



## DIRECTORS REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020



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GREEN ISLAND CONSTRUCTION COMPANY LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2020

The directors present herewith their report and audited financial statements of the company for the year ended 31 March 2020.

*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 period give the company a profit of SCR 5,888,587 after taxation.

*Application of profits and revenue reserves*

The results for the current year and revenue reserves from prior year give the company SCR 30,758,466 available for distribution.

The directors do not propose to distribute a dividend for the year.

*Fixed assets*

There were no significant changes to fixed assets of the company during the year.

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	0	0
Mr. P. Lablache	0	0
Mrs. S. Francis	0	0
Mr. P. Berlouis	0	0
Ms. A. Antat	0	0
Mrs. A. Lebon	0	0
Mr. W. Confait	0	0
Mr. C. Lionnet (appointed 15.02.20)	0	0
Mr. D. Matatiken (appointed 15.02.20)	0	0
Mr. A. Decommarmond (resigned 15.02.20)	0	0

All the directors of the company are citizens of Seychelles.

Mr. W. Confait and Mr. C. Lionnet 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.

*Effect of Corona virus pandemic*

Despite the ongoing Corona virus pandemic which is severely affecting the worlds economy, the Directors of the company are confident that in the medium term, the company can continue to operate and are of the opinion that the going concern basis of preparation of these financial statements remains appropriate.

GREEN ISLAND CONSTRUCTION COMPANY LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2020

*Statement of directors responsibilities*

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

prepare financial statements on 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.

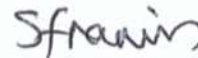
**Auditors**

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. Lebor

  
Mr. W. Confait

  
Mr. C. Lionnet

  
Mr. D. Matatiken

26 June 2020

**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 March 31, 2020, 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 2020, 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.

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

**Going concern**

The Seychelles Government has indicated that corporations controlled by it should leave the construction sector to private entities and consequently Green Island Construction Company Limited will complete its current contractual obligations and wind down its activities. These financial statements have been prepared on the going concern basis, with which we concur.

**Emphasis of matter – Effect of Corona virus pandemic**

We draw your attention to note 20 of the financial statements which describes the uncertainty regarding the Corona virus pandemic which is severely affecting world trade and its repercussions which also extend to small island states such as Seychelles. Actions taken worldwide such as closing of borders, and grounding of flights and restricting sea trade as well as confinements of the population activities across the world has severely impacted industries on all fronts, thereby raising uncertainty on the going concern of the company.

The directors of the company are of the opinion that they will continue to operate despite such difficult times and are of the opinion that the going concern basis of preparation of these financial statements remains appropriate.

**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.

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

### GREEN ISLAND CONSTRUCTION COMPANY LIMITED

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve 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.

*Pool Patel*

POOL & PATEL  
CHARTERED ACCOUNTANTS  
26<sup>th</sup> June 2020

# GREEN ISLAND CONSTRUCTION COMPANY LIMITED

## Statement of financial position

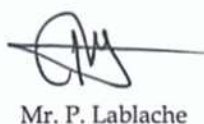
Financial statements are prepared in Seychelles Rupees.

	Note	At 31 March	
		2020	2019
<b>Assets</b>			
Property, plant and equipment	14	15,099,486	19,722,172
Investments	7	200,000	200,000
Deferred income tax asset	9	2,366,758	1,850,375
<b>Non-current assets</b>		<b>17,666,244</b>	<b>21,772,547</b>
Inventories	11	4,884,002	39,267,680
Trade and other receivables	13	81,467,804	93,397,043
Cash and cash equivalent		114,878	43,741
<b>Current assets</b>		<b>86,466,684</b>	<b>132,708,464</b>
<b>Total assets</b>		<b>104,132,928</b>	<b>154,481,011</b>
<b>Liabilities</b>			
Employee benefit obligations	12	289,222	260,884
Deferred tax liability	9	0	66,840
<b>Non-current liabilities</b>		<b>289,222</b>	<b>327,724</b>
Taxation	9	3,354,820	2,672,129
Borrowings	16	27,374,985	62,655,863
Trade and other payables	15	42,255,435	63,855,417
<b>Current liabilities</b>		<b>72,985,240</b>	<b>129,183,409</b>
<b>Total liabilities</b>		<b>73,274,462</b>	<b>129,511,133</b>
Share capital	10	100,000	100,000
Retained earnings		30,758,466	24,869,878
<b>Equity</b>		<b>30,858,466</b>	<b>24,969,878</b>
<b>Total liabilities and equity</b>		<b>104,132,928</b>	<b>154,481,011</b>

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

### Directors

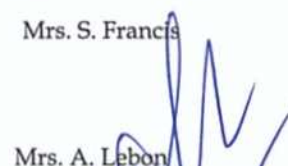
  
Mr. G.M. Gavy

  
Mr. P. Lablache

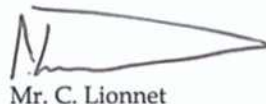
  
Mrs. S. Francis

  
Mr. P. Berlouis

  
Ms. A. Antat

  
Mrs. A. Lebon

  
Mr. W. Confait

  
Mr. C. Lionnet

  
Mr. D. Matatiken

26 June 2020

**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	
		2020	2019
Construction income		356,413,867	211,909,000
Direct outgoings	3	(302,627,810)	(164,024,299)
Sundry income		6,781	(18)
Employee salaries and benefits expense	5	(9,461,513)	(9,071,708)
Camp running expenses		(7,846,851)	(4,618,111)
Depreciation	14	(5,989,580)	(5,970,631)
Exchange losses		(1,324,411)	(334,701)
Vehicle expenses		(3,837,957)	(4,921,508)
Rent		(2,152,390)	(2,837,575)
License & insurance		(1,397,272)	(1,845,767)
Utilities		(3,043,755)	(2,124,766)
Other expenses	4	(724,241)	(964,477)
<b>Operating profit</b>		<b>18,014,868</b>	<b>15,195,439</b>
<b>Finance costs</b>	6	<b>(4,818,360)</b>	<b>(4,170,078)</b>
<b>Profit before income tax</b>		<b>13,196,508</b>	<b>11,025,361</b>
Income tax expense	9	(7,307,921)	(5,550,822)
<b>Profit for the year</b>		<b>5,888,587</b>	<b>5,474,539</b>
Dividends		0	0
		<b>5,888,587</b>	<b>5,474,539</b>
Retained earnings 1 April		24,869,878	19,395,340
<b>Retained earnings 31 March</b>		<b>30,758,466</b>	<b>24,869,878</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.

		As at 31 March	
	Note	2020	2019
<b>Net cash inflow from operating activities</b>			
Operating profit		13,196,508	11,025,361
Taxation paid	9	(7,208,450)	(2,503,030)
Depreciation	14	5,989,580	5,970,631
Changes in compensation liability	12	28,338	(74,809)
Finance cost	6	4,818,360	4,170,078
		<b>16,824,336</b>	<b>18,588,231</b>
Changes in working capital			
Decrease/(increase) in inventories	11	34,383,678	(32,117,931)
Work in progress financed	13	(321,632)	(16,679,818)
Decrease/(increase) in credit given and prepaid services	13	12,250,871	(29,955,357)
Increase/(decrease) in deposits against future works	15	(57,339,079)	47,164,512
Credit received	15	35,739,095	(2,672,668)
<b>Cash generated from/(used in) operations</b>		<b>41,537,269</b>	<b>(15,673,031)</b>
Interest paid	6	(4,081,195)	(3,175,199)
<b>Net cash generated from/(used in) operating activities</b>		<b>37,456,074</b>	<b>(18,848,230)</b>
<b>Cash flows from investing activities</b>			
Payments to acquire fixed assets	14	(1,366,894)	(14,635,300)
<b>Net cash used in investing activities</b>		<b>(1,366,894)</b>	<b>(14,635,300)</b>
<b>Cash flows from financing activities</b>			
Loan repaid	16	(732,797)	(2,422,043)
<b>Net cash used in financing activities</b>		<b>(732,797)</b>	<b>(2,422,043)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>35,356,383</b>	<b>(35,905,573)</b>
Cash & cash equivalents 1 April		(61,879,325)	(24,978,873)
Exchange adjustments on cash & cash equivalent	6	(737,165)	(994,879)
<b>Cash &amp; cash equivalents 31 March</b>		<b>(27,260,107)</b>	<b>(61,879,325)</b>

GREEN ISLAND CONSTRUCTION COMPANY LIMITED

FIVE YEAR FINANCIAL SUMMARY - 31 MARCH 2020

Prepared in Seychelles Rupees '000

	2020	2019	2018	2017	2016
<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	30,758	24,870	19,395	19,877	19,684
Borrowings	27,375	62,656	30,865	18,634	10,919
Net assets employed	58,233	87,626	50,360	38,611	30,703
<b>Statement of income</b>					
Turnover	356,414	211,909	111,615	116,431	137,840
Profit/(loss) before taxation	13,196	11,025	(410)	1,255	15,610
Taxation	(7,308)	(5,550)	(72)	(1,062)	(4,950)
	5,888	5,475	(482)	193	10,660
Dividends	0	0	0	0	0
	5,888	5,475	(482)	193	10,660
Retained earnings - 1 April	24,870	19,395	19,877	19,684	9,024
Retained earnings - 31 March	30,758	24,870	19,395	19,877	19,684

## GREEN ISLAND CONSTRUCTION COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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 contractors.

#### 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-sized Entities (IFRS for SME's). They have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS for SME's requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in the notes.

##### 2.2 *Functional and reporting currency*

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

##### 2.3 *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 a company incorporated in the Seychelles.

##### 2.4 *Financial instruments*

The company was exposed through its operations to the following financial risks:

- Credit risk
- Market price risk
- Foreign exchange risk
- Liquidity risk

In common with all other businesses, the company is exposed 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.

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.

##### 2.4.1 *Principal 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

##### 2.4.2 *Financial instruments by category*

Financial assets and liabilities are classified into one of the categories discussed below, depending on the purpose for which the asset was acquired.

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

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Financial statements are prepared in Seychelles Rupees

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

### 2.4 Financial instruments (cont...)

#### 2.4.2 Financial instruments by category (cont...)

##### 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 liabilities 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.

##### 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.

#### 2.4.3 Financial instruments not measured at fair value

Financial instruments not measured at fair value includes cash and cash equivalents, trade and other receivables, trade and other payables, and loans and borrowings.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, and trade and other payables approximates their fair value.

	Held at amortised cost	
	2020	2019
<b>Financial assets</b>		
Cash and cash equivalents	114,878	43,741
Trade and other receivables (note 13)	81,340,107	64,292,312
<b>Total financial assets</b>	<b>81,454,985</b>	<b>64,336,053</b>
<b>Financial liabilities</b>		
Trade and other payables (note 15)	26,392,272	3,342,037
Loans and borrowings (note 16)	27,374,985	62,655,863
<b>Total financial liabilities</b>	<b>53,767,257</b>	<b>65,997,900</b>

#### 2.4.4 General objectives, policies and processes

The directors have overall responsibility for the determination of the risk management objectives and policies and, whilst retaining ultimate responsibility for them, it delegates the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the finance function.

The overall objective of the directors is to set policies that seek to reduce risk as far as possible without unduly affecting the competitiveness and flexibility. Further details regarding these policies are set out below:

##### 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 credit sales. It was company's policy to assess the credit risk of new customers before entering contracts and when necessary seek advance payments.

##### Market risk

Market risk arises from the use of interest bearing, trade able and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

##### Foreign exchange risk

Foreign exchange risk arises when individual entities enter into transactions denominated in a currency other than their functional currency. The policy is, where possible, to allow entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency. The company is predominantly exposed to currency risk on borrowings and supplies purchased on credit in foreign currency. When necessary, the company mitigates its exchange risks by contracting in major currencies.

# GREEN ISLAND CONSTRUCTION COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Financial statements are prepared in Seychelles Rupees

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

#### 2.4 Financial instruments (cont...)

##### Interest rate risk

Fluctuation in interest rates impact on the value of short term cash investment and financing activities, giving rise to interest rate risk. The cash is managed to ensure surplus funds are invested in a manner to achieve maximum returns while minimising 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's policy was to ensure that it always had sufficient cash to allow it to meet its liabilities when they become due.

#### 2.5 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 statement of income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of income within "finance income or costs".

The Banks mid-rates for the period were:

Currency	Exchange rates at 31 March			Changes in percent SCR	
	2020	2019	2018	2019-2020	2018-2019
US \$/SCR	14.05	13.98	13.85	0%	-1%
Euro/SCR	15.60	15.64	17.12	0%	9%

#### 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.

The company adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when 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:

Buildings	10 years
Plant and equipment	5 years
Motor vehicles	4 years
Computers	5 years
Tools	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.

GREEN ISLAND CONSTRUCTION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Financial statements are prepared in Seychelles Rupees

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

2.8 *Taxation*

The tax expense for the period comprises of current business, corporate social responsibility, 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.

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 *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.

2.10 *Revenue recognition*

In relation to construction activities, revenue is recognised by reference to the state of completion of the 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*

Analysis of expenses by category	2020	2019
Materials	256,509,772	100,158,761
Labour costs	46,118,038	63,865,538
<b>Total</b>	<b>302,627,810</b>	<b>164,024,299</b>

4 *Other expenses*

	2020	2019
Repairs & maintenance	6,469	21,539
Legal & professional	11,700	13,200
Printing & stationery	124,130	133,106
Travelling and accommodation	55,491	189,700
Communication	183,312	183,312
Other	343,139	423,620
<b>Total other expenses</b>	<b>724,241</b>	<b>964,477</b>

5 *Employee salaries and benefits expense*

	2020	2019
Wages and salaries	30,264,045	27,052,332
Pension costs	27,619	37,252
Employee benefits obligation (Note 12)	107,999	(50,900)
Staff welfare	92,639	313,698
Work permits	27,750	30,383
Transfer to direct outgoings	(21,058,539)	(18,311,057)
<b>Total administration salaries</b>	<b>9,461,513</b>	<b>9,071,708</b>

6 *Finance costs*

	2020	2019
Interest on loan	13,364	247,280
Interest on overdraft	4,067,831	2,927,919
Exchange losses on cash & cash equivalents	737,165	994,879
<b>Total</b>	<b>4,818,360</b>	<b>4,170,078</b>

7 *Investments*

Investments are stated at historical cost less any accumulated impairment losses in the following unquoted companies, incorporated in the Seychelles.

GREEN ISLAND CONSTRUCTION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Financial statements are prepared in Seychelles Rupees

7 *Investments (cont...)*

	% Holding	2020	2019
Green Tree Investment Company Limited	100	100,000	100,000
Green Oak Investment Company Limited	100	100,000	100,000
<b>Total</b>		<b>200,000</b>	<b>200,000</b>

8 *Profit for the year*

	2020	2019
Profit for the year has been arrived at after charging:		
Auditors remuneration	167,000	167,000
Depreciation (note 14)	5,989,580	5,970,631
Rents paid	2,152,390	2,837,575
Directors remuneration (note 17)	275,323	297,920

9 *Taxation*

9.1 Current tax	Statement of financial position		Statement of income	
	2020	2019	2020	2019
Balance due from prior year	2,672,129	(906,205)	0	0
Adjustment to prior year provision	0	373,264	0	373,264
(Paid)/refund received for prior year	(2,589,009)	616,060	0	0
Provision for the year	4,327,004	3,589,009	4,327,004	3,589,009
Provisionally paid for current year	(1,055,303)	(1,000,000)	0	0
<b>Total</b>	<b>3,354,820</b>	<b>2,672,129</b>	<b>4,327,004</b>	<b>3,962,273</b>
9.2 Corporate social responsibility & Tourism marketing tax	0	0	3,564,138	2,119,090
9.3 Deferred tax asset				
Employee compensation obligation	86,768	78,265	(8,503)	22,443
Deferred due to tax depreciation	2,268,040	1,772,110	(495,930)	(438,628)
Unrealised exchange differences	11,950	0	(11,950)	0
<b>Total</b>	<b>2,366,758</b>	<b>1,850,375</b>	<b>(516,383)</b>	<b>(416,185)</b>
9.4 Deferred tax liability				
Unrealised exchange differences	0	66,840	(66,840)	(114,357)
<b>Total deferred tax expense</b>			<b>(583,223)</b>	<b>(530,542)</b>
<b>Total income tax expense</b>			<b>7,307,921</b>	<b>5,550,822</b>

10 *Authorised & issued capital*

	2020	2019
Authorised and issued and fully paid 100 shares of R 1,000 each	100,000	100,000

11 *Inventories*

	2020	2019
Timber & plywood	2,594,835	25,763,638
Pipes & fittings	535,686	5,600,524
Tiles, tiles skirting	253,203	1,365,165
Cables & cable trays	37,176	70,651
Paint & varnish	596,628	810,845
Sundry	866,474	5,656,857
<b>Total</b>	<b>4,884,002</b>	<b>39,267,680</b>

12 *Employee benefit obligations*

	2020	2019
1 April	260,884	335,693
Current service cost	107,999	(50,900)
Benefits paid	(79,661)	(23,909)
<b>Total</b>	<b>289,222</b>	<b>260,884</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Financial statements are prepared in Seychelles Rupees

**12 Employee benefit obligations (cont...)**

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**

	2020	2019
Completed work awaiting certification or invoicing	321,632	16,679,818
Receivable for work certified or invoiced	50,086,759	39,664,916
Receivable from related party (note 17)	30,931,716	7,947,578
Total financial assets other than cash & cash equivalents	81,340,107	64,292,312
Prepaid goods and credit with suppliers	0	28,735,325
Prepayments and other receivables	127,697	369,406
<b>Total</b>	<b>81,467,804</b>	<b>93,397,043</b>

**14 Property, plant and equipment**

	Building	Machinery & Tools/ Furniture & fittings	Motor Vehicles	Computers/ Electrical equipment	Total
<b>Cost</b>					
At 1 April 2019	15,099,809	21,398,793	7,523,360	868,541	44,890,503
Additions	0	1,340,946	0	25,948	1,366,894
Disposal	0	0	0	0	0
<b>At 31 March 2020</b>	<b>15,099,809</b>	<b>22,739,739</b>	<b>7,523,360</b>	<b>894,489</b>	<b>46,257,397</b>
<b>Accumulated depreciation and impairment</b>					
At 1 April 2019	9,547,252	9,533,687	5,296,967	790,426	25,168,332
Annual depreciation	2,050,725	3,294,860	603,481	40,514	5,989,580
Disposals	0	0	0	0	0
<b>At 31 March 2020</b>	<b>11,597,977</b>	<b>12,828,547</b>	<b>5,900,448</b>	<b>830,940</b>	<b>31,157,912</b>
<b>Carrying amount</b>					
At 1 April 2019	5,552,557	11,865,106	2,226,393	78,115	19,722,172
<b>At 31 March 2020</b>	<b>3,501,832</b>	<b>9,911,192</b>	<b>1,622,912</b>	<b>63,549</b>	<b>15,099,486</b>

**15 Trade and other payables**

	2020	2019
Trade creditors	22,086,644	1,399,660
Sundry creditors and accruals	4,305,628	1,942,377
Total financial liabilities, excluding loans and borrowings	26,392,272	3,342,037
Contract advances	3,174,303	60,513,380
Other liabilities	12,688,860	0
<b>Total</b>	<b>42,255,435</b>	<b>63,855,417</b>

**16 Borrowings**

	2020	2019
<b>Current</b>		
Bank loans	0	732,797
Bank overdraft	27,374,985	61,923,066
<b>Total</b>	<b>27,374,985</b>	<b>62,655,863</b>

**16.1 Repayments**

	2020	2019
Repayable within 1 year	27,374,985	62,655,863
Repayable later than 1 year and no later than 5 years	0	0
<b>Total</b>	<b>27,374,985</b>	<b>62,655,863</b>

The banking facilities are secured by first line floating charge over leasehold properties, corporate guarantee of the parent company for R 15 million and US\$ 5.5 million, and assignment of contract payments.



GREEN ISLAND CONSTRUCTION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Financial statements are prepared in Seychelles Rupees

**16 Borrowings (cont...)**

**16.2 Currency profile**

	2020	2019
Repayable in:		
US \$	1,520,529	58,303,471
Seychelles R	25,854,456	4,352,392
<b>Total</b>	<b>27,374,985</b>	<b>62,655,863</b>

**16.3 Finance cost profile**

	2020	2019
3 months Libor + 5% (average 6.88%)	1,520,529	58,303,471
Lending rate + 3% (Average 10.5%)	25,854,456	4,352,392
<b>Total</b>	<b>27,374,985</b>	<b>62,655,863</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.

**17.1 Services provided to related parties**

	2020	2019
Construction work done for ultimate parent	1,607,082	5,731,474
Construction work done for parent company	0	835,745
Construction work done for subsidiary	23,594,604	30,596,481
Construction work done for related party	2,274,236	10,254,310
<b>Total</b>	<b>27,475,922</b>	<b>47,418,010</b>

**17.2 Year end balances**

	2020	2019
Due from parent company	15,586,849	47,991
Due from subsidiary	15,344,867	7,899,587
<b>Total</b>	<b>30,931,716</b>	<b>7,947,578</b>

**17.3 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.

**17.4 Directors emoluments, pensions or compensation**

	Salary for Management		Fees, Pensions & Others	
	2020	2019	2020	2019
P. Lablache	0	0	36,480	36,480
S. Francis	0	0	36,480	36,480
A. Antat	0	0	36,480	36,480
P. Berlouis	0	0	54,720	54,720
W. Confait	0	0	36,480	36,480
A. Lebon	0	0	36,480	36,480
D. Matatiken (appointed 15.02.20)	0	0	4,763	0
A. Decommarmond (resigned 15.02.20)	0	0	33,440	36,480
R. Renaud (resigned 28.09.18)	0	0	0	24,320
<b>Total</b>	<b>0</b>	<b>0</b>	<b>275,323</b>	<b>297,920</b>

**18 Commitments**

There were no capital commitments, either contracted for or approved by the directors but not contracted for at 31 March 2020.

**19 Contingencies**

The directors are not aware of any outstanding contingent liabilities at 31 March 2020.

**20** *Effects of Coronavirus pandemic*

The global coronavirus pandemic in 2020 raises uncertainty as to the entity's going concern due to economic activities globally being severely affected. Following the world-wide outbreak of the virus, countries have acted to close their borders and confine their population. Such actions are impacting all industries across the world including Seychelles. The directors are however confident, that the company can operate in the medium term and therefore of the opinion that the going concern basis of preparation of these financial statements remains appropriate.