



ISLANDS DEVELOPMENT COMPANY LTD

Remire

ANNUAL REPORT

FOR THE FINANCIAL YEAR
ENDING 31st MARCH 2019

Coetivy

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INTRODUCTION

Islands Development Company Limited (IDC) was incorporated on 29th April 1980 and is wholly owned by the Seychelles Government through Société Seychelloise d'Investissement Ltd (SSI). The company is domiciled in the Seychelles and its principal activity is the management and development of 14 islands on behalf of the Seychelles Government - 13 of these islands are on lease from the Government and for the 14th one (Coetivy), IDC is only providing services.

During the financial year ending 31st March 2019, IDC owned one subsidiary company (Green Island Construction Company Ltd – GICC) and had interest in three associated companies (Paradise Marine Ltd, Green Tree Investment Company Ltd and Green Oak Investment Company Ltd respectively).

IDC operates its own aviation division to better service the islands and is also co-owner of the vessel Enterprise II under Paradise Marine.

It has twelve (12) departments, including IDC Aviation, in its organization structure and the company's financial year ends on 31st March of each year.

Mission

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

Vision:

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

Registered Office:

The company has its registered office at Latanier Road, New Port, Victoria, Mahe, Seychelles and other important information is as follows:

Postal Address:	P.O. Box- 638
Principal Place of business:	Latanier Road, New Port, Victoria, Mahe, Seychelles
Contact:	Phone: (248) 4384640 Email: ceo@idc.sc

Bankers	:	Nouvobanq Seychelles; Mauritius Commercial Bank (Seychelles) Ltd; Seychelles Commercial Bank
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Legal Advisors:	Mr. Francis Chang-Sam and Chetty & Hoareau Chambers
Auditor:	M/S Pool & Patel, Chartered Accountants

BOARD OF DIRECTORS

IDC is governed by a Board of Directors presently consisting of 8 members (all Seychellois) whose mandate is to provide policy, strategy directives and oversight of the company to achieve its business objectives and fulfil its corporate social responsibilities. The following Directors appointed in January 2017, held office as at **31st March 2019**:

<i>Mr Patrick Berlouis</i>	<i>Chairperson</i>	<i>Patrick Berlouis joined IDC as the new 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 with the Ministry of Education. He joined the private sector in 1994 and had the opportunity to work a few times as relief manager on Cousine Island while at Gondwana Enterprises. The robust and comprehensive rehabilitation and conservation programme on Cousine served to crystalize his views on the special importance of such islands in the country's effort in environmental protection as well as the need to take into account their fragility when any type development is planned. Mr Berlouis considers being on the IDC Board as an exceptional privilege.</i>
<i>Mr Glenn Savy</i>	<i>CEO/Director</i>	<i>Glenn Savy joined IDC in 1982, the year after he graduated in Social and Political Theory at Murdoch University in Australia, with majors in Economics. He holds a pilot license and is an experienced diver. He was re-appointed in December 2018 as the CEO of the company for a further period of 3 years.</i>
<i>Mr Patrick Lablache</i>	<i>Director</i>	<i>Patrick 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 a Special</i>

Advisor and Consultant for Reclamation Works at the Ministry of Habitat, Infrastructure and Land Transport. Mr Lablache is also one of the longest serving Trustees of the Seychelles Islands Foundation.

<i>Mr Willy Confait</i>	<i>Director</i>	<i>Willy Confait has had a long and distinguished career in the Public Service and the Public Sector from 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 the Chief Executive Officer of Seychelles Licensing Authority, Chief Executive Officer and then Advisor at the Seychelles Pension Fund. He served as Director on a number of private and public boards. He is currently a Member of the Constitutional Appointments Authority (CAA).</i>
<i>Mr. Alain Decommarmond</i>	<i>Director</i>	<i>Alain de Commarmond is the current Principal Secretary for Environment. He has worked with the Ministry of Environment, Energy and Climate Change over the past 18 years and has discharged various responsibilities in coastal management and adaptation, development control and Environmental Impact Assessment, disaster management, pollution control to climate change. He holds a degree in Environment Management from the University of Wolverhampton (UK).</i>
<i>Mrs Sherin Francis</i>	<i>Director</i>	<i>Sherin Francis holds a B.Sc degree in Economics and Business Studies from the University of Manchester and an M.Sc degree in Finance from the University of London International Programmes. She is the Chief Executive Officer of the Seychelles Tourism Board, since July 1, 2013.</i>

Mrs. Angele Lebon

Director

Angele Lebon is employed with the Ministry responsible for Finance as a Financial Controller and is seconded to the Seychelles Police Department. She is qualified in Accounting and Human Resources with extensive experience throughout the public service in Administration.

Ms. Angelique Antat

Director

Angelique 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 and was recently appointed as the Principal Secretary for the Department of Industry and Entrepreneurship Development.



Photo: Some members of the Board on a visit to Assomption Island in March 2018

SENIOR MANAGEMENT AS AT 31st March 2019:

NAME	POST	JOINED
Glenny Savy	Chief Executive Officer	1982
Veronique Herminie	Deputy Chief Executive Officer	2013
Anup Hari	Chief Finance Officer	2004
Lima Jarrymanana	Chief Accountant	1992
Darshana Liyanage	Finance Manager (GICC)	2015
Valerie Decommarmond	Administrative Manager – CEO’s Office	2003
Marcus Labrosse	General Manager Flight Operations	2000
Peter Suhmuller	Manager Aircraft Maintenance	1999
Louisa Victorine	Manager Ground Operations	2012
Moise Clerempuy	Quality Manager (Aviation)	2018
Dhanji Murji Hirani	Manager Construction	1995
Jacqueline Payet	Admin & Personnel Manager	2010
Barry Laurencine	Manager Warehouse	1988
Anand Kumar	Manager Purchasing and Stores	1991
Senthil Raju	Senior Software Analyst	2011
Dave Morel	Senior System Support officer	2010
Elvis Stravens	Manager Island & Shipping Operations	1991
Harry Jean-Louis	Manager Security (Aviation)	2012
Dr David Payet	Senior Medical Officer	2017
Michael Payet	PR & Communications Manager	2016
Vivianne Dubel	Client Services Manager (GICC)	2013
Captain Denys Sicobo	Captain of Entreprise 2 vessel	2015
Leroy Sopha	Workshop Manager	2018
Akash Hari	CAMO / AMO Manager	2018

CHAIRPERSON’S REPORT

31st March 2019 marks 27 months since the current Board of Directors of the Islands Development Company Ltd has been appointed.

Our journey during that period has been a remarkable one and all Board members have been impressed by the zeal with which all the staff and management throughout the 12 Departments of IDC have contributed to the success of the company over this period. This annual report truly reflects the incredible work undertaken and much more.

Indeed, it gives me great pleasure to announce that the 2018-2019 Financial Year has been the most successful year since the company started in 1980, with IDC showing an operating profit in excess of SR 50 million.

Commitment to the goals of the organisation and sheer hard work - That’s how it is done!

We have focused more attention during the last financial year in achieving the following five of our six strategic goals as outlined in the Outer Islands Development Plan 2018-2023:

- 1) Promote economic development of the islands;
- 2) Integrate environmental and sustainable principles in island development;
- 3) Promote cost efficiency, productivity, profitability, and quality to the highest possible standards;
- 4) Mitigate against natural disasters and climate change challenges; and
- 5) Develop a manpower plan for the islands

We have initiated the process for the **sixth** goal which is “Improve security on and around the islands” and this through our efforts in forging beneficial partnerships with other parties notably with the Seychelles Coastguard and the Anti-Narcotics Bureau which we expect will bring more added value to our operations. In combining our knowledge and experience with the technical expertise of others, be it in areas of security; maritime safety; environment protection and conservation; green energy and in the provision of certain specialised services, we can broaden our contribution towards the development of Seychelles.

April 2019 marks 39 years of IDC’s existence and over this period, we can proudly state that the company has contributed positively towards creation of wealth for its shareholder. As mentioned in the last annual report, the company has, since the financial year 2015, started paying dividends in addition to reinvesting its profits towards infrastructure development on the islands. We expect the same to apply for this financial year.

Eight of the islands in the group benefitted from some form of investment during the last financial year which has brought additional publicity and interest in the development of the islands.

I consider it a signal achievement that during the closing months of 2018, IDC established a permanent presence on two islands, one of which had been uninhabited many years. These were Cosmoledo in October and Providence in November. I have no doubt that our work there has already enhanced the security of the marine areas around these atolls and significantly reduced the slaughter of turtles on their beaches and lagoons. I am glad that we are doing our bit to eradicate this shameful practice and we hope to do even more in this area during the next financial year.

The company received more intense public scrutiny during this last year and reports in the media seemed to have been more high profile than usual. We have all been very open and transparent in reporting on all matters involving the company and more and more information on the company's operations is being shared with the general public. Traffic on our website has increased tremendously and our PR Department tries its best to keep it updated.

We certainly faced some challenges during the course of this financial year, the most significant by far being the tragic incident of the *Seahorse* during which four members of the crew lost their lives. This was a huge loss to the company, and its impact is still being felt today. The disappearance of our colleagues has indeed been a heavy weight to bear.

This incident nonetheless brought home the need to be more vigilant in our duties and responsibilities and be more conscious of every single aspect of our operations.

The Board of IDC has welcomed and will adopt the Corporate Governance framework being introduced for all public entities by PEMC as we believe that it should contribute towards improving the success and performance of the company in the long term, provided that we all receive the required support and preparation in its implementation. The financial year 2018-2019 saw the setting up of our first Board Committee, the Project Monitoring Committee, to help steer the implementation of the investment projects of the five year Development Plan.

The Board met on six occasions for scheduled Board meetings during the *calendar* year 2018 and the meetings have been open and very constructive with all Directors committed towards achieving the best results for the company.

As the Chairperson, I am excited in seeing the Third Outer Islands Development Plan 2018 – 2023 coming to fruition and we have much to look forward to. I made it my personal mission to see more Seychellois be given access to our islands and this will be my project for the coming financial year as we prepare to celebrate the 40th anniversary of the company's existence on 29th April 2020.

The required steps will be taken for some of the major investments expected during the next twenty-four (24) months on the islands of Platte, Remire, Poivre, Farquhar and Coetivy respectively.

I thus reiterate IDC's commitment towards the socio-economic development of Seychelles and take the opportunity to express our appreciation for the support received, and the positive contribution made by all our partners, members of staff and management towards our mission.



Patrick Berlouis - Chairperson
August 2019

Chief Executive Report:

It is a great pleasure to once again report on IDC's overall performance and this time covering the financial year ending 31st March 2019.

The focus for this particular financial year has been the improvement of the company's past financial performance and enhancing the quality standards which form a great part of our operations, as an organisation which has to comply with demanding high standards by external bodies. Both of these form part of our strategic goals set earlier in the financial year, as mentioned by the Chairperson in his report.

With the support of the Board of Directors, infrastructure on the islands and facilities on Mahe have been improved, upgraded, or rebuilt during the course of this last financial year. These include the airstrip on Providence and Astove respectively, the utility and sewage facilities on Desroches, power generation on Desnoeuf, installation of weather stations and communication equipment / towers on some distant locations, and all of these have been done with the express purpose of facilitating further economic development on our islands. In addition staff welfare facilities at our Head Office and also at Aviation Department have been refurbished for the benefit of our personnel.

Revenue generated by the company for the year 2018 – 2019 to support the above investments, has been primarily through the company's construction activities, increase in flights, and the guesthouse operations.

The highlights for financial year 2018-2019 have been summarised in photos on pages 25 to 28 and I hope that these bring further insights into the company's overall performance for the financial year. It would however be remiss of me if I do not elaborate on a few of these activities.

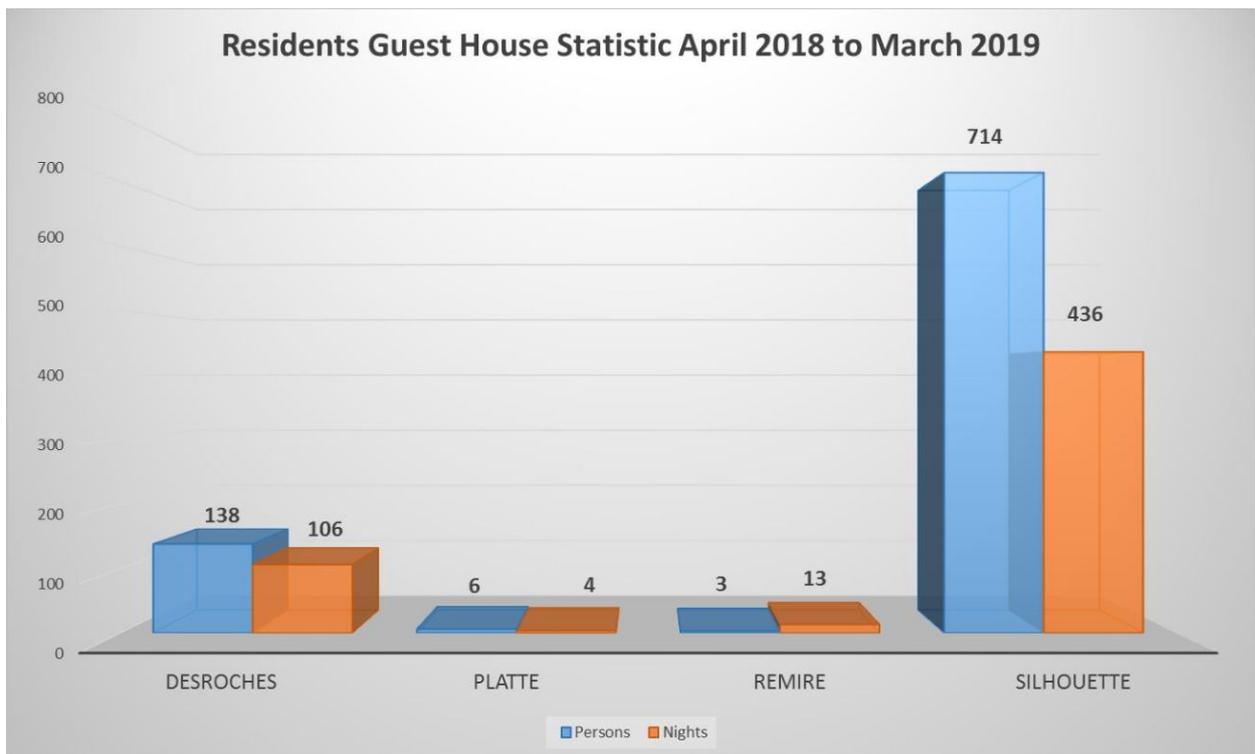
The introduction of alternative energy on our islands and in particular the installation of solar panels and batteries on the island of Alphonse, is part of our efforts to cut costs and reduce the amount of diesel fuel used to power electricity generators on the islands. The project will also contribute towards cutting our fossil fuel related emission and it forms part of our effort to combat climate change. It is our hope that we can extend these investments with similar arrangements as that of Alphonse through an Independent Power Producer (IPP) for the islands of Farquhar, Astove and Desroches respectively during the course of the financial year 2019-2020.

This investment is also part of our strategy to reduce our operating costs as we continuously identify opportunities for savings. The total fuel expenses for the period 1st April 2018 until 31st March 2019 stood at approximately SR.35 million which represented around 25 percent of the direct cost to our operations. This covers mainly fuel requirements for our vessels, aircraft operations and power generators on the islands.

The installation of a temporary fishing camp on Cosmoledo managed by Alphonse Island Lodge Ltd enables IDC to have a permanent presence on the island throughout the year to help curb the incidence of poaching and illegal activities taking place in the area. The facility has been built in such a way that it brings a “back to basics” blue safari experience to the fly fishing, diving and eco-orientated guests. In due course, a permanent eco-tourism facility will be built.

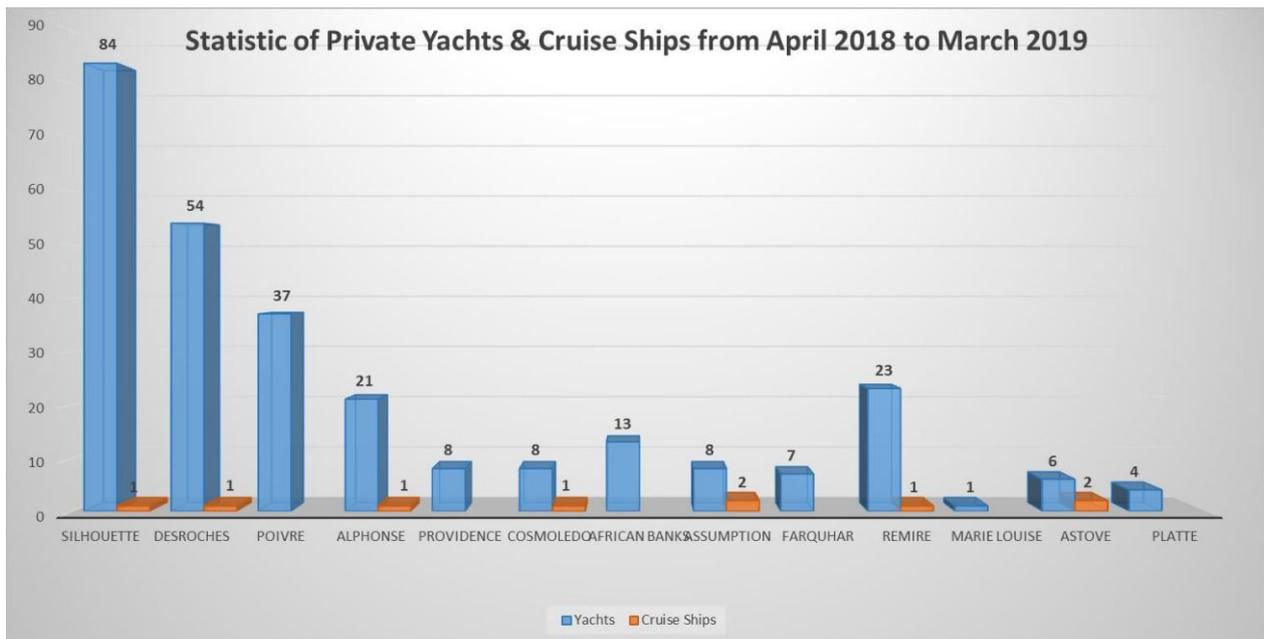
The renovation and extension of the 40 room hotel on Desroches Island is now being managed by Four Seasons. It is now the flagship project of the outer islands. Renovation and new works started during the financial year 2018-2019 on the hotel and villa facilities on Alphonse as well as the back of house facilities for Platte Island. It is expected that the construction work will commence for the actual hotel on Platte Island in the latter part of 2019.

We had an increase in the number of visitors to the islands including yachts and cruise ships. A total of 861 *local residents* visited and stayed in the IDC guesthouses on the islands of Silhouette, Desroches, Platte and Remire respectively. Silhouette being the island most visited probably due to its accessibility and affordability. A scheme is being put in place commencing September 2019 to further increase the number of Seychellois visitors to the outer islands including to the islands of Astove, Farquhar and Alphonse.



Graph: Showing resident statistics in IDC Guesthouses for the period 1st April 2018 to 31st March 2019

274 yachts and 9 cruise ships visited the IDC managed islands during the period 1st April 2018 to 31st March 2019 as per the graph below.



Graph: Showing private yachts & cruise ship arrivals on the islands for the period 1st April 2018 to 31st March 2019

We placed a great deal of attention throughout the financial year on environment conservation and management both through the work being done by Islands Conservation Society (ICS) on the islands and our own efforts. This in a bid to offer our visitors a pristine natural environment and the untouched tropical splendour they are seeking, as well as fulfilling our duty to preserve these magnificent places for future generations of Seychellois. The financial wellbeing of the outer islands will depend significantly on their environmental preservation.

March 2019 also saw IDC spearheading an interesting environmental project, with the objective of raising the consciousness of our population to the very harmful effects of throwing all manner of rubbish and unwanted material in the sea. In partnership with a local NGO “The Oceans Project Seychelles”, IDC launched the **Outer Islands Clean-up initiative** during that month, to address the impact and threat of marine debris on the beaches and coast lines of our islands. Around 40 volunteers from different walks of life travelled to eight (8) of the outer islands from the 18th to 31st March 2019 for this major clean-up exercise.

SEYCHELLES OUTER ISLANDS CLEAN-UP PROJECT 18th-31st March 2019 - 13 islands

10,627kg



The results of the exercise (10,627 kg of marine debris collected) brought home the need for us to be mindful and more conscious of the consequences of inadequate waste management as any rubbish not properly dealt with are swept out to sea to land on the shoreline elsewhere. A summary of the results of the clean-up exercise is in the diagrams below and above courtesy of “The Oceans Project Seychelles”:



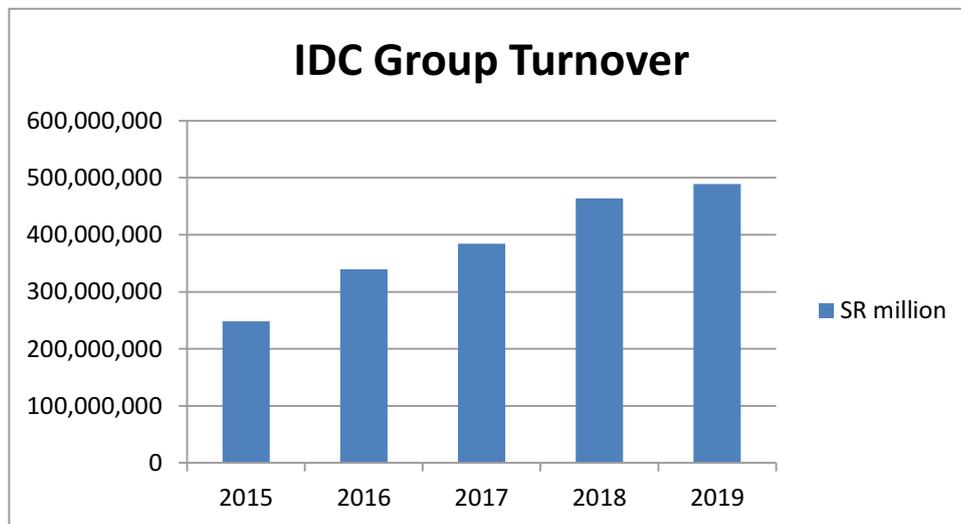
We saw the need to strengthen our quality standards in some areas of our operations and towards the end of 2018 we revisited the organisation structure at IDC Aviation to strengthen the Quality and Safety Management Departments. This significant development is in line with our plan to upgrade and standardise the aircraft fleet in the near future, to facilitate maintenance and ground operation functions.

The financial year 2018-2019 sadly witnessed some of the final steps in the winding down of the activities of the IDC subsidiary Green Island Construction Company Ltd (GICC). The Government settled the outstanding balances on the credit facilities taken by the investment arm of the company for the renovation works under BOT arrangements on the ex-Supreme Court Building (now the National History Museum) and the ex-Court of Appeal (now the Mayor’s office). The necessary legal instruments have been drafted and final legal steps are being taken to formally transfer these properties back to the Seychelles Government.

I have further outlined below the financial performance of the IDC group of companies in figures:

Financial Performance:

For the financial year ending 31st March 2019, the company achieved even better results with a record consolidated turnover of SR 489 million which represents an increase of 5.42 % over the same period ending 31st March 2018.



The increase in profitability (operating profit) compared to the same financial year was 33.8%. In addition during the financial year ending **31st March 2019**, the company generated cash flow from operations for an amount of SR 87.9 million, an increase of 145.8 % from the financial year ending **31st March 2015** (five years previously).

CONSOLIDATED STATEMENT OF INCOME:					
	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019
	(SR)	(SR)	(SR)	(SR)	(SR)
REVENUE	248,004,351	339,597,329	384,022,412	463,913,482	489,081,072
% increase from 2015		36%	54%	84%	97%
DIRECT COSTS	149,356,945	227,951,176	252,230,160	316,361,548	280,727,346
OTHER GENERAL EXPENSES	68,985,975	87,281,782	107,159,171	107,653,871	154,943,059
OPERATING PROFIT	29,661,431	24,364,371	24,633,081	39,898,063	53,410,667
FINANCE INCOME	461,676	7,803,757	12,468,625	10,861,461	11,935,680
FINANCE COSTS	5,767,439	7,255,976	17,017,563	17,480,758	22,032,118
FINANCE NET	-5,305,763	547,781	-4,548,938	-6,619,297	-10,096,438
PROFIT BEFORE INCOME TAX	24,355,668	24,912,152	20,084,143	33,278,766	43,314,229
INCOME TAX EXPENSES	4,345,335	6,284,049	7,906,663	7,308,934	9,313,055
NET PROFIT FOR THE YEAR	20,010,333	18,628,103	12,177,480	25,969,832	34,001,174
RETAINED EARNINGS 31 MARCH	60,892,453	76,453,657	88,631,137	110,697,679	141,698,853
DIVIDEND	-3,000,000	-3,000,000			-3,000,000

Taxation:

The Board and Management of IDC pride themselves on being responsible with regards to the contributions payable by the company to the Government of Seychelles through the various tax legislations in place. The consolidated statement for tax contributions to the Government is as shown below. A cumulative total amount of SR334.3 million has been paid in taxes for the twelve months ending 31st March 2019 by IDC and GICC as indicated in tables a) and b) below:

a) STATEMENT FOR TAX CONTRIBUTIONS TO GOVERNMENT OF SEYCHELLES – FOR IDC:

	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	TOTAL
	(SR)	(SR)	(SR)	(SR)	(SR)	
INCOME TAX EXPENSES	2,242,979	2,673,226	1,511,499	2,531,445	6,460,031	15,419,180
CSR TAX	728,364	710,885	1,494,579	2,058,513	1,574,238	6,566,579
TOURISM AND MARKETING TAX	0	0	359,215	2,058,513	1,574,238	3,991,966
VAT	18,634,867	21,035,874	48,127,421	69,494,599	47,719,444	205,012,205
	21,606,210	24,419,985	51,492,714	76,143,070	57,327,952	230,989,931

b) STATEMENT FOR TAX CONTRIBUTIONS TO GOVERNMENT OF SEYCHELLES – FOR GICC:

	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	TOTAL
	(SR)	(SR)	(SR)	(SR)	(SR)	
INCOME TAX EXPENSES	1,015,026	4,764,215	4,592,369	248,457	3,589,009	14,209,076
CSR TAX	654,452	691,793	580,937	556,437	1,005,175	3,488,794
TOURISM AND MARKETING TAX	0	0	75,318	556,437	1,005,175	1,636,930
VAT	26,481,336	24,924,110	16,357,108	12,224,331	3,999,352	83,986,237
	28,150,814	30,380,118	21,605,732	13,585,662	9,598,711	103,321,037

Debtors and debt recovery: The relationship the company enjoys with its clients made debt collection a painless process with debts currently not surpassing 30 days. The group's financial performance over the years has also enabled it to raise sufficient capital for asset re-investment of SR.99.5 million during the financial year ending 31st March 2019.

Corporate Social Responsibility: The group's CSR policy is largely focused on environmental protection and it supports the conservation efforts of the Islands Conservation Society (ICS) on the islands it manages. This has been the case since the introduction of the Corporate Social Responsibility Act in 2013. The total contribution IDC made to ICS conservation activities over the past three years for example have been as follows:

Financial year 2016/2017	SR.1,131,000
Financial year 2017/2018	SR.1,033,681
Financial year 2018/2019	SR.1,011,958

I would like to pay tribute to the dedicated team within the IDC group of companies for the success of our operations. IDC / GICC had on their payroll as at 31st March 2019 a total of 1065 employees spread on Mahé, Praslin and across the 14 islands under IDC management. Most of these employees form part of the construction team. Out of the 159 employees on the administrative and technical side 72 are women.

The number of women in management has also increased over the years and to date they represent 29.6 % of our management team. A total of 101 employees (representing 9.48%) of the entire workforce of 1065 have been with the company for over 10 years and they come from diverse backgrounds. This figure includes 35 employees who have spent 20 years of their working life with IDC.

Various incentives have been put in place as part of our staff welfare program to encourage our employees to grow with the company. We nonetheless still face a huge challenge in recruitment and staff retention for the outer islands.

As we implement our action plan for the upcoming financial year, there is no doubt that we will have to undertake additional recruitment especially in the more technical areas in order to deliver on our promises to Government and the people of Seychelles.

I take this opportunity to also thank the IDC Board of Directors for their dedication and continuous support. I look forward to the implementation of our planned activities for the financial year 2019-2020.



Glenn Savy - Chief Executive Officer
August 2019

Financial Review

Consolidated Balance Sheet:

CONSOLIDATED BALANCE SHEET:					
	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019
	(SR)	(SR)	(SR)	(SR)	(SR)
Assets:					
Property, Plant and equipment	88,708,338	92,789,672	78,992,038	157,697,344	232,033,423
Investments	50,237	3,951,527	3,956,126	4,599	4,599
Lendings	2,169,690	94,021,812	91,801,032	88,667,961	69,223,596
Due from related parties	16,156,853	12,335,014	14,022,034	17,215,045	13,856,481
Capital work in progress	51,227,671	3,825,177	44,214,381	81,351,479	62,453,126
Deferred income tax asset	873,181	1,534,267	1,980,081	2,158,760	7,089,667
Non-Current Assets	159,185,970	208,457,469	234,965,692	347,095,188	384,660,892
Lendings	0	2,206,466	11,541,238	16,190,560	13,132,291
Inventories	16,581,710	43,141,332	43,140,429	14,606,664	51,581,901
Taxation	1,939,363	0	2,070,386	749,032	0
Trade and other receivables	86,956,262	82,545,300	77,831,518	81,644,571	119,469,531
Cash and cash equivalent	31,737,242	128,249,508	78,117,184	94,657,190	89,555,744
Current Assets	137,214,577	256,142,606	212,700,755	207,848,017	273,739,467
Total Assets	296,400,547	464,600,075	447,666,447	554,943,205	658,400,359
Liabilities:					
Employee benefit obligations	2,416,288	2,251,120	3,586,202	3,628,991	3,447,295
Deferred tax liability	368,541	203,993	2,067,945	1,611,296	66,840
Borrowings	76,702,117	107,455,233	122,190,022	153,026,642	147,364,258
Non- Current Liabilities	79,486,946	109,910,346	127,844,169	158,266,929	150,878,393
Borrowings	25,492,146	33,922,263	66,605,523	97,254,554	123,425,974
Taxation		47,302			1,286,609
Trade and other payables	85,573,529	200,938,016	125,612,153	118,608,464	168,983,007
Current Liabilities	111,065,675	234,907,581	192,217,676	215,863,018	293,695,590
Total Liabilities	190,552,621	344,817,927	320,061,845	374,129,947	444,573,983
Share Capital	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
Deferred Grants	23,624,549	21,930,668	17,642,541	48,784,655	50,796,599
Equity	105,847,926	119,782,148	127,604,602	180,813,258	213,826,376
Total Liabilities and equity	296,400,547	464,600,075	447,666,447	554,943,205	658,400,359

Consolidated Fixed Assets Statement:

CONSOLIDATED FIXED ASSET DETAILS:					
	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019
	(SR)	(SR)	(SR)	(SR)	(SR)
Cost					
Opening	190,155,352	223,996,904	244,439,996	242,430,679	337,174,977
Additions	33,841,552	20,443,092	10,685,807	94,744,298	99,587,991
Disposal		0	-12,695,122	0	-1,150,727
At 31 March	223,996,904	244,439,996	242,430,681	337,174,977	435,612,241
Accumulated Depreciation and impairment					
Opening	121,798,482	135,288,566	151,650,324	163,438,641	179,477,633
Additions	13,490,084	16,361,758	18,601,815	16,038,992	25,251,912
Disposal		0	-6,813,497	0	-1,150,727
At 31 March	135,288,566	151,650,324	163,438,642	179,477,633	203,578,818
Carrying amount at 31 March	88,708,338	92,789,672	78,992,039	157,697,344	232,033,423

Consolidated Cash Flow Statement:

CONSOLIDATED CASHFLOW STATEMENT:					
	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019
	(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
Changes in working capital	-10,320,249	95,306,070	-80,660,825	17,717,023	-24,425,654
Cash generated from/(utilised) in operations	25,522,491	132,370,504	-43,103,562	64,163,110	63,560,284
Net of Interest received and paid	-3,496,158	778,899	-2,884,064	-4,057,636	-7,364,048
Net Cash from / (used) in operating activisites	22,026,333	133,149,403	-45,987,626	60,105,474	56,196,236
Cash flows from investing activities	-42,039,091	-72,589,248	-48,310,853	-131,921,811	-84,432,874
Cashflow from financing activities	34,846,040	43,181,982	6,254,546	131,640,424	27,518,049
Increase/(decrease) in cash and cash equivalent	14,833,282	103,742,137	-88,043,933	59,824,087	-718,589
Exchange losses on bank balances	449,113	-614,903	-1,299,785	-386,754	-2,013,702
Cash & cash equivalent at 1 April	-1,198,662	14,083,733	117,210,966	27,867,248	87,304,581
Cash & cash equivalent at 31 March	14,083,733	117,210,967	27,867,248	87,304,581	84,572,290

DIRECTORS' REPORT:



Sherin Francis – Director

"As a board member, I am very satisfied at the financial health of IDC as it has again been a profitable year for IDC. Supported by a very strong management team IDC has over the years implemented sound policies, strategies and strengthened their financial control and monitoring—results of which can be seen in its yearly performance. I believe it's a formula that other government entities should emulate."

"As a member of the IDC Board it has been an honour to see the company grow in its financial performance from year to year. Despite challenges, the determination of the IDC Board and Management to forge ahead with its plans of sustainable development on our outer islands is commendable, even more in ensuring the protection of the environment in all its activities. I am certain that IDC will continue to deliver successfully the long-term objectives of the company and shall be a model of efficiency and transparency for other public enterprises"



Angele Lebon – Director



Angelique Antat – Director

"IDC's increase in profitability establishes a robust path for where the company is heading. I am extremely proud of the hard work and devotion of the IDC team for yielding such remarkable performance over the years. As the Principal Secretary for Industry and Entrepreneurship Development, I am particularly attentive when it comes to investment opportunities for our Seychellois businesses. I wish to reiterate the statement of the Chair which is "giving our Seychellois a chance to participate in IDC development". IDC has managed to champion the balance between conservation and development therefore I am convinced that with comprehensive and collective involvement, IDC would not only surpass its previous financial performance but contribute greatly to a sustainable economic growth."



Willy Confait – Director

“Despite the difficult operating conditions the Company’s strength including in brand portfolio management along with proactive planning and thinking, committed to delivering superior value to consumers and its shareholder has continued to make remarkable progress with an impressive financial profit performance. The company can look to the future with conviction to successfully implement its development plan for the outer islands in the pursuit of its vision to transform the outer islands into a more productive and economically sustainable environment to make the Seychelles a better place”

“ Another positive year financially for the company, but also positive progress in projects and activities related to biodiversity conservation as well as renewable energy to ensure that the biodiversity of the islands continue to be protected to the maximum at the same time ensuring that development is done in a sustainable manner”



Alain Decommarmond – Director



Patrick Lablache – Director

“I am proud to have been associated with IDC and the development of our outer islands. Much has been achieved in the economic, financial, social and environmental areas in the recent years. Development of the outer islands has taken off at such an unprecedented pace, that this has now become an important contributor to employment and GDP, albeit not to the detriment of the fragile eco-systems of these islands. Conservation of the unique biodiversity of the islands and their environmental sustainability continue to remain at the forefront of every development project implemented on these islands. Profitability of the Company continues to grow annually and with it the increasing likelihood of IDC remaining the trusted guardian of one of the world ‘s treasures for future generations to cherish and enjoy.”

DIRECTORS' REPORT - STATEMENT ON CORPORATE GOVERNANCE

Corporate governance relates to the role and responsibilities of directors charged by shareholders with taking proper strategic decisions to be implemented by Management. Directors have the further duty to ensure that their decisions establish and maintain sound relationships with all the stakeholders of the enterprise. IDC is guided by the above principles and is fully committed to comply with the Code of Corporate Governance for Seychelles.

BOARD MEETINGS

The Company has a unitary Board consisting eight (8) directors. The Board has the ultimate responsibility for corporate policy and strategy and effectively leads and controls the company. Board meetings are held regularly and whenever the board needs to consider and decide on important issues relating to the company's business. Furthermore the directors may from time to time, between meetings, take decisions by resolutions in writing in accordance with the company's constitution. Such written resolutions are circulated in the next meeting for confirmation. Board meetings are at times attended by the senior managers who report on the operations.

The board also reviews and approves the company's plan, budget and capital expenditure. It also examines and approves the audited financial statements.

STATEMENT OF DIRECTORS RESPONSIBILITIES in matters of Financial Statement

Company law requires the Directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance, changes in equity, and cash flows of the company. In preparing the financial statements, the Directors are required to:

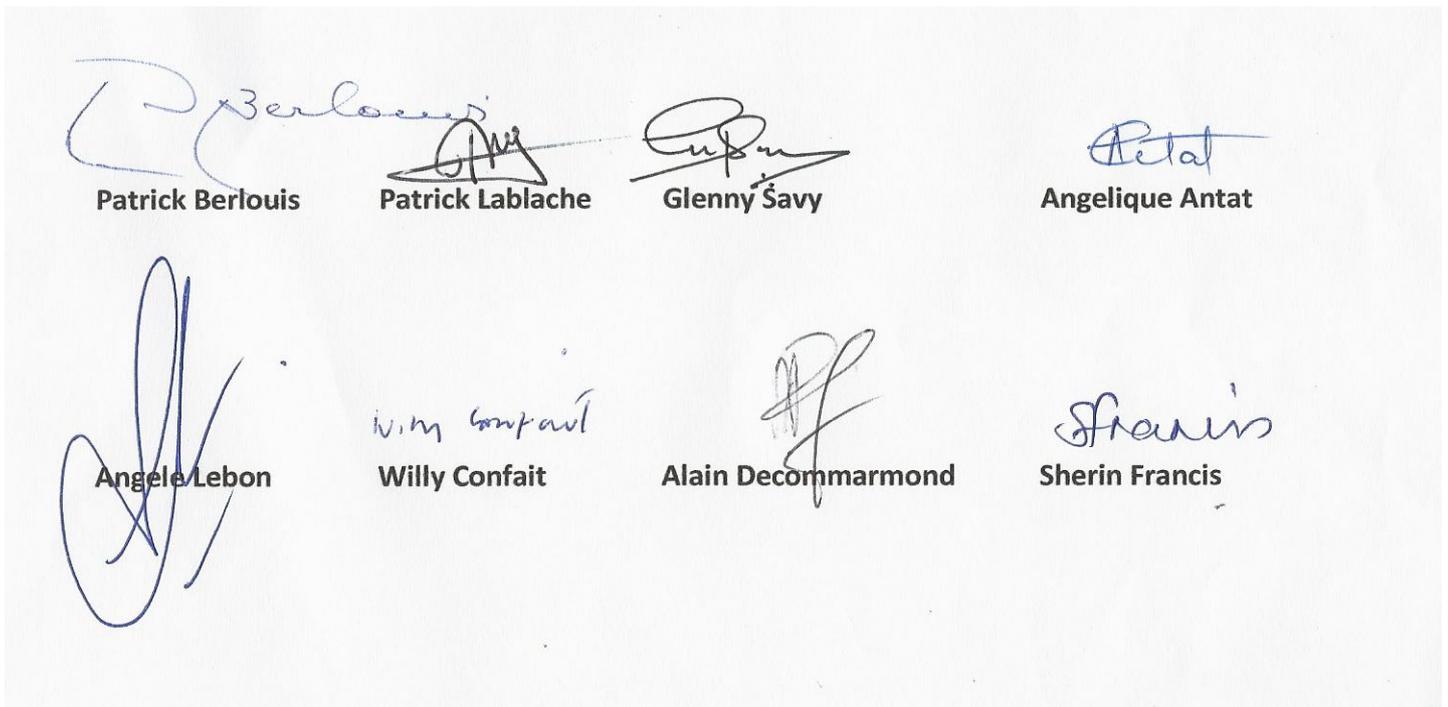
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the notes to financial statements; and
- Prepare the financial statements on an ongoing concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements of the company. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies act of 1972.

The Directors are also responsible for safeguarding the assets of the company and hence for the implementation and operation of accounting and internal control systems that are designed to prevent and detect fraud and errors and of an effective risk management system. This is achieved through the Internal Audit Department, headed by the Audit and Systems Manager and assisted by internal Audit assistants.

The Internal Auditors work according to an Internal Audit Plan which aims at covering over a period of time all operations of the company by effecting regular visits on islands verifying that management controls and procedures are in place and followed and providing corrective actions and measures where weaknesses are detected. The Internal Auditors write a report on their investigations, findings and recommendations after each visit.

The company's Statutory Auditor M/S Pool & Patel have full and free access to the Board of Directors and discuss the audit and matters arising therefrom, such as their observations on fairness of financial reporting and the adequacy of internal controls.





Independent Auditor's Report

We have audited the financial statements of the Islands Development Company Limited which include the Consolidated Statement of Income, the Consolidated Statement of Tax Contributions, the Consolidated Balance Sheet, the Consolidated Fixed Assets Statement and the Consolidated Cash Flow Statement as summarised in the tables on pages 16 to 17 and as outlined in the CEO's report from pages 13 to 15 respectively for the financial year ending 31st March 2019.

Our audit of the company also comprised the balance sheet of the Parent Company and the Group, the income statements, the applicable accounting policies and other explanatory information provided for the financial year ending 31st March 2019.

Management's Responsibility for the Financial Statements

Management is responsible for keeping proper accounting records and for the preparation of financial statements that give a true and fair view of the company's affairs in accordance with the financial reporting provisions of the Seychelles Companies Act 1972, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

We have no relation with or material interest in the Company (or any of its subsidiaries), other than in our capacities as auditors, tax and business advisors and arm's length dealings with the company in the ordinary course of business.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and that these are in accordance with the accounting records maintained by the management. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the financial statements.

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Opinion

In our opinion, the accompanying financial statements and related figures of Islands Development Company Limited as set out in this report gives a true and fair view of the financial position and overall performance of the Parent Company and the Group during the afore mentioned period.

Its financial performance and its cash flows for the year then ended are in accordance with the financial reporting provisions of the Seychelles Companies Act 1972.

Pool. Patel

Pool & Patel

August 2019



2018 to 2019 Highlights for IDC:



The opening of the Cosmoledo fishing camp in **November 2018** helps bring sustainable hospitality to nature. The eco-lodge comprises eight repurposed 40 foot shipping containers redesigned and transformed into accommodations for guests. The interior of each of the eight lodges, designed to minimise environmental impact, were made using local woods and painted with neutral colours ensuring that each pod blends with the sand, palm trees and shrubs. An additional 13 such containers have been transformed for the back of house facilities.



Alphonse Island is now completely powered by the largest photovoltaic farm in Seychelles producing around 800 kilowatts of electricity per day and the plant was commissioned in **November 2018** in the presence of President Danny Faure. 2,220 dual glass high-efficiency solar panels have been installed on 0.7 hectares of land to produce electricity for the whole island.

In **March 2019**, GICC through its subsidiaries Green Tree Investment Company Ltd and Green Oak Investment Company Ltd respectively handed over two of the buildings it financed through BOT and PPP arrangements with Government. One of these the ex-Supreme Court Building





The final finishing touches are being done to the interior of the 19 units of the luxury Condominium block at Ile Perseverance so they can be placed on the market as from the beginning of the financial year 2019-2020. The units are quite stylish and have been tastefully done using the GICC blend of workmanship. Potential owners can be natural persons (including non-Seychellois) or a Seychelles incorporated entity. Contact condo@gicc.sc



Work on the new 1300m concrete airstrip has been completed on Providence Island end of **March 2019** and IDC will now move to set up the village for its staff and prepare for a tourism development project. A presence is definitely required on this island as it was, until very recently, a haunt for poachers and the atoll was also probably used as a transit point for illicit drugs.

STAFF WELFARE AND SOCIAL ACTIVITIES HIG HLIGHTS FOR APRIL 2018 – MARCH 2019

As part of its staff welfare program, IDC organised in partnership with the Seychelles Pension Fund a presentation in **May 2018** at the STC Conference Centre for employees interested in starting to plan their retirement. A follow up ‘clinic’ for those wishing to have a one on one consultation on their pension contributions was held thereafter.



‘Safety to Fire Fighting’ training for GICC staff conducted in **November 2018** by trainers from the Seychelles Fire Service preparing the team in case of an emergency.



Relatives of the 3 Seychellois crew members lost at sea following the incident on the Sea Horse vessel in August 2018, joined hands in prayer during a special ceremony organised for them on Coetivy on **13th January 2019**.

Presentation of awards to thank the group of volunteers who participated in the clean-up on the beaches of the outer islands in **March 2019**. Photo souvenir with the President and Vice President for some members and partners who assisted on Coetivy Island





Photo: Sports Day on Silhouette for IDC & Hilton employees (May 2018)



Photo: Performance Management Training for the Management Team (May 2018)



Photo: Monthly Birthday gatherings for the IDC / GICC employees



Photo: IDC Social Committee enjoying a special outing after a year's hard work



Providence



Assomption



Farquhar



Poivre



Desroches



Desnoeufs