



**GICC**  
Green Island Construction Company  
*Quality on time*

**DIRECTORS REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**



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# GREEN ISLAND CONSTRUCTION COMPANY LIMITED

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2023

The directors present herewith their report and audited financial statements of the company for the year ended 31 March 2023.

### *Activities*

The company carries on the business of a building contractor.

### *Results*

As shown in the statement of income on page 6, operating activities for the current year give the company a profit of SCR 30,098,788 (2022 - profit of SCR12,549,754) after taxation.

### *Application of profits and revenue reserves*

The results for the current year and revenue reserves from prior year give the company SCR 50,085,552 (2022 - SCR 19,986,764) available for distribution.

The directors do not propose to distribute a dividend for the year (2022 - Nil).

### *Fixed assets*

Major changes to fixed assets during the year relates to acquisition of excavators, tele handler, concrete mixers, crane and tractors for SCR 15,036,124, purchase of 3 motor vehicle for SCR 2,085,840 and purchase of office, computer and electrical equipment for SCR 591,146.

The carrying amounts of property, plant and equipment are reviewed to determine whether they are in excess of their market or recoverable amount at balance sheet date. If the carrying amount exceeds the recoverable amount, the asset is written down to the lower amount.

### *Directors and their interest in the company*

The directors of the company during the year and their interests in accordance with the register maintained under Section 111 of the Companies Act 1972, were as follows:-

	SHARES HELD	
	1 April	31 March
Mr. G.M. 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	-	-

All the directors of the company are citizens of Seychelles.

Mr. P. Berlouis and Ms. A. Antat retire from the board in accordance with Articles of Association and being eligible offer themselves for re-election.

No contract of significance subsisted with the company at any time during the year in which the directors had directly or indirectly, a material interest.

### *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:-

# GREEN ISLAND CONSTRUCTION COMPANY LIMITED

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2023

### Statement of directors responsibilities (cont...)

prepare financial statements on the going concern basis unless it is inappropriate to assume continuance of business;

select suitable accounting policies and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

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.

The directors consider they have met their responsibilities as set out in the Companies Act 1972.


### Auditors

The retiring auditors are Pool & Patel who are eligible for re-appointment.

### Directors



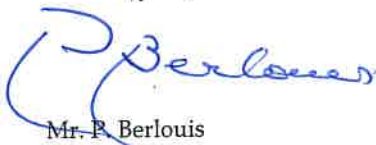
Mr. G.M. Savy



Mr. P. Lablache



Mrs. S. Francis



Mr. P. Berlouis



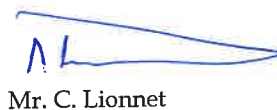
Ms. A. Antat



Mrs. A. Lebon



Mr. W. Confait



Mr. C. Lionnet



Mr. D. Matatiken

12 June 2023



**INDEPENDENT AUDITOR'S REPORT**

**GREEN ISLAND CONSTRUCTION COMPANY LIMITED**

**Opinion**

We have audited the financial statements of Green Island Construction Company Limited set out on pages 5 to 16 which comprise the statement of financial position as at 31 March 2023, the statement of income, 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 as 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium sized Entities (IFRS for SME) and requirements of the Seychelles Companies Act, 1972.

**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 company 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.

In common with businesses of similar size and organization, the company's system of control is dependent upon the close involvement of management. Where independent confirmation of the completeness of the accounting records was not available, we have accepted assurances from the management that their representations and the company's records accurately reflect all the transactions undertaken during the year.

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

**Responsibilities of Directors 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 for Small and Medium-sized Entities (IFRS for SME's) and requirements 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.

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.

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

### GREEN ISLAND CONSTRUCTION COMPANY LIMITED

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  
12<sup>th</sup> June 2023

# GREEN ISLAND CONSTRUCTION COMPANY LIMITED

## Statement of financial position


Financial statements are prepared in Seychelles Rupees.

	Note	At 31 March	
		2023	2022
<b>Assets</b>			
Property, plant and equipment	14	20,582,246	10,002,790
Investment	7	100,000	100,000
Deferred income tax asset	9	2,405,254	2,188,821
<b>Non-current assets</b>		<b>23,087,500</b>	<b>12,291,611</b>
Inventories	11	3,810,792	9,495,649
Trade and other receivables	13	168,776,635	128,973,728
Cash and cash equivalent		22,600,550	19,292,593
<b>Current assets</b>		<b>195,187,977</b>	<b>157,761,970</b>
<b>Total assets</b>		<b>218,275,477</b>	<b>170,053,581</b>
<b>Liabilities</b>			
Employee benefit obligations	12	635,679	411,586
<b>Non-current liabilities</b>		<b>635,679</b>	<b>411,586</b>
Taxation	9	5,340,288	4,159,518
Borrowings	16	43,797,907	-
Trade and other payables	15	118,316,051	145,395,713
<b>Current liabilities</b>		<b>167,454,246</b>	<b>149,555,231</b>
<b>Total liabilities</b>		<b>168,089,925</b>	<b>149,966,817</b>
Share capital	10	100,000	100,000
Retained earnings		50,085,552	19,986,764
<b>Equity</b>		<b>50,185,552</b>	<b>20,086,764</b>
<b>Total liabilities and equity</b>		<b>218,275,477</b>	<b>170,053,581</b>


The notes on pages 9 to 16 are an integral part of these financial statements.

### Directors


  
Mr. G.M. Favy

  
Mr. P. Lablache

  
Mrs. S. Francis

  
Mr. P. Berlouis

  
Ms. A. Antat

  
Mrs. A. Lebon

  
Mr. W. Confait

  
Mr. C. Lionnet

  
Mr. D. Matatiken

12 June 2023

## GREEN ISLAND CONSTRUCTION COMPANY LIMITED

### Statement of income - by nature of expense and retained earnings

Financial statements are prepared in Seychelles Rupees

	Note	Year ended 31 March	
		2023	2022
Construction income		482,632,396	98,374,797
Direct outgoings	3	(393,147,286)	(43,603,033)
Gross profit		89,485,111	54,771,764
Sundry income		800,703	115,549
Administrative salaries and benefits expense	5	(14,205,160)	(18,533,719)
Camp running expenses		(12,160,061)	(4,188,585)
Depreciation	14	(7,133,655)	(5,016,504)
Exchange (losses)/gain		(147,493)	3,920,926
License & insurance		(570,194)	(601,442)
Rent		(1,974,850)	(986,252)
Subscription & donations		(1,258,411)	(19,824)
Utilities		(2,732,704)	(2,260,811)
Vehicle expenses		(5,329,170)	(5,402,382)
Other expenses	4	(999,602)	(942,728)
<b>Operating profit</b>		<b>43,774,514</b>	<b>20,855,992</b>
<b>Finance costs</b>	6	<b>(1,286,607)</b>	<b>(913,679)</b>
<b>Profit before income tax</b>		<b>42,487,907</b>	<b>19,942,313</b>
Income tax expense	9	(12,389,119)	(7,392,559)
<b>Profit for the year</b>		<b>30,098,788</b>	<b>12,549,754</b>
Dividends		-	-
		30,098,788	12,549,754
Retained earnings 1 April		19,986,764	7,437,010
<b>Retained earnings 31 March</b>		<b>50,085,552</b>	<b>19,986,764</b>

The notes on pages 9 to 16 are an integral part of these financial statements.



# GREEN ISLAND CONSTRUCTION COMPANY LIMITED

## Cash flow statement

Financial statements are prepared in Seychelles Rupees.

	Note	As at 31 March	
		2023	2022
<b>Net cash inflow from operating activities</b>			
Operating profit		42,487,907	19,942,313
Taxation paid	9	(11,424,781)	(7,622,422)
Depreciation	14	7,133,655	5,016,504
Changes in compensation liability	12	224,093	58,645
Finance cost	6	1,286,607	913,679
		<b>39,707,481</b>	<b>18,308,719</b>
<b>Changes in working capital</b>			
Decrease/(increase) in inventories	11	5,684,857	(5,927,973)
Increase in credit given and prepaid services	13	(39,802,908)	(43,928,421)
Decrease/(increase) in deposits against future works	15	(51,934,827)	95,789,965
Increase/(decrease) in creditors	15	24,855,164	(36,683,115)
		<b>(21,490,233)</b>	<b>27,559,175</b>
<b>Cash generated from/(used in) operations</b>			
Interest paid	6	(690,411)	(780,202)
		<b>(22,180,644)</b>	<b>26,778,973</b>
<b>Net cash generated from/(used in) operating activities</b>			
<b>Cash flows from investing activities</b>			
Payments to acquire fixed assets	14	(17,713,110)	(3,336,649)
		<b>(17,713,110)</b>	<b>(3,336,649)</b>
<b>Net cash used in investing activities</b>			
<b>Cash flows from financing activities</b>			
Dividend paid		-	-
		<b>-</b>	<b>-</b>
<b>Net cash used in financing activities</b>			
		<b>(39,893,754)</b>	<b>23,442,324</b>
<b>Increase/(decrease) in cash and cash equivalents</b>			
Cash & cash equivalents 1 April		19,292,593	(4,016,254)
Exchange adjustments on cash & cash equivalent	6	(596,196)	(133,477)
		<b>(21,197,357)</b>	<b>19,292,593</b>
<b>Cash &amp; cash equivalents 31 March</b>			
Cash in hand and banks		22,600,550	19,292,593
Bank overdrafts		(43,797,907)	-
		<b>(21,197,357)</b>	<b>19,292,593</b>
<b>Cash &amp; cash equivalents 31 March</b>			

# GREEN ISLAND CONSTRUCTION COMPANY LIMITED

Five Year Financial Summary - 31 March  
Prepared in Seychelles Rupees

	2023	2022	2021	2020	2019
	SCR '000				
<b>Statement of financial position</b>					
Share capital					
Authorised	100	100	100	100	100
Issued and fully paid	100	100	100	100	100
Retained earnings	50,086	19,987	7,437	30,758	24,870
Borrowings	43,798	-	6,788	27,375	62,656
Net assets employed	93,984	20,087	14,325	58,233	87,626
<b>Statement of income</b>					
Turnover	482,632	98,374	311,552	356,414	211,909
Profit before taxation	42,488	19,942	56,537	13,196	11,025
Taxation	(12,389)	(7,392)	(19,858)	(7,308)	(5,550)
	30,099	12,550	36,679	5,888	5,475
Dividends	-	-	(60,000)	-	-
	30,099	12,550	(23,321)	5,888	5,475
Retained earnings - 1 April	19,987	7,437	30,758	24,870	19,395
Retained earnings - 31 March	50,086	19,987	7,437	30,758	24,870

# GREEN ISLAND CONSTRUCTION COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Financial statements are prepared in Seychelles Rupees

### 1 Reporting entity

Green Island Construction is a limited liability company incorporated and domiciled in the Seychelles. The address of the company's registered office is Maison La Rosiere, Mahe, Seychelles.

The company carries on the business of building contractor.

### 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 applied consistently to all the years presented, unless otherwise stated.

#### 2.1 Basis of presentation

The statements of Green Island Construction Limited are prepared in accordance with the requirements of the Seychelles Companies Act, 1972 and the International Financial Reporting Standard for Small and Medium sizes Entities (IFRS for SME's). They have been prepared under the historical cost convention.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.9 (Significant accounting judgements and estimates.) 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 estimate is 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.

#### 2.2 Consolidation

In accordance with section 143 (2)a of the Companies Act, 1972, group accounts have not been prepared as the company is a wholly owned subsidiary of another company incorporated in the Seychelles.

#### 2.3 Financial instruments

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

- Trade receivables
- Cash and cash equivalents
- Trade payables
- 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 company 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.

The financial asset is derecognized when the rights to receive cash flows has expired or rights 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, cash held with banks and bank overdrafts.

## GREEN ISLAND CONSTRUCTION COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Financial statements are prepared in Seychelles Rupees

## 2 Summary of significant accounting policies (cont...)

### 2.3 Financial instruments (cont...)

#### *Trade and other receivables*

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 60 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.

#### 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 obligation 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.

#### *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 company and such availability is not anticipated for at least 12 months after the reporting date.

### 2.4 Financial risk management

The company'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 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 to the finance function.

There have been no substantive changes in the company'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 company is mainly exposed to credit risk from services provided on credit. It is the company's policy, implemented locally, to assess the credit risk of new customers before entering contracts and seek advance payments.

#### Impairment and uncollectibility 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. The company considers past events, current and future conditions that can affect recoverability of cashflows when assessing ECL.

Whilst cash and cash equivalents are subject to impairment requirements of IFRS 9, the identified impairment loss is considered immaterial.

The company enjoys contractors lien, giving it security interest in property until paid for work done on that property and therefore, no provision has been made for construction receivables.

#### Market risks

##### *Cash flow and fair value interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The company's interest risk would arise from long term borrowings. Borrowings issued at variable rates exposes the company to cash flow interest rate risk. Borrowings issued at fixed rates expose the company to fair value interest rate risk.

# GREEN ISLAND CONSTRUCTION COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Financial statements are prepared in Seychelles Rupees

### 2 Summary of significant accounting policies (cont...)

#### 2.4 Financial risk management (cont...)

##### Foreign exchange risk

Some of the company's receivables and payables are denominated in foreign currency. Consequently the company 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.

	In SCR				Total
	SCR	USD	Euro	Others	
<b>Assets (net of credit impairment)</b>					
Cash & cash equivalents	46,000	22,540,950	13,600	-	22,600,550
Trade & other receivables	65,449,823	67,718,847	22,424,115	13,183,850	168,776,635
	<b>65,495,823</b>	<b>90,259,797</b>	<b>22,437,715</b>	<b>13,183,850</b>	<b>191,377,185</b>
<b>Liabilities</b>					
Employee benefit obligations	635,679	-	-	-	635,679
Taxation	5,340,288	-	-	-	5,340,288
Trade & other payables	19,649,107	82,959,688	11,840,383	3,866,873	118,316,051
Borrowings	25,539,991	18,257,916	-	-	43,797,907
	<b>45,189,098</b>	<b>101,217,604</b>	<b>11,840,383</b>	<b>3,866,873</b>	<b>168,089,925</b>
<b>Net balance sheet position</b>	<b>20,306,725</b>	<b>(10,957,807)</b>	<b>10,597,332</b>	<b>9,316,977</b>	<b>23,287,260</b>

##### Other price risk

The company is not exposed to other price risks such as commodity price risk, prepayment risk, and residual value risk.

##### Liquidity risk

Liquidity risk arises from the management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the company will encounter difficulty in meeting its financial obligations as they fall due. The company identifies this risk through periodic liquidity gap analysis and maturity profile of assets and liabilities, and when necessary by keeping committed credit lines available.

The company's policy is to ensure that it always has sufficient cash to allow it to meet its liabilities when they come due.

#### 2.5 Foreign currency

##### Functional and presentation currency

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

##### Foreign currency translation

Foreign currency transactions are translated in the Seychelles Rupee at the rate of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss within "finance income or costs". All other exchange gains and losses are presented in profit and loss within "sundry income or other

The Bank mid-rates for the period were:

Currency	Exchange rates at 31 March			Changes in percent SCR	
	2023	2022	2021	2022-2023	2021-2022
US \$/SCR	13.72	14.27	21.02	4%	32%
Euro/SCR	14.93	15.91	24.64	6%	35%

#### 2.6 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner indicated by the management. The cost of property constructed by the company includes cost of material and labour.

# GREEN ISLAND CONSTRUCTION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023  
Financial statements are prepared in Seychelles Rupees

## 2 Summary of significant accounting policies (cont...)

### 2.6 Property, plant and equipment (cont...)

The company adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item where the cost is incurred if the replacement part is expected to provide future benefits to the company. The carrying amount of the replaced part is derecognised. All repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation on assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives. The estimated useful lives range as follows:

Plant, equipment and tools	
Motor vehicles	5 years
Computers	4 years
	5 years

The assets residual values and depreciation methods are reviewed, and adjusted prospectively, if there is an indication or a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "other income or expenses" in the statement of income.

### 2.7 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell.

Cost is based on first in first out method and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location. Goods in transit are recognised when an advance is fully paid to the supplier and the goods are dispatched from the port.

At each reporting date, inventories are assessed for impairment. If the inventory is impaired, the carrying amount is reduced to its selling price less cost to complete and sell; the impairment loss is recognised immediately in profit or loss.

### 2.8 Taxation

The tax expense for the period comprises of current income, tourism marketing and deferred taxes.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and unused tax losses or tax credits. However a deferred tax asset is only recognised to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilised.

The current income tax charge and deferred tax is calculated on the basis of tax rates and laws that have been enacted or substantially enacted by the reporting date.

### 2.9 Significant accounting judgements and estimates

In preparing the financial statements management is required to make estimates and assumptions that affect reported income, expenses, assets, liabilities, and disclosures of contingent assets and liabilities. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements.

#### Retirement benefit obligations

The cost of defined benefit pension plans has been determined using the method as per the Seychelles Employment Act and the directors have estimated that the amount of liability provided will not be materially different had it been computed by an external Actuary.

#### Deferred tax

At each reporting date, deferred tax assets are reviewed and adjusted, if necessary, by a valuation allowance, so that the net carrying amount equals the highest amount that is more likely than not to be recovered, based on current or estimated future taxable profits. Any changes to the valuation allowance are recognised in the tax expense.

# GREEN ISLAND CONSTRUCTION COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Financial statements are prepared in Seychelles Rupees

### 2 Summary of significant accounting policies (cont...)

#### 2.10 Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit and loss account on a straight line basis over the period of the lease.

#### 2.11 Revenue recognition

In relation to construction activities, revenue is recognised by reference to state of completion of construction at the balance sheet date.

Retention withheld by clients is recognised in the statement of income when received by the company.

### 3 Direct outgoings

	2023	2022
<b>Analysis of expenses by category</b>		
Materials	354,158,203	25,052,375
Labour	38,989,082	18,550,658
<b>Total</b>	<b>393,147,286</b>	<b>43,603,033</b>

### 4 Other expenses

	2023	2022
Audit & accountancy	168,000	168,000
Advertising	2,730	11,600
Bank charges	206,227	255,699
Communication	189,472	204,207
Legal & professional	11,750	70,900
Printing & stationery	138,231	166,240
Repairs & maintenance	267,808	56,215
Sundry expenses	1,650	-
Travelling and accommodation	13,734	9,867
<b>Total other expenses</b>	<b>999,602</b>	<b>942,728</b>

### 5 Employee salaries and benefits expense

	2023	2022
Wages and salaries	50,082,240	30,973,187
Pension costs	134,133	54,820
Employee benefits obligation (Note 12)	262,390	73,645
Staff welfare	2,552,052	334,054
Work permits	2,466,755	438,246
Transfer to direct outgoings	(41,292,410)	(13,340,233)
<b>Total administration salaries</b>	<b>14,205,160</b>	<b>18,533,719</b>

### 6 Finance costs

	2023	2022
Interest on overdraft	690,411	780,202
Exchange losses on cash & cash equivalents	596,196	133,477
<b>Total</b>	<b>1,286,607</b>	<b>913,679</b>

### 7 Investment

Investment is stated at historical cost less any accumulated impairment losses in the following unquoted subsidiary, incorporated in the Seychelles.

	% Holding	2023	2022
Green Tree Investment Company Limited	100	100,000	100,000

# GREEN ISLAND CONSTRUCTION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023  
Financial statements are prepared in Seychelles Rupees

## 8 Profit for the year

	2023	2022
Profit for the year has been arrived at after charging:		
Auditors remuneration		168,000
Depreciation (note 15)	7,133,655	5,016,504
Rents paid	1,974,850	986,252
Directors remuneration (note 17)	893,040	697,492

## 9 Taxation

	Statement of financial position		Statement of income	
	2023	2022	2023	2022
<b>Current tax</b>				
Balance due from prior year	4,159,518	4,904,106	-	-
Adjustment to prior year provision	(69,928)	-	(69,928)	-
Paid for prior year	(4,089,590)	(4,829,723)	-	-
Provision for the year	10,340,288	6,385,135	10,340,288	6,385,135
Provisionally paid for current year	(5,000,000)	(2,300,000)	-	-
<b>Total</b>	<b>5,340,288</b>	<b>4,159,518</b>	<b>10,270,360</b>	<b>6,385,135</b>
<b>Tourism marketing tax</b>				
Deferred tax asset/(liability)			2,335,191	492,699
Employee compensation obligation	158,920	102,897	(56,023)	2,985
Deferred due to tax depreciation	2,180,860	2,225,726	44,866	274,991
Unrealised exchange differences	65,472	(139,803)	(205,275)	236,750
<b>Total</b>	<b>2,405,254</b>	<b>2,188,821</b>	<b>(216,432)</b>	<b>514,726</b>
<b>Total income tax expense</b>			<b>12,389,119</b>	<b>7,392,559</b>

## 10 Authorised & issued capital

	2023	2022
Authorised and issued and fully paid 1,000 shares of SCR 100 each	100,000	100,000

## 11 Inventories

	2023	2022
Timber & plywood	1,890,371	3,146,434
Pipes & fittings	908,182	150,616
Tiles, tiles skirting, paint	91,747	149,627
Cables & cable trays	-	276,255
Weld mesh	-	1,235,816
Roof sheets	-	1,592,346
Sundry	-	2,944,555
<b>Total</b>	<b>3,810,792</b>	<b>9,495,649</b>

## 12 Employee benefit obligations

	2023	2022
1 April		
Current service cost	411,586	352,941
Benefits paid	262,390	73,645
<b>Total</b>	<b>(38,297)</b>	<b>(15,000)</b>
	<b>635,679</b>	<b>411,586</b>

Employment Amendment Act (1999) requires employees to be compensated upon retirement or resignation for continuous service from their date of original employment.

## 13 Trade and other receivables

	2023	2022
Completed work awaiting certification or invoicing	25,091,658	2,952,991
Receivable for work certified or invoiced	56,846,006	71,288,631
Receivable from related party (note 17)	15,745,217	10,760,820
Prepaid goods and credit with suppliers	60,636,487	39,786,468
Prepayments and other receivables	10,457,267	4,184,818
<b>Total</b>	<b>168,776,635</b>	<b>128,973,728</b>



# GREEN ISLAND CONSTRUCTION COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### 14 Property, plant and equipment

	Buildings	Machinery & Tools/ Furniture & fittings	Motor Vehicles	Computers/ Electrical/ Office equipment	Total
<b>Cost</b>					
At 1 April 2021	15,099,809	24,272,199	7,523,360	987,142	47,882,510
Additions	-	2,120,717	720,486	495,446	3,336,649
Disposal	-	-	(375,000)	-	(375,000)
<b>At 31 March 2022</b>	<b>15,099,809</b>	<b>26,392,916</b>	<b>7,868,846</b>	<b>1,482,588</b>	<b>50,844,159</b>
Additions	-	15,036,124	2,085,840	591,146	17,713,110
Disposal	-	-	-	-	-
<b>At 31 March 2023</b>	<b>15,099,809</b>	<b>41,429,040</b>	<b>9,954,686</b>	<b>2,073,734</b>	<b>68,557,269</b>
<b>Accumulated depreciation and impairment</b>					
At 1 April 2021	13,052,935	15,813,874	6,460,315	872,741	36,199,865
Annual depreciation	1,087,157	3,265,848	602,714	60,785	5,016,504
Disposals	-	-	(375,000)	-	(375,000)
<b>At 31 March 2022</b>	<b>14,140,092</b>	<b>19,079,722</b>	<b>6,688,029</b>	<b>933,526</b>	<b>40,841,369</b>
Annual depreciation	959,716	5,200,921	769,365	203,653	7,133,655
Disposals	-	-	-	-	-
<b>At 31 March 2023</b>	<b>15,099,809</b>	<b>24,280,643</b>	<b>7,457,394</b>	<b>1,137,179</b>	<b>47,975,024</b>
<b>Carrying amount</b>					
At 31 March 2022	959,717	7,313,194	1,180,817	549,062	10,002,790
At 31 March 2023	-	17,148,397	2,497,292	936,555	20,582,246

### 15 Trade and other payables

	2023	2022
Trade creditors	60,622,622	29,410,552
Salaries payable	8,864,035	2,762,400
Contract advances	46,954,247	98,889,073
Statutory payables	761,674	11,877,368
Other liabilities	1,113,473	2,456,320
<b>Total</b>	<b>118,316,051</b>	<b>145,395,713</b>

### 16 Borrowings

	2023	2022
<b>Current</b>		
Bank overdraft	43,797,907	-

The banking facilities are secured by first line floating charge over the company's current and future assets to secure SCR 10 million, floating charges and corporate guarantee of the parent company for SCR 15 million and U\$ 5.5 million, and assignment of contract payments and insurance policies.

### Currency profile

	2023	2022
Repayable in:		
SCR	25,539,992	-
US \$	18,257,915	-
<b>Total</b>	<b>43,797,907</b>	<b>-</b>

### 17 Related parties and transactions

These relate to shareholders, directors and senior management of the company and the companies of which they are principal owners or directors. Pricing policies and terms of these transactions are considered by the Directors to have been conducted at an arms length unless stated otherwise below.

	2023	2022
<b>Year end balances</b>		
Due from parent company	3,290,839	125,635
Due from subsidiary	12,454,378	10,635,185
<b>Total</b>	<b>15,745,217</b>	<b>10,760,820</b>

# GREEN ISLAND CONSTRUCTION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Financial statements are prepared in Seychelles Rupees

## 17 Related parties and transactions (cont...)

### Services provided to related parties

Construction work done for ultimate parent	39,080,801	6,596,135
Construction work done for subsidiary	65,604,746	1,971,157
Construction work done for related party	6,380,905	2,467,283
<b>Total</b>	<b>111,066,452</b>	<b>11,034,575</b>

### Parent and other controlling interests

The company is a wholly owned subsidiary of the Islands Development Company Limited, incorporated in the Seychelles with the ultimate parent being the Seychelles Government.

### Directors emoluments, pensions or compensation

	Salary for Management		Fees, Pensions & Others	
	2023	2022	2023	2022
P. Lablache	-	-	36,480	36,480
S. Francis	-	-	36,480	36,480
A. Antat	655,920	448,212	-	12,160
P. Berlouis	-	-	54,720	54,720
W. Confait	-	-	36,480	36,480
A. Lebon	-	-	36,480	36,480
D. Matatiken	-	-	36,480	36,480
<b>Total</b>	<b>655,920</b>	<b>448,212</b>	<b>237,120</b>	<b>249,280</b>

## 18 Commitments

There were no capital commitments, either contracted for or approved by the directors but not contracted for at 31 March 2023.

## 19 Contingencies

### Contingent liability

A claim has been instituted against the company for nuisance in the sum of SCR 425,414 plus 4% interest. The company is of the opinion that this claim will not materialise and thus, no provision has been made in the accounts.

### Contingent asset

The company is owed SCR 35m in retention, withheld for completed projects, subject to the company concluding its obligation to required standards.