

Report of the Directors and
Financial Statements for the Year Ended 31 December 2020
for
L'Union Estate Company Limited

L'Union Estate Company Limited

Contents of the Financial Statements
for the Year Ended 31 December 2020

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Statement of Profit or Loss	6
Statement of Profit or Loss and Other Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Statement of Cash Flows	12
Notes to the Financial Statements	13
Income Statement Summaries	20

L'Union Estate Company Limited

Company Information
for the Year Ended 31 December 2020

DIRECTORS:

Mr Frank Hoareau
Ms Corinne Delpech (resigned on 01.02.2021)
Mr Damien Thesee
Mr Gerald Lablache (resigned on 01.02.2021)
Mr Andreix Rosalie (resigned on 01.02.2021)
Mr Barry Assary (resigned on 01.02.2021)
Ms Nadine Maillet (appointed on 01.02.2021)
Ms Kaline Jeannevol (appointed on 01.02.2021)
Mr Carl Mills (appointed on 01.02.2021)
Mr Vincent Cedras (appointed on 01.02.2021)
Mr Melton Ernesta (appointed on 01.02.2021)

REGISTERED OFFICE:

L'Union Estate,
La Digue,
Seychelles

REGISTERED NUMBER:

969 (Seychelles)

AUDITORS:

Bhanderi & Co
Chartered Certified Accountants
Post Box: 796
Ocean Gate House, Room 13
Mahe
Seychelles

Report of the Directors
for the Year Ended 31 December 2020

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of agriculture, poultry, pig farming, tourism by way of collection of entrance fees from visitors of the estate, building contractor and commercial renting.

REVIEW OF BUSINESS

As shown in the income statement the activities for the current year give the company net loss including provisions of SR 5,893,366 (2019: Profit SR 9,561,347) after taxation.

APPLICATION OF PROFIT AND REVENUE

The result for the current year and revenue reserves from prior year gives the company a revenue surplus of SR 9,290,672.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2020.

FIXED ASSETS

Fixed asset addition during the year relates to property, plant & equipments and motor vehicles SR 4,048,333 and, computer software SR 31,850.

The carrying amount of property is 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

The directors set out in the table below have held office during the whole of the period from 1 January 2020 to the date of this report.

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:-

Mr Frank Hoareau	- Chairman
Ms Corinne Delpuch	- Director (resigned on 01.02.2021)
Mr Damien Thesee	- Director
Mr Gerald Lablache	- Director (resigned on 01.02.2021)
Mr Andreix Rosalie	- Director (resigned on 01.02.2021)
Mr Barry Assary	- Director (resigned on 01.02.2021)
Ms Nadine Maillet	- Director (appointed on 01.02.2021)
Ms Kaline Jeannevol	- Director (appointed on 01.02.2021)
Mr Carl Mills	- Director (appointed on 01.02.2021)
Mr Vincent Cedras	- Director (appointed on 01.02.2021)
Mr Melton Ernesta	- Director (appointed on 01.02.2021)

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

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STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

The directors are required to prepare financial statements for each financial year. The directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- disclose and explain any material departure from applicable accounting standards.

The Companies Act 1972 also requires the directors to keep adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The retiring auditors, Bhanderi & co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mr Frank Hoareau – Chairman



Mr Damien Thesee – Director



Ms Nadine Maillet – Director



Ms Kaline Jeannevol – Director



Mr Carl Mills – Director



Mr Vincent Cedras – Director

Mr Melton Ernesta – Director

15 March 2021

Report of the Independent Auditors to the Members of L'Union Estate Company Limited

Opinion

We have audited the financial statements of L'Union Estate Company Limited for the year ended 31 December 2020 on pages six to nineteen. The Financial Statements have been prepared by management, under the historical cost convention and the financial reporting provision of the Seychelles Companies Act 1972.

This report is made solely to the company's members, as a body in accordance with Section 158 of the Seychelles Companies Act 1972. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion except for the financial effect, mentioned under the Emphasis of matter the financial statements:

- Give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Standards in Seychelles; and
- have been prepared in accordance with the requirements of the Companies Act 1972.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 the Seychelles, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the Companies Act 1972 require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Emphasis of matter

- (a) The company has made provisions relating to social security payable to Seychelles Revenue Commission and tax arrears, based on their assessment notice. The company has objected with Seychelles Revenue Commission relating to these balances, detail working relating to these provisions was not made available during the audit in order to justify the claim.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Report of the Independent Auditors to the Members of L'Union Estate Company Limited

Other information – Continued.....

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Seychelles Companies Act 1972

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 1972 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two and three, the directors are responsible for the preparation of the financial statements in accordance with Generally Accepted Accounting Standards in Seychelles and in compliance with the Seychelles Companies Act, 1972, and satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Generally Accepted Accounting Standards in Seychelles 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.



Bhanderi & Co
Chartered Certified Accountants
& Registered Auditors

15 March 2021

L'Union Estate Company Limited

Statement of Profit or Loss
for the Year Ended 31 December 2020
Financial statements are prepared in Seychelles Rupees

	Notes	31.12.20	31.12.19
CONTINUING OPERATIONS			
Revenue		13,930,005	30,486,855
Cost of sales		<u>(10,723,829)</u>	<u>(7,895,031)</u>
GROSS PROFIT		3,206,176	22,591,824
Other operating income		771,162	-
Gain/loss on revaluation of investments		-	39,018
Administrative expenses		<u>(9,935,144)</u>	<u>(11,943,072)</u>
OPERATING (LOSS)/PROFIT		(5,957,806)	10,687,770
Finance income	4	<u>152,907</u>	<u>488,432</u>
(LOSS)/PROFIT BEFORE INCOME TAX	5	(5,804,899)	11,176,202
Income tax	6	<u>(88,467)</u>	<u>(1,614,855)</u>
(LOSS)/PROFIT FOR THE YEAR		<u><u>(5,893,366)</u></u>	<u><u>9,561,347</u></u>

The notes form part of these financial statements

L'Union Estate Company Limited

Statement of Profit or Loss and Other Comprehensive Income
for the Year Ended 31 December 2020

Financial statements are prepared in Seychelles Rupees

	31.12.20	31.12.19
(LOSS)/PROFIT FOR THE YEAR	(5,893,366)	9,561,347
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(5,893,366)</u>	<u>9,561,347</u>

The notes form part of these financial statements

Statement of Financial Position

31 December 2020

Financial statements are prepared in Seychelles Rupees

	Notes	31.12.20	31.12.19
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	7	99,008	129,691
Property, plant and equipment	8	19,256,697	17,319,123
Investments	9	64,018	64,018
		<u>19,419,723</u>	<u>17,512,832</u>
CURRENT ASSETS			
Inventories	10	5,824,393	6,156,897
Trade and other receivables	11	1,318,328	2,539,895
Tax receivable		1,282,653	1,200,710
Investments	12	-	4,792,937
Cash and cash equivalents	13	7,345,968	10,199,061
		<u>15,771,342</u>	<u>24,889,500</u>
TOTAL ASSETS		<u>35,191,065</u>	<u>42,402,332</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	14	7,292,500	7,292,500
Retained earnings	15	9,290,672	15,184,038
TOTAL EQUITY		<u>16,583,172</u>	<u>22,476,538</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	16	12,620,697	12,620,697
Pension liability	17	5,421,575	5,158,335
		<u>18,042,272</u>	<u>17,779,032</u>
CURRENT LIABILITIES			
Trade and other payables	16	565,621	708,050
Tax payable		-	1,438,712
		<u>565,621</u>	<u>2,146,762</u>
TOTAL LIABILITIES		<u>18,607,893</u>	<u>19,925,794</u>
TOTAL EQUITY AND LIABILITIES		<u>35,191,065</u>	<u>42,402,332</u>

The notes form part of these financial statements

L'Union Estate Company Limited (Registered number: 969)

Statement of Financial Position - continued

31 December 2020

Financial statements are prepared in Seychelles Rupees

The financial statements were approved by the Board of Directors on 15 March 2021 and were signed on its behalf by:



Mr Frank Hoareau – Chairman



Mr Damien Thesee – Director



Ms Nadine Maillet – Director



Ms Kaline Jeannevol – Director



Mr Carl Mills – Director



Mr Vincent Cedras – Director

Mr Melton Ernesta – Director

The notes form part of these financial statements

L'Union Estate Company Limited

Statement of Changes in Equity
for the Year Ended 31 December 2020
Financial statements are prepared in Seychelles Rupees

	Called up share capital	Retained earnings	Total equity
Balance at 1 January 2019	7,292,500	5,622,691	12,915,191
Changes in equity			
Total comprehensive income	<u>-</u>	<u>9,561,347</u>	<u>9,561,347</u>
Balance at 31 December 2019	<u>7,292,500</u>	<u>15,184,038</u>	<u>22,476,538</u>
Changes in equity			
Total comprehensive income	<u>-</u>	<u>(5,893,366)</u>	<u>(5,893,366)</u>
Balance at 31 December 2020	<u>7,292,500</u>	<u>9,290,672</u>	<u>16,583,172</u>

The notes form part of these financial statements

L'Union Estate Company Limited

Statement of Cash Flows

for the Year Ended 31 December 2020

Financial statements are prepared in Seychelles Rupees

	Notes	31.12.20	31.12.19
Cash flows from operating activities			
Cash generated from operations	1	(2,109,633)	9,023,902
Tax paid		<u>(1,609,122)</u>	<u>(568,554)</u>
Net cash from operating activities		<u>(3,718,755)</u>	<u>8,455,348</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(31,850)	(45,966)
Purchase of tangible fixed assets		(4,048,332)	(4,936,835)
Investment in CBS Treasury Bills		4,610,529	2,389,858
Interest received		335,315	421,268
Dividends received		<u>-</u>	<u>2,500</u>
Net cash from investing activities		<u>865,662</u>	<u>(2,169,175)</u>
(Decrease)/increase in cash and cash equivalents		<u>(2,853,093)</u>	<u>6,286,173</u>
Cash and cash equivalents at beginning of year	2	<u>10,199,061</u>	<u>3,912,888</u>
Cash and cash equivalents at end of year	2	<u><u>7,345,968</u></u>	<u><u>10,199,061</u></u>

The notes form part of these financial statements

Notes to the Statement of Cash Flows

for the Year Ended 31 December 2020

Financial statements are prepared in Seychelles Rupees

1. **RECONCILIATION OF (LOSS)/PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

	31.12.20	31.12.19
(Loss)/profit before income tax	(5,804,899)	11,176,202
Depreciation charges	2,063,122	1,710,189
Gain on revaluation of fixed assets	-	(39,018)
Retirement benefit obligation charge	1,069,316	471,778
Retirement benefit obligation paid	(806,076)	(296,926)
Finance income	<u>(152,907)</u>	<u>(488,432)</u>
	(3,631,444)	12,533,793
Decrease/(increase) in inventories	442,673	(1,761,301)
Decrease/(increase) in trade and other receivables	1,221,567	(1,484,154)
Decrease in trade and other payables	<u>(142,429)</u>	<u>(264,436)</u>
Cash generated from operations	<u><u>(2,109,633)</u></u>	<u><u>9,023,902</u></u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2020

	31.12.20	1.1.20
Cash and cash equivalents	<u>7,345,968</u>	<u>10,199,061</u>

Year ended 31 December 2019

	31.12.19	1.1.19
Cash and cash equivalents	<u>10,199,061</u>	<u>3,912,888</u>

1. **STATUTORY INFORMATION**

L'Union Estate Company Limited is a private company, limited by shares, registered in Seychelles. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Seychelles Rupees (SCR).

2. **ACCOUNTING POLICIES**

Basis of preparation

The statements of the company are prepared in accordance with the requirement of the Seychelles Companies Act 1972 and the Generally Accepted Accounting Standard in Seychelles. They have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Revenue recognition

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the reporting year arising from the course of the activities of the entity and it is shown net of any related sales taxes and rebates.

Revenue of the company comprises the following:

- (i) Revenue from the sale of agriculture and animal products are recognised when significant risks and rewards of ownership are transferred to the buyer, the amount of revenue and the costs incurred or to be incurred in respect of the transaction can be measured reliably.
- (ii) Revenue from entrance fees is recognised upon the actual sale of tickets to the visitors of the estate.
- (iii) Rental revenue and other income is recognised as and when it falls due unless recoverability is in doubt.

Property, plant and equipment

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment loss. 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 company adds to the carrying amount of an item of property, the cost of replacing parts 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 the statement of income during the period they are incurred

Land is not depreciated. Depreciation on other assets is charged so as to allocate the costs of the assets less their residual value over their estimated useful lives. The depreciation policy is as follows;

2. **ACCOUNTING POLICIES - continued**

Property, plant and equipment - continued

Buildings	- 30 years
Plant & Equipment	- 8 years
Computer software	- 5 years
Motor Vehicles	- 4 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.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Foreign currencies

The functional currency is the Seychelles Rupees as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when recognised in other comprehensive income.

Employee benefit costs

Seychelles Employment Act requires employees to be compensated upon retirement, resignation or on completion of five years or more of continuous service from date of their employment. The financial statements include liability accrued to the employee in full with the expense included as part employment costs.

Impairment of financial assets

The carrying amounts of the financial assets are reviewed by the directors periodically to determine whether it is in excess of its market or recoverable amount in the statement of financial position. If there is any evidence of other than a temporary impairment in the carrying amount of an asset, it is written down to its fair value or recoverable amount and the loss recognised in the income statement.

Provisions

A liability or provision is recognised when there is 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. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020
Financial statements are prepared in Seychelles Rupees

3. EMPLOYEES AND DIRECTORS		
	31.12.20	31.12.19
Wages and salaries	3,888,139	6,375,742
Social security costs	717,727	351,778
Other pension costs	<u>204,656</u>	<u>212,206</u>
	<u>4,810,522</u>	<u>6,939,726</u>
	31.12.20	31.12.19
Directors' fees and Allowances	<u>268,693</u>	<u>377,277</u>
4. NET FINANCE INCOME		
	31.12.20	31.12.19
Finance income:		
Dividend received	-	2,500
Fixed Deposit interest income	65,844	57,000
Treasury bill interest income	<u>87,063</u>	<u>428,932</u>
	<u>152,907</u>	<u>488,432</u>
5. (LOSS)/PROFIT BEFORE INCOME TAX		
The loss before income tax (2019 - profit before income tax) is stated after charging/(crediting):		
	31.12.20	31.12.19
Depreciation - owned assets	2,000,589	1,654,026
Computer software amortisation	62,533	56,163
Auditors' remuneration	230,000	195,000
Foreign exchange differences	<u>(771,162)</u>	<u>12</u>
6. INCOME TAX		
Analysis of tax expense		
	31.12.20	31.12.19
Current tax:		
Tax	2,775	1,438,712
CSR Tax	59,650	78,627
Tourism Marketing Tax	<u>26,042</u>	<u>97,516</u>
Total tax expense in statement of profit or loss	<u>88,467</u>	<u>1,614,855</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020
Financial statements are prepared in Seychelles Rupees

7. INTANGIBLE ASSETS

	Computer software
COST	
At 1 January 2020	280,813
Additions	<u>31,850</u>
At 31 December 2020	<u>312,663</u>
AMORTISATION	
At 1 January 2020	151,122
Amortisation for year	<u>62,533</u>
At 31 December 2020	<u>213,655</u>
NET BOOK VALUE	
At 31 December 2020	<u>99,008</u>
At 31 December 2019	<u>129,691</u>

8. PROPERTY, PLANT AND EQUIPMENT

	Freehold property	Improvements to property	Plant and machinery	Motor vehicles	Totals
COST					
At 1 January 2020	22,942,629	1,041,170	13,002,450	2,304,060	39,290,309
Additions	208,235	1,595,801	3,809,245	30,852	5,644,133
Reclassification/transfer	<u>-</u>	<u>-</u>	<u>931,001</u>	<u>-</u>	<u>931,001</u>
At 31 December 2020	<u>23,150,864</u>	<u>2,636,971</u>	<u>17,742,696</u>	<u>2,334,912</u>	<u>45,865,443</u>
DEPRECIATION					
At 1 January 2020	11,784,273	-	8,098,915	2,087,998	21,971,186
Charge for year	450,658	-	1,335,576	214,355	2,000,589
Reclassification/transfer	<u>-</u>	<u>2,636,971</u>	<u>-</u>	<u>-</u>	<u>2,636,971</u>
At 31 December 2020	<u>12,234,931</u>	<u>2,636,971</u>	<u>9,434,491</u>	<u>2,302,353</u>	<u>26,608,746</u>
NET BOOK VALUE					
At 31 December 2020	<u>10,915,933</u>	<u>-</u>	<u>8,308,205</u>	<u>32,559</u>	<u>19,256,697</u>
At 31 December 2019	<u>11,158,356</u>	<u>1,041,170</u>	<u>4,903,535</u>	<u>216,062</u>	<u>17,319,123</u>

Freehold land and building at cost is analysed as follows:

	31.12.20	31.12.19
Freehold Land	1,517,086	1,517,086
Building	<u>21,633,778</u>	<u>21,425,543</u>
Total cost of Freehold land and Building	<u>23,150,864</u>	<u>22,942,629</u>

9. **INVESTMENTS**

	SCB Shares
COST	
At 1 January 2020 and 31 December 2020	<u>64,018</u>
NET BOOK VALUE	
At 31 December 2020	<u>64,018</u>
At 31 December 2019	<u>64,018</u>

Company holds investment of 250 shares of SR 100 each with Seychelles Commercial Bank Limited.

10. **INVENTORIES**

	31.12.20	31.12.19
Stocks	4,118,423	6,156,897
Work-in-progress	<u>1,705,970</u>	<u>-</u>
	<u>5,824,393</u>	<u>6,156,897</u>

Inventory includes animal live stock, goods in main store, agricultural seeds, fertilisers and pesticides and other construction materials.

Inventories are valued at the lower of cost and net realisable value.

11. **TRADE AND OTHER RECEIVABLES**

	31.12.20	31.12.19
Current:		
Trade debtors	1,235,730	1,417,022
Provision for Bad Debts	(425,507)	(425,507)
Other debtors	397,604	1,328,292
VAT	89,868	-
Prepayments	<u>20,633</u>	<u>220,088</u>
	<u>1,318,328</u>	<u>2,539,895</u>

12. **INVESTMENTS**

	31.12.20	31.12.19
Government Securities	<u>-</u>	<u>4,792,937</u>

Company has invested in short term (not more than 1 year) treasury bills released by Central Bank of Seychelles.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020
Financial statements are prepared in Seychelles Rupees

13. CASH AND CASH EQUIVALENTS

	31.12.20	31.12.19
Cash in hand	454,279	782,168
Bank accounts	<u>6,891,689</u>	<u>9,416,893</u>
	<u>7,345,968</u>	<u>10,199,061</u>

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31.12.20	31.12.19
Number:	Class:	Nominal value:		
72,925	Ordinary shares	SR 100	<u>7,292,500</u>	<u>7,292,500</u>

15. RESERVES

	Retained earnings
At 1 January 2020	15,184,038
Deficit for the year	<u>(5,893,366)</u>
At 31 December 2020	<u>9,290,672</u>

16. TRADE AND OTHER PAYABLES

	31.12.20	31.12.19
Current:		
Accrued expenses	565,621	460,441
VAT	<u>-</u>	<u>247,609</u>
	<u>565,621</u>	<u>708,050</u>
Non-current:		
Social security payable	6,280,701	6,280,701
Tax arrears payable	6,335,996	6,335,996
Other creditors	<u>4,000</u>	<u>4,000</u>
	<u>12,620,697</u>	<u>12,620,697</u>
Aggregate amounts	<u>13,186,318</u>	<u>13,328,747</u>

17. EMPLOYEE BENEFIT OBLIGATIONS

Changes in the present value of the employee benefit obligation are as follows:

	Employee Benefit Obligation	
	31.12.20	31.12.19
Opening employee benefit obligation	5,158,335	4,983,483
Current service cost	1,069,316	471,778
Benefits paid during the year	<u>(806,076)</u>	<u>(296,926)</u>
	<u>5,421,575</u>	<u>5,158,335</u>

18. CONTINGENT LIABILITIES

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

19. CAPITAL COMMITMENTS

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

L'Union Estate Company Limited

Income Statement Summaries
for the Year Ended 31 December 2020
Financial statements are prepared in Seychelles Rupees

	31.12.20	31.12.19
REVENUE		
Sale of Farm products	7,248,311	8,533,369
Entrance fees collection	5,208,337	19,503,184
Rental Income	1,057,348	1,745,088
Excavation fees	97,319	171,790
Pumping fees	90,739	158,218
Other Income	<u>227,951</u>	<u>375,206</u>
	<u>13,930,005</u>	<u>30,486,855</u>
COST OF SALES		
Cost of sales farm products	6,035,654	2,869,225
Cost of sales farm salaries	4,132,056	4,540,924
Cost of sales excavation	253,924	160,488
Cost of sales excavation salary	142,088	157,026
Cost of sales pumping	26,862	28,904
Cost of sales pumping salaries	<u>133,245</u>	<u>138,464</u>
	<u>10,723,829</u>	<u>7,895,031</u>
OTHER OPERATING INCOME		
Exchange gains	<u>771,162</u>	<u>-</u>
	<u>771,162</u>	<u>-</u>
GAIN/LOSS ON REVALUATION OF ASSETS		
Gain/loss on revaluation of investments	<u>-</u>	<u>39,018</u>
	<u>-</u>	<u>39,018</u>
FINANCE INCOME		
Dividend received	-	2,500
Fixed Deposit interest income	65,844	57,000
Treasury bill interest income	<u>87,063</u>	<u>428,932</u>
	<u>152,907</u>	<u>488,432</u>

This page does not form part of the statutory financial statements

L'Union Estate Company Limited

Income Statement Summaries

for the Year Ended 31 December 2020

Financial statements are prepared in Seychelles Rupees

	31.12.20	31.12.19
ADMINISTRATIVE EXPENSES		
Utilities	890,161	756,747
Directors' fees	268,693	377,277
Staff salaries & wages	3,619,446	5,998,465
Gratuity and Compensation	717,727	351,778
Pension employer contribution	204,656	212,206
Other staff cost	356,820	360,000
Telephone and Internet charges	156,043	126,345
Post and stationery	67,473	173,055
Advertising and Promotions	140,600	277,668
Travelling & subsistence	130,591	304,085
Motor and fuel expenses	84,898	134,984
Licences and insurance	119,164	71,962
Transportation expenses	242,091	213,081
Repairs and renewals	44,743	170,069
Cleaning expenses	14,117	27,011
Staff welfare expenses	131,166	86,333
Staff training cost	-	56,905
Sundry expenses	26,476	(66,581)
Survey fees	30,000	25,891
Legal and professional fees	182,149	100,852
GOP expenses	168,150	165,152
Auditors' remuneration	230,000	195,000
Donations	10,000	73,807
Foreign exchange losses	-	12
Amortisation of intangible fixed assets	62,533	56,163
Depreciation of tangible fixed assets	2,000,589	1,654,026
Entertainment	-	13,590
Bank charges	36,858	27,189
	<u>9,935,144</u>	<u>11,943,072</u>

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