,943,205</b>	<b>658,400,359</b>	<b>589,890,946</b>	<b>654,619,492</b>	<b>689,597,705</b>
<b>Liabilities:</b>								
Employee benefit obligations	2,416,288	2,251,120	3,586,202	3,628,991	3,447,295	4,436,556	5,107,191	5,775,120
Deferred tax liability	368,541	203,993	2,067,945	1,611,296	66,840	0	0	0
Borrowings	76,702,117	107,455,233	122,190,022	153,026,642	147,364,258	172,215,837	192,175,396	124,613,910
<b>Non- Current Liabilities</b>	<b>79,486,946</b>	<b>109,910,346</b>	<b>127,844,169</b>	<b>158,266,929</b>	<b>150,878,393</b>	<b>176,652,393</b>	<b>197,282,587</b>	<b>130,389,030</b>
Borrowings	25,492,146	33,922,263	66,605,523	97,254,554	123,425,974	51,366,612	59,223,475	68,423,299
Taxation		47,302			1,286,609	2,416,741	6,366,026	1,159,518
Trade and other payables	85,573,529	200,938,016	125,612,153	118,608,464	168,983,007	139,546,546	192,577,608	257,228,200
<b>Current Liabilities</b>	<b>111,065,675</b>	<b>234,907,581</b>	<b>192,217,676</b>	<b>215,863,018</b>	<b>293,695,590</b>	<b>193,329,899</b>	<b>258,167,109</b>	<b>326,811,017</b>
<b>Total Liabilities</b>	<b>190,552,621</b>	<b>344,817,927</b>	<b>320,061,845</b>	<b>374,129,947</b>	<b>444,573,983</b>	<b>369,982,292</b>	<b>455,449,696</b>	<b>457,200,047</b>
Share Capital	21,330,924	21,330,924	21,330,924	21,330,924	21,330,924	21,330,924	21,330,924	21,330,924
Retained earnings	60,892,453	76,520,556	88,631,137	110,697,679	141,698,853	150,708,962	132,838,260	168,922,278
Deferred Grants	23,624,549	21,930,668	17,642,541	48,784,655	50,796,599	47,868,768	45,000,612	42,144,456
<b>Equity</b>	<b>105,847,926</b>	<b>119,782,148</b>	<b>127,604,602</b>	<b>180,813,258</b>	<b>213,826,376</b>	<b>219,908,654</b>	<b>199,169,796</b>	<b>232,397,658</b>
<b>Total Liabilities and equity</b>	<b>296,400,547</b>	<b>464,600,075</b>	<b>447,666,447</b>	<b>554,943,205</b>	<b>658,400,359</b>	<b>589,890,946</b>	<b>654,619,492</b>	<b>689,597,705</b>

## Consolidated Fixed Assets Statement

	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	31.03.2020	31.03.2021	31.03.2022
	(SR)							
<b>Cost</b>								
Opening	190,155,352	223,996,904	244,439,996	242,430,679	337,174,977	435,612,241	448,931,515	547,430,987
Additions	33,841,552	20,443,092	10,685,807	94,744,298	99,587,991	13,952,176	118,636,500	39,584,433
Disposal		0	-12,695,122	0	-1,150,727	-632,901	-20,137,029	-21,347,738
<b>At 31 March</b>	<b>223,996,904</b>	<b>244,439,996</b>	<b>242,430,681</b>	<b>337,174,977</b>	<b>435,612,241</b>	<b>448,931,516</b>	<b>547,430,986</b>	<b>565,667,682</b>
<b>Accumulated Depreciation and impairment</b>								
Opening	121,798,482	135,288,566	151,650,324	163,438,641	179,477,633	203,578,818	233,493,704	249,310,590
Additions	13,490,084	16,361,758	18,601,815	16,038,992	25,251,912	30,547,788	30,965,325	39,975,306
Disposal		0	-6,813,497	0	-1,150,727	-632,902	-15,148,439	-14,659,173
<b>At 31 March</b>	<b>135,288,566</b>	<b>151,650,324</b>	<b>163,438,642</b>	<b>179,477,633</b>	<b>203,578,818</b>	<b>233,493,704</b>	<b>249,310,590</b>	<b>274,626,723</b>
<b>Carrying amount at 31 March</b>	<b>88,708,338</b>	<b>92,789,672</b>	<b>78,992,039</b>	<b>157,697,344</b>	<b>232,033,423</b>	<b>215,437,812</b>	<b>298,120,396</b>	<b>291,040,959</b>

## Consolidated Cash flow Statement

	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	31.03.2020	31.03.2021	31.03.2022
	(SR)	(SR)	(SR)	(SR)	(SR)	(SR)	(SR)	(SR)
Cash flows from operating activities	35,842,740	37,064,434	37,557,263	46,446,087	87,985,938	42,920,278	51,928,983	32,472,914
Changes in working capital	-10,320,249	95,306,070	-80,660,825	17,717,023	-24,425,654	13,300,513	18,414,163	27,762,010
Cash generated from/( utilised) in operations	25,522,491	132,370,504	-43,103,562	64,163,110	63,560,284	56,220,791	70,343,146	60,234,924
Net of Interest received and paid	-3,496,158	778,899	-2,884,064	-4,057,636	-7,364,048	-7,773,950	-6,098,978	-10,719,439
Net Cash from / ( used) in operating activities	22,026,333	133,149,403	-45,987,626	60,105,474	56,196,236	48,446,841	12,315,185	17,042,571
Cash flows from investing activities	-42,039,091	-72,589,248	-48,310,853	-131,921,811	-84,432,874	-33,865,846	-6,268,245	-29,801,636
Cashflow from financing activities	34,846,040	43,181,982	6,254,546	131,640,424	27,518,049	-72,802,529	5,069,294	11,777,381
Increase/(decrease) in cash and cash equivalents	14,833,282	103,742,137	-88,043,933	59,824,087	-718,589	-58,221,534	11,116,234	-981,684
Exchange losses on bank balances	449,113	-614,903	-1,299,785	-386,754	-2,013,702	-835,815	11,713,666	-24,493,215
Cash & cash equivalent at 1 April	-1,198,662	14,083,733	117,210,966	27,867,248	87,304,581	84,572,290	25,514,941	48,344,841
Cash & cash equivalent at 31 March	14,083,733	117,210,967	27,867,248	87,304,581	84,572,290	25,514,941	48,344,841	22,869,942

## Breakdown of Revenue

	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	31.03.2020	31.03.2021	31.03.2022
	(SR)							
Revenue	248,004,351	339,597,329	384,022,412	458,471,174	489,081,072	600,029,074	599,002,905	576,479,686
% Increase from 2015		37%	55%	85%	97%	142%	142%	97%
Construction Income- IDC	23,488,438	133,966,664	220,588,608	316,439,185	126,376,358	96,399,384	92,816,500	266,578,110
Inter company sales	0	0	0	32,390,000	0	0	0	0
Construction Income- GICC	131,257,597	137,851,697	116,430,504	111,614,686	178,602,489	327,881,190	311,551,789	92,219,105
Total construction income	154,746,035	271,818,361	337,019,112	395,663,871	304,978,847	424,280,574	404,368,289	358,797,215
Flight Income	55,905,498	52,488,110	37,960,455	52,634,824	91,613,461	93,705,269	32,194,064	81,036,248
Utility income	0	0	0	0	58,049,369	61,415,580	41,506,300	49,317,392
Other income	37,352,818	15,290,858	9,042,845	10,172,479	34,439,395	20,627,651	120,934,252	87,328,831
<b>Total income</b>	<b>248,004,351</b>	<b>339,597,329</b>	<b>384,022,412</b>	<b>458,471,174</b>	<b>489,081,072</b>	<b>600,029,074</b>	<b>599,002,905</b>	<b>576,479,686</b>

## VAT, Income Tax and Dividend

	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	31.03.2020	31.03.2021	31.03.2022	TOTAL
	(SR)								
INCOME TAX EXPENSES	2,242,979	2,673,226	1,511,499	2,531,445	6,460,031	2,602,575	2,558,519	9,778,753	30,359,027
CSR TAX	728,364	710,885	1,494,579	2,058,513	1,574,238	1,516,745	1,097,048	0	9,180,372
TOURISM AND MARKETING TAX	0	0	359,215	2,058,513	1,574,238	1,516,745	1,097,048	2,392,185	8,997,944
VAT	18,634,867	21,035,874	48,127,421	69,494,599	47,719,444	40,221,116	29,118,656	63,913,000	338,264,977
	<b>21,606,210</b>	<b>24,419,985</b>	<b>51,492,714</b>	<b>76,143,070</b>	<b>57,327,952</b>	<b>45,857,180</b>	<b>33,871,271</b>	<b>76,083,938</b>	<b>386,802,320</b>
<b>BY GICC:</b>									
	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	31.03.2020	31.03.2021	31.03.2022	TOTAL
	(SR)								
INCOME TAX EXPENSES	1,015,026	4,764,215	4,592,369	248,457	3,589,009	4,327,004	17,076,737	7,392,559	43,005,376
CSR TAX	654,452	691,793	580,937	556,437	1,005,175	1,782,069	1,559,412	0	6,830,275
TOURISM AND MARKETING TAX	0	0	75,318	556,437	1,005,175	1,782,069	1,559,412	492,699	5,471,110
VAT	26,481,336	24,924,110	16,357,108	12,224,331	3,999,352	2,864,762	3,393,004	11,450,528	101,694,531
	<b>28,150,814</b>	<b>30,380,118</b>	<b>21,605,732</b>	<b>13,585,662</b>	<b>9,598,711</b>	<b>10,755,904</b>	<b>23,588,565</b>	<b>19,335,786</b>	<b>157,001,292</b>

# Notes to the financial statements for the year ended 31st March 2022

## 1. Reporting entity

Islands Development Company Limited, wholly owned by the Seychelles Government, is incorporated and domiciled in Seychelles. The address of the company's registered office is New Port, Mahe, Seychelles.

The Company's principal activity is the management of the outer islands and Silhouette on behalf of the Seychelles Government, transportation thereto and construction activities.

The activities of the subsidiaries are:

- Green Island Construction Company Ltd - Building contractors
- Green Tree Investment Company Ltd - Developing, financing and managing immovable properties

## 2. Summary of significant accounting policies

The principal accounting policies applied in preparation of these financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

### 2.1 Basis of presentation

The statements of the group are prepared in accordance with the requirements of the Seychelles Companies Act, 1972 and the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs). They have been prepared under the historical cost convention.

The preparation of financial statements requires the use of certain accounting estimates. It also requires Management to exercise its judgement in the process of applying the group's accounting policies. The estimates and associated assumptions are based on historical experience and various

other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### New standards, amendments and interpretation adopted by the Company

The following amendments to the International Accounting Standards that are relevant for the preparation of the financial statements have been adopted by the Company for the first time with effect from the financial year beginning on 1st January 2020.

- IFRS 10 and IAS 28 – Sale or contribution of assets between investors and its associates or joint venture
- Amendment to IFRS 3 – Definition of a business
- Amendment to IAS 1 & 8 – Definition of materiality, presentation of financial statements, accounting policies and changes in estimates
- IFRS 7, 9 and IAS 39 – Interest rate benchmark reform
- IFRS 16 amendment – Covid-19-Related Rent Concessions

### New standards and amendments issued but not yet effective

- IAS 1 amendments on classification of liabilities as current or non-current
- Amendments to IAS 16 – Proceeds before intended use
- Annual Improvements to IFRS Standards 2018-2020

- Amendments to IAS 37 – Onerous contracts
- Amendment to IFRS 3 updating a reference to the Conceptual Framework
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform – Phase 2

The above standards have not, and are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

### **2.2 Going Concern**

The company's current liabilities exceed its current assets by SCR 23,171,028 of which SCR 16,093,813 is deferred revenue.

The financial statements have nevertheless been prepared on the basis of going concern on the assumption that the Company manages the risk through liquidity gap analysis and maturity profile of assets and liabilities and when necessary, by keeping credit lines available. If the Company ceased to be a going concern, provision would have to be made to reduce the values of its assets to their estimated recoverable amounts and provide for any further liabilities which may arise.

### **2.3 Basis of consolidation**

Subsidiaries are entities over which the group has the power to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanying a shareholding of more than half of the voting rights.

Where a subsidiary either began or ceased to be a subsidiary, the results are included only from the date the control commenced or up to the date the control ceased.

Inter-company transactions, balances and unrealised gains within the group, which are related parties, are eliminated in full.

### **2.4 Comparatives**

Where necessary comparatives figures have been adjusted to conform to changes in the current year.

### **2.5 Functional and reporting currency**

The financial statements are presented in the Seychelles Rupee, which is the reporting currency under the Companies Act, 1972.

### **2.6 Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest of levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

## 2.7 Financial instruments

The principal financial instruments used by the group, from which financial instrument risk arises, are as follows:

- Trade receivables
- Equity instruments
- Cash and cash equivalents
- Lendings
- Trade payables
- Loans and borrowings

### Financial Assets

Financial assets are classified into one of the categories discussed below, depending on the purpose for which the asset was acquired and contractual terms of cash flows:

#### ***Fair value through profit or loss (FVTPL)***

This category comprises only in-the-money derivatives. The group does not have any such assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

#### ***Fair value through other comprehensive income (FVOCI)***

These assets arise from strategic investments in listed and unlisted entities which are not accounted for as subsidiaries, associates or jointly controlled entities. The company holds no such investments.

#### ***Amortised cost***

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial instruments which require payments of contractual cash flows

and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method.

A financial asset is derecognised when the rights to receive cash flows has expired or rights to the asset have been transferred and the company has transferred all the risks and rewards of ownership.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks and with other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

#### **Trade and other receivables**

Trade receivables are amounts due from customers for construction completed, goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

### **Equity instruments**

Unlisted investments in subsidiaries or associates are carried at cost or the investments underlying value, if lower. Disposal gains or losses are included in the income statement.

Associates are entities over which the group has significant influence but not control, generally accompanying a shareholding between 15% and 50% of the voting rights.

As there are no published price quotations available for the group's associates, the group accounts for the investments at cost and its share of retained earnings in the associate.

### **Lendings**

Leadings are recognised initially at fair value, net of transaction costs incurred and are subsequently stated at amortised cost.

## **Financial Liabilities**

Financial liabilities are recognised at amortised cost, namely original debt less principal payments and amortisations. Financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

A financial liability is derecognised when the obligations under the liability are discharged, cancelled or expired.

### **Trade and other payables**

Trade payables are carried at the fair value of the consideration to be paid in future for goods or services that have been received or supplied and invoiced or formally agreed with the supplier. Other liabilities are stated at original debt less principal repayments and amortizations.

### **Loans and borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred and are subsequently stated at amortised cost.

Borrowings are classified as non-current liabilities if the borrowings are only repayable on the availability of net cash flows of the group and such availability is not anticipated for at least 12 months after the reporting date.

## **2.8 Financial risk management**

The group's activities expose it to risks that arise from its use of financial instruments. This note describes the objectives, policies and processes for managing those risks and the methods used to measure them.

The Directors have the overall responsibility for the determination of the risk management objectives and policies that seek to reduce risk as far as possible without unduly affecting the competitiveness and flexibility and, whilst retaining ultimate responsibility, it delegates



the authority for designing and operating processes that ensure their effective implementation.

There have been no substantive changes in the group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

## Credit Risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The group is mainly exposed to credit risk from credit sales, related party receivable and cash resources. It is the group's policy to seek advance payments and to assess the credit risk of new customers before entering into contracts or providing services. Cash deposits are held with banks with high credit ratings.

### ***Impairment and uncollectability of financial assets***

Impairment of financial assets are estimates based on an 'expected credit loss' (ECL) model. The impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. The group considers past events, current and future conditions that can affect recoverability

of cash flows when assessing ECL.

Whilst cash and cash equivalents are subject to impairment requirements, the identified impairment loss is considered immaterial.

The group has not experienced historical credit losses either from customers or related parties nor does it expect so in the near future, and therefore no provision has been made during the year.

To measure expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due. The expected losses are based on historical credit losses which are adjusted to reflect current and future economic factors which can affect the ability of customers to settle the receivables.

## Market Risks

### **Foreign currency risk**

Some of the group's receivables and payables are denominated in foreign currency. Consequently, the group is exposed to the risk that the exchange rate of the Seychelles rupee relative to the foreign currencies may change in a manner which has a material effect on the reported values of the Company's assets and liabilities denominated in foreign currency. The company mitigates the risk by seeking payments in foreign exchange from customers when possible.

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Board Secretary	Michael Govinden
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Principal place of Business	Latanier Road New Port Victoria Mahé Seychelles
Contact	Phone: (248) 4384640 Email: <a href="mailto:ceo@idc.sc">ceo@idc.sc</a>
Auditor	Pool & Patel, Chartered Accountants
Legal Advisors	Chetty & Chetty Chambers Law Chambers of Basil Hoareau
Bankers	Nouvobanq Seychelles Mauritius Commercial Bank (Seychelles) Ltd Seychelles Commercial Bank Al Salam Bank Seychelles

# corporate data



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