

**L'UNION ESTATE COMPANY LIMITED**

**FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2013**

L'UNION ESTATE COMPANY LIMITED

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2013

---

	PAGE
Directors' Report	1 - 2
Report of the Auditors	3 - 3(a)
Balance sheet	4
Income statement	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 13

**DIRECTORS' REPORT**

The Directors are pleased to submit their report together with the audited financial statements of the Company for the financial year ended December 31, 2013.

**PRINCIPAL ACTIVITY**

The Company's principle activity is to cultivate land for vegetables and fruits and it is engaged in poultry and pig farming. It is also responsible for the up keep and maintenance of the Estate and charges a fee to overseas visitors to enjoy the use of the premises and there has been no change in this activity for the financial year under review.

**RESULTS**

	SR
Loss before tax	(683,776)
Tax charge	(800,000)
Loss for the year	<u>(1,483,776)</u>
Revenue deficit brought forward	<u>(11,013,313)</u>
Revenue deficit carried forward	<u><u>(12,497,089)</u></u>

**PROPERTY AND EQUIPMENT**

Additions to property, plant and equipment of SR 577,582 comprised motor vehicles, equipments and buildings. There were no disposals during the year.

The Directors are of the opinion that the carrying value of the property and equipment at December 31, 2013 approximates their fair value at the end of reporting period.

**DIRECTORS AND DIRECTORS' INTERESTS**

The Directors of the Company and their interest in shares of the Company since the date of the last report and the date of this report are:

Ronald Cafrine  
 Keddy Nibourette  
 Marymonde Matatiken  
 Ansley Constance  
 Flavien Joubert  
 Damien Thesee  
 Allan Kilindo  
 Veronique Herminie

None of the Directors held any interest in the share of the Company at the date of this report.

DIRECTORS' REPORT (CONT'D)

---

STATEMENT OF DIRECTORS' RESPONSIBILITIES

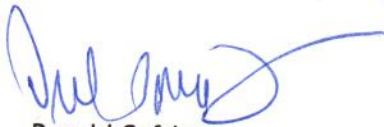
The Directors are responsible for the overall management of the affairs of the Company including the operations of the Company and making investment decisions.

The Board is responsible for the preparation and fair presentation of these financial statements in accordance with Generally Accepted Accounting Standards in Seychelles and in compliance with the Seychelles Companies Act, 1972. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances. The Directors have the general responsibility of safeguarding the assets, both owned by the Company and those that are held in trust and used by the Company.

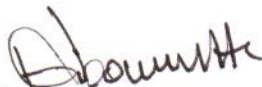
The Directors consider they have met their aforesaid responsibilities.

AUDITORS

The auditors BDO Associates, Seychelles retire and being eligible, offer themselves for re-appointment.



Ronald Cafrine  
Director



Keddy Nibourette  
Director



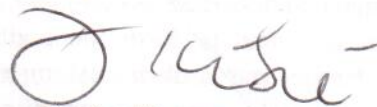
Marymonde Matatiken  
Director



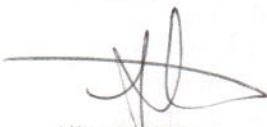
Ansley Constance  
Director



Flavien Joubert  
Director



Damien Thesee  
Director



Allan Kilindo  
Director



Veronique Herminie  
Director

Dated: 05 APR 2018

Victoria, Seychelles





Tel : +248 461 2612  
Fax : +248 461 2300  
e-mail: bdoseychelles@bdo.sc

P.O. Box 18  
The Creole Spirit  
Quincy Street, Mahé  
Victoria, Seychelles

## L'UNION ESTATE COMPANY LIMITED

3

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

This report is made solely to the members of L'Union Estate Company Limited (hereafter referred to as the 'Company'), as a body, in terms of our engagement to conduct the audit on their behalf. Our audit work has been undertaken so that we might state to the members those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

#### Report on the Financial Statements

We have audited the attached financial statements of L'Union Estate Company Limited set out on pages 4 to 14 which comprise the Balance Sheet at December 31, 2013, the Statement of Profit or Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

#### Board's Responsibility for the Financial Statements

As stated on page 3 of the Director's Report, the Board of Directors is responsible for preparation of the financial statements.

#### Auditors' Responsibility

Our responsibility is to express an opinion on those financial statements based on our audit. We conducted our audit in accordance with Generally Accepted Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making these risk assessments, the auditors consider internal control relevant to the Company'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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors as well as evaluating the overall presentation of the financial statements.

Because of the matters described in the Basis of Disclaimer of opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.





L'UNION ESTATE COMPANY LIMITED

3(a)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (Contd.)

*Basis of Disclaimer of Opinion*

We were unable to obtain sufficient audit evidence nor satisfy ourselves by alternative means on the following main financial statement areas:

Property, plant and equipment

We were unable to obtain a complete list of the properties and other fixed assets of the Company which agreed with the books of records. In the absence of such a list, we were unable to carry out proper audit procedures to confirm completeness, accuracy and existence of the assets. In addition the deeds of properties submitted to us was incomplete.

Inventories

We were not appointed Auditors of the Company until after December 2013 and therefore we could not attend the physical count in respect of the year ended 2013. However, no counts were performed and nor were there any list of inventories available which agreed with books records. We were also unable to carry out any rollback exercise since the Company did not keep any documents for purchase and issues transactions.

Trade and other receivables

We were given a list of trade and other receivables which tallied with books records. We however were unable to carry out proper audit procedures to verify whether the list was accurate or complete and responses from other audit tests like debtors circularisation were nil. We were therefore unable to assess provision for credit impairment and amount provided was based on Management's estimation at 60% of the balance.

Trade and other payables

We were also submitted with a list of trade and other payables but we were unable to substantiate the list to any suppliers' records and match to payments effected. We were therefore unable to ensure accuracy and completeness. Alternative tests to confirm existence of liabilities were also inconclusive and insufficient.

Government Grant

We were unable to check the carrying amount of the Government Grant since the amortisation in previous years were not in line with the accounting policy.

Turnover

Internal control procedures in respect of turnover assessed as weak and there exists high risks that turnover could be inaccurate and incomplete.

Business tax

The Company has not submitted any tax returns to the Seychelles Revenue Commission (SRC) since 2011. SRC has raised a "Default Tax Assessment" totalling SR.7.8 million for the years 2011 to 2014.

Tax provided for the year 2012 has been computed based on Company's existing records which could be incomplete and may be subject to adjustments.

L'UNION ESTATE COMPANY LIMITED

3(b)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (Contd.)**

*Basis of Disclaimer of Opinion (Continued)*

Retirement benefit obligations

The Company has not been able to provide the details of payments released towards gratuity for the prior year. We could not ensure the full provision required has been made in the financial statements.

Contingent liabilities

The Company defaulted in payments with respect to social security, business tax, corporate social responsibility tax and tourism marketing tax. This has been estimated to SR14.5 million at the end of 2013 which are yet to be provided for since the Company is disputing those assessments and intends to objects to them.

Going concern

At December 31, 2013 the Company had revenue deficit of **SR.11.9 million** (2012: SR.11 million) and net current liabilities of **SR.11 million** (2012: SR.11 million).

***Disclaimer of Opinion***

Because of the significance of matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

**Report on Other Legal Regulatory Requirements**

***Companies Act, 1972***

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

We have obtained all information and explanations we have required.

Other matters

The financial statements of the Company for the year ended December 31, 2011 were audited by another auditor and is yet to be signed.

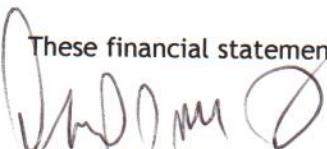
  
BDO ASSOCIATES  
Chartered Accountants

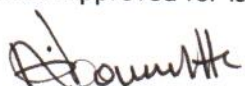


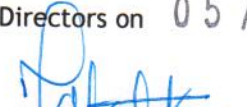
## BALANCE SHEET AS AT DECEMBER 31, 2013

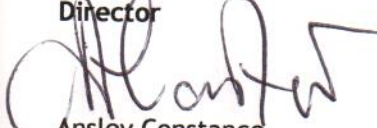
	Notes	2013 SR	2012 SR
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	9,385,492	9,493,292
Investment	6	25,000	25,000
		<u>9,410,492</u>	<u>9,518,292</u>
<b>Current assets</b>			
Inventories	7	664,333	645,333
Trade and other receivables	8	1,193,903	1,373,154
Cash and cash equivalents		6,055,722	3,414,434
		<u>7,913,958</u>	<u>5,432,921</u>
<b>Total assets</b>		<u><u>17,324,450</u></u>	<u><u>14,951,213</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	9	7,292,500	7,292,500
Revenue deficit		(11,910,824)	(11,013,313)
		<u>(4,618,324)</u>	<u>(3,720,813)</u>
<b>Non-current liability</b>			
Government grant	10	1,590,594	2,176,859
<b>Current liabilities</b>			
Trade and other payables	11	9,157,969	6,094,289
Tax payable	12	10,538,416	9,738,416
Retirement benefit obligation	13	655,795	662,462
		<u>20,352,180</u>	<u>16,495,167</u>
<b>Total equity and liabilities</b>		<u><u>17,324,450</u></u>	<u><u>14,951,213</u></u>

These financial statements have been approved for issue by the Board of Directors on 05 APR 2018

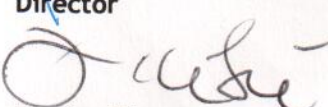
  
Ronald Cafrine  
Director


  
Keddy Nibourette  
Director


  
Marymonde Matatiken  
Director

  
Ansley Constance  
Director

  
Flavien Joubert  
Director

  
Damien Thesee  
Director

  
Allan Kilindo  
Director

  
Veronique Herminie  
Director



## INCOME STATEMENT - YEAR ENDED DECEMBER 31, 2013

	<u>Notes</u>	<u>2013</u> SR	<u>2012</u> SR
Turnover	2.2 (h)	2,769,209	3,019,776
Cost of sales		<u>(1,830,366)</u>	<u>(1,862,687)</u>
<b>Gross profit</b>		<b>938,843</b>	<b>1,157,089</b>
Other income		10,265,575	9,446,445
Dividend received		1,250	1,250
Profit on disposal of land		<u>6,000</u>	<u>4,525</u>
		<b>11,211,668</b>	<b>10,609,309</b>
Administrative and general expenses	13	<u>(11,895,444)</u>	<u>(11,523,402)</u>
Loss before tax	14	<b>(683,776)</b>	<b>(914,093)</b>
Tax	15	<u>(800,000)</u>	<u>(6,429,532)</u>
Loss for the year		<u><b>(1,483,776)</b></u>	<u><b>(7,343,625)</b></u>

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2013

	Note	Share capital SR	Revenue deficit SR	Total SR
At January 1, 2013		7,292,500	(11,013,313)	(3,720,813)
Loss for the year		-	(1,483,776)	(1,483,776)
Release of government grant	9	-	586,265	586,265
At December 31, 2013		<u>7,292,500</u>	<u>(11,910,824)</u>	<u>(4,618,324)</u>
At January 1, 2012		7,292,500	(4,321,093)	2,971,407
Loss for the year		-	(7,343,625)	(7,343,625)
Release of government grant	9		651,405	651,405
At December 31, 2012		<u>7,292,500</u>	<u>(11,013,313)</u>	<u>(3,720,813)</u>

## STATEMENT OF CASH FLOW FOR YEAR ENDED DECEMBER 31, 2013

	<u>Notes</u>	<u>2013</u> SR	<u>2012</u> SR
<b>OPERATING ACTIVITIES</b>			
Profit before tax		(683,776)	(914,093)
<i>Adjustment for:</i>			
- Depreciation	5	685,382	601,650
- Profit on disposal of land		(6,000)	(4,525)
- Increase in retirement benefit obligation provision	13	(6,667)	13,167
Operating profit before working capital changes		<u>(11,061)</u>	<u>(303,801)</u>
<i>Working capital changes</i>			
Increase in inventories		(19,000)	-
Decrease in trade and other receivables		179,251	679,016
Increase in trade and other payables		3,063,680	315,998
Net cash inflow from operating activities		<u>3,212,870</u>	<u>691,213</u>
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	5	(577,582)	(241,225)
Proceeds from disposal of land		6,000	4,525
Net cash outflow from investing activities		<u>(577,582)</u>	<u>(241,225)</u>
Net change in cash and cash equivalents		<u>2,635,288</u>	<u>449,988</u>
<b>Movements in cash and cash equivalents:</b>			
At January 1,		3,409,909	2,959,921
Increase		2,635,288	449,988
At December 31,		<u>6,045,197</u>	<u>3,409,909</u>
<b>Represented by:-</b>			
Cash in hand and at bank		<u>6,055,722</u>	<u>3,414,434</u>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

**1. GENERAL INFORMATION**

L'Union Estate Company Limited is a limited liability company, incorporated and domiciled in Seychelles. The principal activities of the Company have remained unchanged since the previous year and is as stated on page 1.

These financial statements will be submitted for consideration and approval at the forthcoming Annual General Meeting of Shareholders of the Company.

**2. PRINCIPAL ACCOUNTING POLICIES**

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

**2.1** The financial statements have been prepared under the historical cost convention and comply with Generally Accepted Accounting Standards in Seychelles and the Companies Act 1972. Where necessary comparative figures have been amended to conform with change in presentation in current year.

**2.2 Summary of significant accounting policies****(a) Property, plant & equipment and depreciation**

Property, plant and equipment are stated at cost less accumulated depreciation. Land is stated at cost.

The cost of an asset comprises its purchase price and any attributable costs of bringing the asset to working condition for its intended use. Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repairs is charged to the income statement.

Any revaluation surplus is credited to the assets revaluation reserve included in the equity section of the balance sheet, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Depreciation is calculated on a straight line basis over the useful life of the asset as follows:

Motor Vehicle	4 years
Equipment	8 years
Furniture and fittings	8 years
Computer software	5 years
Buildings	30 years

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in the income statement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

---

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

## 2.2 Summary of significant accounting policies (Cont'd.)

## (b) Foreign currencies

(i) *Functional and presentation currency*

Items included in the financial statements are measured in the currency of the primary economic environment in which the Company operates. The financial statements are presented in Seychelles Rupee (SR) which is the Company's functional and presentation

(ii) *Transactions and balances*

Foreign currency transactions are translated in the Seychelles Rupee using the exchange rates ruling on the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the Income Statement. Monetary assets and liabilities, represented in foreign currency, are translated into Seychelles Rupee using the exchange rates ruling on the balance sheet date.

Non-monetary assets which are denominated in a currency other than the Seychelles Rupee are translated at exchange rates prevailing at the date these assets were recognised in the Financial Statements.

## (c) Inventories

Inventories are valued at the lower of costs or net realizable value. Costs incurred in bringing each product to its present condition and location, are accounted for as follows:

*Raw materials*: purchase costs on a first in first out basis;

*Finished goods*: costs of direct material and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

## (d) Financial instruments

Financial instruments are recognised in the balance sheet when the Company has become a party to the contractual provisions of the instrument.

Financial instruments of the Company comprise of following:

(i) *Trade and other receivables*

Trade and other receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the amount is no longer probable. Bad debts are written off when in the judgement of the management, there is no prospect of recovery.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

---

**2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)****2.2 Summary of significant accounting policies (Cont'd.)****(d) Financial instruments (Cont'd)*****(ii) Cash and cash equivalents***

Cash comprises of cash in hand and at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, against which bank overdrafts, if any, are deducted.

***(iii) Trade and other payables***

Trade payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received. The carrying amount of trade payables is assumed to approximate its amortised cost.

**(e) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**(f) Impairment**

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired. A financial asset is deemed to be impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

**(g) Tax**

Current tax is the expected amount of business tax payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date. No provision is made for deferred tax.

**(h) Revenue**

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably. Revenue is recognised upon amounts invoiced and customer acceptance, net of discounts.



**2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)****2.2 Summary of significant accounting policies (Cont'd.)****(h) Revenue (Cont'd)**

Revenue of the company comprises the following:

- (i) Revenue on sale of agricultural and animal products are recognised when invoiced and customer acceptance, net of discounts.
- (ii) Revenue on entrance fees is recognised upon sale of tickets to the tourists.
- (iii) Rental income is recognised as and when it falls due unless collection is in doubt, in which case it is recognised on receipt basis.

**(j) Retirement benefit obligations**

The retirement benefit obligation represents the gratuity and compensation payable to the employees of the Company at year end. The Management is of the opinion that not the full retirement benefit obligations liability will crystallise during a financial year; therefore, an estimated percentage of 35% was applied to the full provision for the year. The rate applied reflects a combination of the following factor which includes the employees' turnover rate, the historical amount paid in a given year and management estimates.

**(k) Grants**

The grants of the company has been amortised annually on a reducing balance at the rate of 10%. The rate applied reflects the average life of the property, plant and equipments.

**3. SIGNIFICANT ACCOUNTING ESTIMATES**

The preparation of financial statements requires the use of certain critical estimates and judgements that affect the application of Association's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

There were no significant assumptions made concerning the future or the source of estimation uncertainty that have been identified as giving rise to a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

## 4. PROPERTY, PLANT &amp; EQUIPMENT

	Land and buildings	Plant and equipment	Motor vehicles	Total
	SR	SR	SR	SR
<b>COST</b>				
At January 1, 2012	16,957,113	6,515,944	991,106	24,464,163
Additions	5,750	2,850	232,625	241,225
<b>At December 31, 2012</b>	<b>16,962,863</b>	<b>6,518,794</b>	<b>1,223,731</b>	<b>24,705,388</b>
Additions	356,925	220,657	-	577,582
<b>At December 31, 2013</b>	<b>17,319,788</b>	<b>6,739,451</b>	<b>1,223,731</b>	<b>25,282,970</b>
<b><u>ACCUMULATED DEPRECIATION</u></b>				
At January 1, 2012	9,049,162	4,570,178	991,106	14,610,446
Charge for the year	275,460	280,721	45,469	601,650
<b>At December 31, 2012</b>	<b>9,324,622</b>	<b>4,850,899</b>	<b>1,036,575</b>	<b>15,212,096</b>
Charge for the year	278,590	306,009	100,783	685,382
<b>At December 31, 2013</b>	<b>9,603,212</b>	<b>5,156,908</b>	<b>1,137,358</b>	<b>15,897,478</b>
<b><u>NET BOOK VALUES</u></b>				
<b>At December 31, 2013</b>	<b>7,716,576</b>	<b>1,582,543</b>	<b>86,373</b>	<b>9,385,492</b>
At December 31, 2012	7,638,241	1,667,895	187,156	9,493,292

Freehold land and buildings at cost is analysed as follows:

	2013	2012
	SR	SR
Freehold land	1,517,086	1,517,086
Buildings	15,802,702	15,445,777
	<b>17,319,788</b>	<b>16,962,863</b>

## 5. INVESTMENT

	2013 & 2012
	SR
Shares in Seychelles Commercial Bank Limited	<b>25,000</b>

## 6. INVENTORIES

	2013	2012
	SR	SR
Inventories	<b>664,333</b>	<b>645,333</b>

## 7. TRADE RECEIVABLE

	2013	2012
	SR	SR
Trade receivable	2,930,623	3,109,874
Land proceeds receivable	90,000	90,000
Deposits & advances	13,280	13,280
Bad debt provision	(1,840,000)	(1,840,000)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

## 8. AUTHORISED AND ISSUED SHARE CAPITAL

2013 &amp; 2012

SR

7,292,500

72,925 ordinary shares of SR 100 each

## 9. GOVERNMENT GRANT

2013

2012

SR

SR

2,176,8592,828,264(586,265)(651,405)1,590,5942,176,859

At January, 1

Release during the year

At December, 31

## 10. TRADE AND OTHER PAYABLES

2013

2012

SR

SR

517,264

723,246

Trade payables

468,666

195,500

Accruals

199,130

124,130

Miscellaneous Provisions

452,500

452,500

Deferred land proceeds

7,520,4094,598,913

Social security payable

9,157,9696,094,289

## 11. TAX PAYABLE

2013

2012

SR

SR

9,738,416

3,308,884

At January 1,

800,000

6,429,532

Charge for the year

10,538,4169,738,416

At December 31,

## 12. RETIREMENT BENEFIT OBLIGATION

2013

2012

SR

SR

662,462

649,295

At January 1,

409,749

183,236

Provision made during the year

(416,416)(170,069)

Paid during the year

655,795662,462

At December 31,

## 13. ADMINISTRATIVE EXPENSES

2013

2012

SR

SR

5,880,370

5,145,835

Salaries and wages

245,000

165,500

Directors' fees (note (a))

2,366,574

4,236,966

Administrative expenses

-

1,840,000

Provision for bad debts

2,921,496

-

Social security prior years

482,004135,101

Repairs and maintenance



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

**13. ADMINISTRATIVE EXPENSES (CONT'D)**

(a) Directors' fees are listed below:

	<u>2013</u>	<u>2012</u>
	SR	SR
Gregoire Payet	-	31,500
Antoine Moustache	-	38,500
Merline Volcere	-	33,000
Monica Figaro	-	3,000
Jean-Paul D'Offay	-	22,000
Benjamin Rose	-	22,000
Allain Kilindo	32,000	2,000
Ansley Constance	36,000	2,000
Damien Thesee	24,000	2,000
Flavien Joubert	24,000	2,000
Marymonde Matatiken	37,000	2,000
Ronald Cafrin	43,000	3,500
Veronique Hermini	37,000	2,000
Keddy Nibourette	12,000	-
	<u>245,000</u>	<u>165,500</u>

**14. LOSS BEFORE TAX**

	<u>2013</u>	<u>2012</u>
	SR	SR
<i>This is arrived at after charging/(crediting):</i>		
Auditors' remuneration	180,000	180,000
Depreciation (note 5)	685,382	601,651
Directors' remuneration (note 13 (a))	245,000	165,500
	<u>245,000</u>	<u>165,500</u>

**15. TAX**

	<u>2013</u>	<u>2012</u>
	SR	SR
Current year tax provision	800,000	350,000
Prior year taxes (Per Seychelles Revenue Commission's confirmation)	-	6,079,532
Total tax provision	<u>800,000</u>	<u>6,429,532</u>

**16. CONTINGENT LIABILITIES**

The company has defaulted in payments with respect to Social Security, business tax, corporate social responsibility and tourism and marketing tax. The penalties and surcharges on the same has been estimated at SR.14.5 million(2012: SR.6 million), at balance date.

## DETAILED INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2013

	2013	2012
	SR	SR
Agricultural income	2,769,209	3,019,776
Cost of sales:		
Opening stock	645,333	645,333
Purchases	1,849,366	1,862,687
	2,494,699	2,508,020
	(664,333)	(645,333)
Closing stock	1,830,366	1,862,687
	938,843	1,157,089
<b>Gross Profit</b>		
Other Income:	780,000	763,100
Rental Income	195,737	227,810
Wedding fee	8,996,176	8,455,535
Entrance fee	6,000	4,525
Profit on disposal of land	293,662	-
Other Income	1,250	1,250
Dividend received	11,211,668	10,609,309
<b>Gross profit - Agricultural produce and others</b>		
<b>Overheads:</b>	5,008,741	4,759,630
Salaries and wages	245,000	165,500
Directors remuneration	139,718	125,660
Pension contributions	154,891	39,746
Staff traveling	409,749	183,236
Compensation and leave pay	167,271	37,563
Other staff costs	139,881	-
Office supplies, cleaning and safety equipment	98,425	64,165
Printing and stationery	80,997	28,938
Telephone and fax	11,986	750
Licenses	179,979	235,010
Legal and professionals fees	1,522	7,312
Insurance	294,309	188,311
Electricity and water	322,110	192,560
Fuel and oil	48,805	115,680
Freight transport	179,230	611,658
Sundry expenses	180,000	154,448
Audit Fee	-	1,840,000
Provision for bad debts	2,921,496	-
Social security prior years	315,414	68,725
Hire of labour	10,280	12,800
Hire of Equipment	156,310	53,576
Building and equipment repair	12,782	11,483
Bank charges	109,666	-
CSR & TMT taxes	685,382	601,651
Depreciation	21,500	2,025,000
Sponsorship & Donation		