



**SCAA**  
**Annual**  
**Report**  
**2021**

*Seychelles Civil Aviation Authority*



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**SCAA Annual Report 2021**

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Published by the Seychelles Civil Aviation Authority (SCAA)  
Seychelles International Airport, Pointe Larue, Mahé, Seychelles

November 2022



# Chairman's Message



## The Board

In February 2021, a new Board of Directors was appointed to the Seychelles Civil Aviation Authority, at a time of great challenge as well as exciting opportunity. Starting fresh meant a steep learning curve for the Directors, even for those of us with an aviation background, but we also knew that we were joining an organisation which but for the pandemic had enjoyed many unbroken years of success. Expectations on the part of the organisation and all stakeholders were high. We've been building momentum for a very great leap and we intend to make it, as expected by our stakeholders and our staff.

During the period between February to December 2021, the Board of Directors held a total of nine Board Meetings with over 99% attendance by Directors and quorum. This is a clear indication of the level of commitment, dedication and participation by all Board Directors.

In terms of Board governance, one of our major achievements has been the establishment of the Authority's first Board Charter and a thorough compliance review against the Public Enterprise Monitoring Commission Act, Code of Corporate Governance and subsidiary best practice documents.

I would like to thank all Directors for our collaboration and taking on this role with such devotion. Together we addressed many key strategic long-standing issues as well as new initiatives and challenges to the organisation and aviation industry.

## The SCAA

I would like to thank the Chief Executive Officer and the SCAA for the support and understanding provided to me as the new Chairman and the Board of Directors through the various Standing Committees. Having an entire new Board of Directors invariably required acceptance, adaptation and change. The staff of SCAA have risen to all the challenges presented to them, against the backdrop of the COVID-19 pandemic. They have shown resilience and admirable willingness to sacrifice. In many instances, collectively we have had to re-think, shuffle and reprioritize elements of the 5-year strategic plan based on changing and uncertain assumptions.

The SCAA team is to be commended for its adaptability in such testing times and to be open to innovation. Martin Luther King's once said, "The strongest storms make the best sailors. The strongest games make the best players. The toughest challenges make the best leaders." This holds true to the SCAA team.

## Organisational Performance

The operational, financial and social impact challenges presented by COVID-19 to the aviation industry and economy at large is unprecedented. Despite the ongoing challenges, in 2021 the Authority maintained its steadfast focus on facilitating safe travel to our airports. With the full opening up of our borders, our teams ensured all health protocols were in place to cater for the anticipated increase in passengers and activity at the airport. We also remained customer-focused and maintained our strong partnership with our airline partners, aviation stakeholders and other national agencies. We have continued to help our people protect themselves from the virus by working to facilitate and encourage vaccinations to keep our workplaces as safe and productive as possible.

This time last year, we closed our report for the FY20 with some confidence that FY21 would bring the beginning of recovery for the industry, as the world geared up to vaccinate their population and gradually re-opened their borders. Our forecasts were accurate in some respects as passenger numbers and activity significantly picked up at Seychelles International Airport (SIA). Passenger throughput increased by 33% compared to the year 2020. A total of 27,840 aircraft movements were recorded at SIA for the year 2021. This represented an increase of 40% as compared to 2020. As of 31st December 2021, 15 airlines were operating on the route, with an average of 47 inbound flights per week. This improvement in direct aeronautical revenue allowed SCAA to close the year with an operating income of SCR290.8m. This performance is very encouraging and confirms that although not at a faster pace as we would have hoped for, we have started to recover from the pandemic.

For the year 2021, SCAA spent SCR257.5m (excluding depreciation and doubtful debts) in operating expenses, a reduction by 8% compared to 2020. Cost control, whilst ensuring the safety, security, regulatory, and international standards, and requirements are not jeopardized remained amongst our top priorities throughout the year. This achievement enabled the company to sustain its staff costs being the dominant expenses as the aviation industry is highly labor-intensive and heavily regulated.

## Key Initiatives for 2022

In the year ahead, the SCAA will be embarking on a key initiative to separate the organisation into two separate entities. The Seychelles Civil Aviation Authority will retain one of its' core roles as the civil aviation regulatory and safety oversight body and all aviation commercial and service provider functions will transition to a newly established organisation named the Airport Authority.

This strategic initiative will not only address Seychelles compliance to international standards and best practice set forth by ICAO but also allow each organisation to have a clear focus and channel its expertise and energy into a clear mandate/mission with a much clearer non-conflicting vision.

One of the key and immediate priorities of the SCAA will be to continue to build up and strengthen its safety oversight capability through ICAO's 8 Critical Elements framework thus increasing its international rating in this regard.

We continue to look to 2022 with much optimism knowing that we may overcome the most challenging times.

Mr. Marlon Orr  
Chairman, SCAA

## CEO's Report



Having withstood the havoc created by the global pandemic in 2020, SCAA began making progress on the road to recovery in 2021. The majority of our international airline partners, all of whom have been forced to either significantly reduce or suspend their services into Seychelles, were able to re-establish their connections.

In view of the successful vaccination campaign, movement restrictions were also lessened allowing us to resume more human interaction in the workplace, whilst we continued to abide by the public health measures in place.

### Traffic & Financial Snapshot

Since the re-opening of our borders there has been a considerable improvement in air travel. Passenger volumes and traffic started recovering in the second quarter, where we experienced an increase in demand, which progressed into more improvements in the second half of 2021.

A total of 27,840 aircraft movements were recorded at SIA for the year 2021. This represents an increase of 40% as compared to 2020. FIR Movements rose by 11% from 10,475 to 11,638 in 2021. Cargo throughput recorded for the year was 7,716, a 20% increase compared to the year 2020.

In comparison to our 2019's performance, aircraft movements have recovered by 65%, passenger numbers by 44% and cargo throughput by 72%.

Revenues in 2021 were SCR290.8 million (excluding finance income of SCR3.9 million and realise exchange losses of SCR33.9 million). Our revenue performance was bolstered by activity driven increases in FIR, aeronautical, and non-aeronautical revenues. The latter of which also benefited from higher passenger spending on concessions. Total expenditure (excluding depreciation) amounted to SCR257.5m, a reduction by 8% compared to 2020.

### Operations

As was the case in 2020, SCAA's activities continued to be affected in 2021 by the unpredictable circumstances entailed by the COVID-19 pandemic and the appearances of new variants worldwide. Despite this, we were able to act quickly to adjust the capacity of our airport to meet the specific needs of the operation whilst maintaining a safe work environment for our employees and a safe experience for our customers, in line with our COVID-19 Guidelines. We effectively managed the increase of passengers and activities to our international and domestic terminals.

### Easy Access to Vaccines

The health and safety of our staff remains a priority for our organisation. As the national vaccination campaign kicked off, we encouraged and facilitated access to vaccines for our staff by setting up a vaccination center at our premises in collaboration with the Ministry of Health. By December 84.88% of staff had already been vaccinated with either one or both doses of the vaccine.

### Our Commitment to the Environment

The SCAA remains committed to demonstrating sustainable and responsible use of the environment in its operations. In 2021, for a second time, we successfully submitted the CO2 emissions report to ICAO. We also launched our virtual pledge wall on our website to commemorate world environment day. In the year ahead we will be finalising our State Action Plan (SAP), with the support of the ICAO regional Environment office.

### Project Updates

As our financial situation stabilized, we were able to push ahead with some important projects which we are certain will deliver greater efficiencies for our airline partners and an improved travel experience for passengers. In October works commenced to refurbish the international passenger concourse. Two contracts were also signed for the implementation of the Air Navigation Modernisation System and the ICT Modernisation System for a sum of USD3,625,000million and USD1.8million respectively.

### Our People

In the past two years, we have had to forgo a number of staff benefits. Our training budget was reduced, and we had to freeze all staff enhancements, promotions, and recruitment. We are cognisant of the impact of these necessary cost cutting measures on staff morale and productivity. As we look to recovery, we will plan for the gradual reinstatement of these benefits in 2022 and get back on track with our workforce plan. We remain committed to attracting, developing and rewarding our talents, and providing a working environment and culture that empowers people to deliver the best of their ability.

### Safety & Security

Our Safety and Security Regulation team managed to ensure business continuity throughout the year albeit the COVID-19 restrictions which continued to impact on normal operations since 2020. All requests from operators and service providers alike were attended to in an organized and timely manner.

The Airworthiness inspectorate has worked tirelessly to address and close almost all outstanding findings and by doing so, it has achieved a 98% effective implementation score, based on current self-assessment using the ICAO online process, surpassing both the Abuja Safety Targets for AFI State which stands at 60% and the world average for airworthiness which stands at 82%. Good progress was also made for the ANS inspectorate, where we achieved a score of 82% effective implementation, based on current self-assessment.

### Outlook

During the FY21 our primary goal was to stabilize our business in response to the pandemic and its impact on our organisation and our staff. As we move forward, we will intensify our focus on improving our financial performance, the well-being of our dedicated team and forging ahead with our plans to modernize our organisation and our airport.

I remain positive that through our industry's resilience, the unwavering efforts of our aviation partners, that of our shareholder and our staff, the Authority is well positioned for a strong rebound.

On this note, I would like to thank each one of our employees for their commitment, loyalty and understanding during the year. We thank our board for their valuable insights and strong stewardship. We are also grateful to our airline partners, our airport business community, our customers, our tourism partners, other national stakeholders for aligning their efforts on the path to recovery.

**Garry Albert**  
Chief Executive Officer, SCAA

## Corporate Profile

The Seychelles Civil Aviation Authority (SCAA) was established under the SCAA Act, 2005, as an administrative and financial body corporate to provide for the services, facilities and regulation of civil aviation activities in Seychelles. The SCAA and its affairs are administered by a CEO reporting to a Board of Directors appointed by the Minister responsible for Civil Aviation.

SCAA's core business focusses on regulatory and safety oversight of aviation activities, as per regulations, standards and recommended practices set by the Safety and Security Regulation department of SCAA and the provision of air traffic services in the Seychelles flight information region as well as in and out of the Seychelles terminal airspace. Its mandate also includes management of Seychelles International Airport (SIA) and Praslin airport, where it undertakes key functions of airport operations and facilitation, commercial activities, provision of aviation security, firefighting and emergency services.

Other essential internal support services include finance and accounting, human resources and administration, infrastructure projects implementation, corporate strategy, engineering and technical services and Information communication technology.

### Vision



A leading organisation bringing  
**Excellence**  
to your aviation *experience*

### Mission

To deliver on our promise of highest standards in safety, security and quality of service for the customer.

### Values



#### Our Country

Put the interest of Seychelles and its people first.



#### Our People

Provide equal opportunity for everyone. Treat everyone fairly and equally.



#### Environment

Protect our environment and heritage.



#### Innovation

Think out of the box and make it happen.



#### Customer

Treat every customer as you would like to be treated.



#### Integrity

Be open, honest and keep your promises.

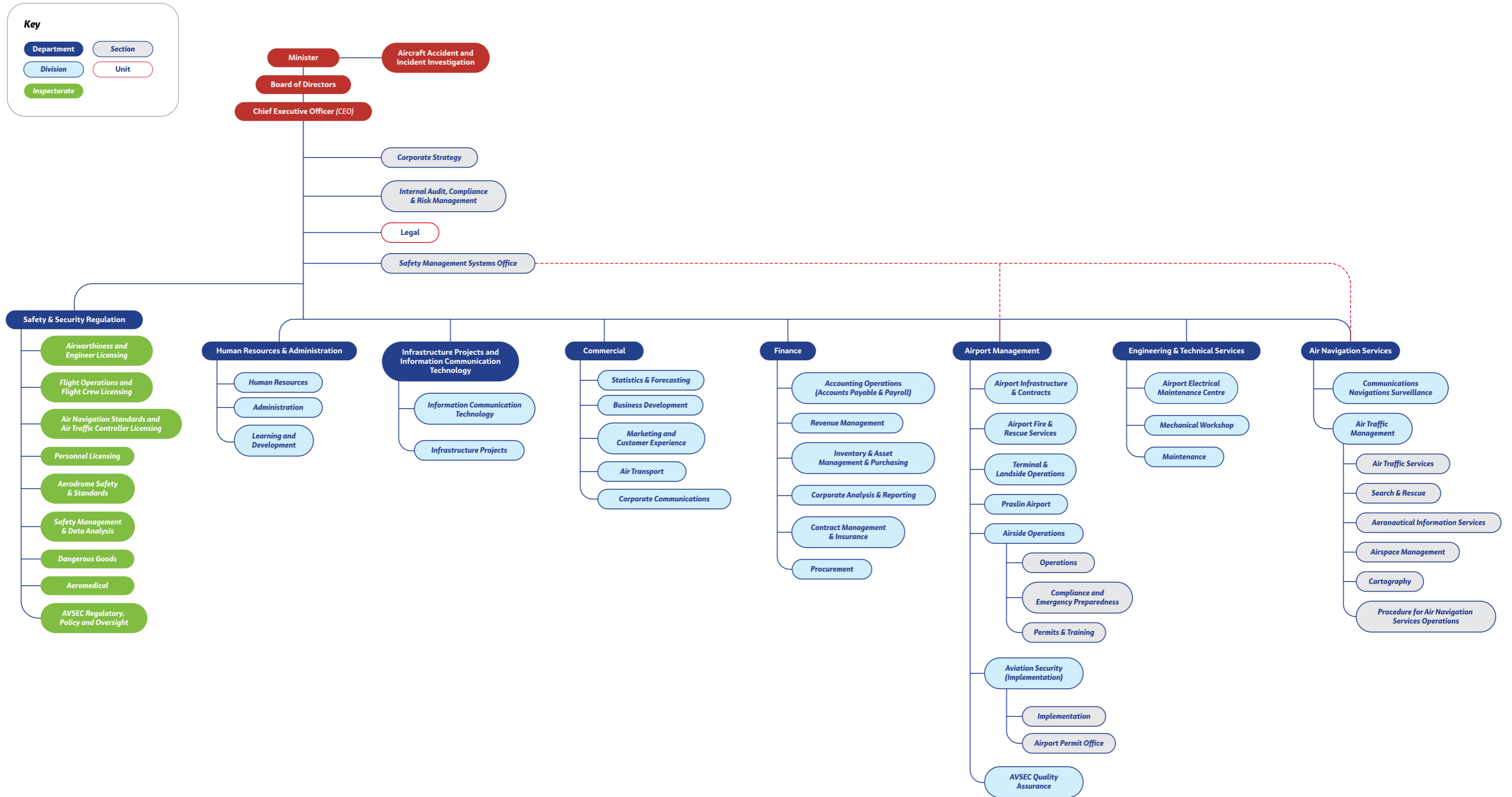


#### Social Commitment

Be a responsible neighbour and invest in our community.



# Organisation Structure



## Aims & Roles

### The Aims & Roles of the Authority are:

- To maintain and manage the Authority's aerodromes providing for the necessary services and facilities as are necessary or expedient for their operation.
- To provide air traffic control service, flight information service, and alerting service within the Seychelles Flight Information region.
- To provide and coordinate search and rescue operations to aircraft in distress within the Seychelles search and rescue region and outside of this region, in accordance with regional agreements with neighbouring states and designated Air Navigation Service Providers.
- To provide aeronautical information services and ensure accuracy integrity and reliability of aeronautical data published in the Seychelles Aeronautical Information publication document and other aeronautical publications conforming to standards and recommended practices of the International Civil Aviation Organisation (ICAO).
- To provide adequate firefighting and rescue services and facilities at the Authority's aerodromes.
- To provide a safe and secure airport environment.
- To promote and regulate the development of air transport.
- To advise Government on all matters relating to Civil Aviation.
- To act internationally as the national body representing Seychelles in respect of matters relating to Civil Aviation.
- To establish, maintain and implement a National Civil Aviation Security Programme, a National Civil Aviation Security Quality Control Programme and a National Civil Aviation Security Training Programme;
- To provide procedures for air navigation services relating to the construction of Visual and Instrument Flight Procedures;
- To establish and implement a safety assessment programme of foreign operators operating in or out of Seychelles;
- To provide aviation communication, navigation and surveillance services within the Seychelles Flight Information Region;
- To provide, in accordance with the security agreement with the Authority, security services to aerodrome operators, airline operators or businesses which provide a service at the aerodrome;
- To ensure that a contingency plan is developed by aerodrome operators in accordance with the National Civil Aviation Security Programme and policies;
- To develop and review national standards for security equipment and system for an aerodrome in accordance with the National Civil Aviation Security Programme,
- To promote Safety in civil aviation and establish and maintain an effective aviation safety programme,
- To exercise safety oversight in and regulate civil aviation activities relating to the Convention on International Civil Aviation and annexes thereto as amended from time to time.

## Executive Management Team



**Mr. Colin Chang-Tave**  
General Manager  
Airport Management



**Ms. Lise Morel**  
General Manager Infrastructure  
Projects and Information  
Communication Technology



**Mr. David Labrosse**  
General Manager Safety &  
Security Regulation



**Mr. Garry Albert**  
Chief Executive Officer



**Ms. Florence Marengo**  
General Manager Commercial



**Mr. Sandy Mothee**  
Financial Accountant



**Mr. Darel Boniface**  
General Manager Engineering  
& Technical Services



**Ms. Esmee Samson**  
General Manager  
Air Navigation Services



**Ms. Lorella Uranie**  
General Manager  
Human Resources &  
Administration



**Mrs. May-Paule Volcere**  
Chief Financial Officer

As at 31st December, 2020

## Corporate Governance

The SCAA management and its Board are deeply committed to upholding the authority's core values. In all that they do, they strive to achieve and maintain the highest level of transparency, corporate governance and professionalism in order to build on SCAA's reputation as one of the leading organisation in Seychelles. SCAA strongly believes that it has to be accountable to its stakeholders, the community and ultimately the people of Seychelles, as it delivers on its business and operational functions.

Governance of SCAA is also guided by the following documents:

- **PEMC Act and Guidance Material**
- **Code of Corporate Governance for Public Enterprises**
- **Public Investment Management Manual**
- **Procurement Regulations**
- **Employment Act**
- **Access to Information Act**
- **SCAA Internal Policies and Manuals**

### a) The Board of Directors

The SCAA Board is the highest decision-making body of the organization. They oversee the organization's long-term strategies and ensures good governance practices across the whole organisation whilst protecting the interests of the shareholder and the travelling public. The Board is led by a non- executive Chairman who facilitates effective discussions and decision making on strategic direction, whilst the CEO of the Authority has full executive responsibility for the implementation of its strategies and plans.

The Directors are appointed every two years in accordance with the Public Enterprise Monitoring Commission Act, 2013, and meets at least 4 times in a year.

The Directors of the Authority since the date of the last report and the date of this report:

#### Appointed Effective July 2022

- **Noella Vinda**
- **Pedro Pierre**

#### Appointed effective February 1, 2021

- **Marlon Or (Chairman)**
- **Sherin Francis**
- **Magalie Essack**
- **Kelly Chetty**
- **Yannick Roucou**

#### Resigned April and June 2022 respectively:

- **Garry Jupiter**
- **May-Paul Marengo**

#### Resigned Effective February 1, 2021

- **Suketu Patel (Chairman)**
- **Anne Lafortune**
- **Amelie Nourice**
- **Vincent Amelie**
- **Nadine Potter**
- **Cindy Vidot**
- **Benjamin Choppy**
- **Ange Morel**

### b) Board Committees

The SCAA Board has established four committees:

- **Organisational Development**
- **Audit, Risk and Compliance**
- **Finance, Investment and Airport Services**
- **Safety and security Oversight and Legislation**

### c) Audit

SCAA is subjected to an annual Financial Audit by the Office of The Auditor General in line with SCAA Act.

SCAA is audited by the International Civil Aviation Organization (ICAO) with respect to safety oversight and security oversight and a continuous monitoring approach has been implemented with the support of the ICAO 'No Country Left Behind' programme.

SCAA has an Internal Audit Unit, which further monitors and ensures compliance with SCAA's various policies and procedures with the aim of minimizing business risks.

## SCAA Board Members



**Mr. Marlon Orr**  
Chairman



**Mrs Sherin Francis**  
Board Member



**Ms. Noella Vinda**  
Board Member



**Mrs. Magalie Essack**  
Board Member



**Mr. Pedro Pierre**  
Board Member



**Mr. Garry Albert**  
Chief Executive Officer



**Ms. Kelly Chetty**  
Board Member



**Mr. Yannick Roucou**  
Board Member



# Audited Financial Statement

## General Information

<b>DIRECTORS</b>	:	<p><b>Appointed effective July, 2022</b> Noella Vinda Pedro Pierre</p> <p><b>Appointed effective February, 2021</b> Marlon Orr Sherin Francis Kelly Chetty Yannick Roucou Magalie Essack</p> <p><b>Resigned</b> Garry Jupiter - <i>April 2022</i> May-Paul Marengo - <i>June 2022</i></p> <p><b>Resigned effective February, 2021</b>  Suketu Patel Anne Lafortune Amelie Nourice Vincent Amelie Nadine Potter Cindy Vidot Benjamin Choppy Ange Morel</p>
<b>SECRETARY</b>	:	Ms. Audrey Nanon Seychelles Pension Fund Victoria, Mahé Seychelles
<b>REGISTERED OFFICE</b>	:	P.O. Box 181, Seychelles International Airport Pointe Larue, Mahé, Seychelles
<b>PRINCIPAL PLACE OF BUSINESS</b>	:	Seychelles International Airport Pointe Larue, Mahé, Seychelles
<b>AUDITORS</b>	:	Office of the Auditor General 3rd Floor, Block C, Unity House Victoria, Seychelles
<b>BANKERS</b>	:	Seychelles International Mercantile Banking Corporation Limited The Mauritius Commercial Bank (Seychelles) Limited Absa Bank Seychelles Limited Seychelles Commercial Bank Bank of Baroda Seychelles

## Director's Report

The Board of Directors present their report together with the Auditor's Report and the Audited Financial Statements of the **Seychelles Civil Aviation Authority (SCAA)** (hereafter called the "Authority") for the year ended December 31, 2021.

### PRINCIPAL ACTIVITIES

The principal activities of the Authority are the provision of Aviation Regulatory and Safety Oversight, the provision of Air Navigation Services, the provision of Aviation Security Services and Management and provision of Operational Services at Seychelles International and Praslin Airports. It also facilitates business development opportunities. There has been no significant change in the nature of these activities during the year under review.

### SIGNIFICANT CURRENT YEAR EVENT

#### First-time adoption of International Financial Reporting Standards (IFRS)

The Authority adopted International Financial Reporting Standards (IFRS) for the first time on January 1, 2021. As per the requirements of IFRS 1, 'First-time adoption of International Financial Reporting Standards', the financial statements include three Statements of Financial Position, two Statements of Profit or Loss and Other Comprehensive Income, two Statements of Cash Flows and two Statements of Changes in Equity and related notes including comparative information for all statements presented.

### RESULTS FOR THE YEAR

	2021	Restated 2020
	SCR	SCR
Loss before tax	(42,841,072)	(51,165,248)
Tax credit	648,344	28,646,750
Loss for the year	<b>(42,192,728)</b>	<b>(22,518,498)</b>
Retained earnings brought forward - As restated	456,120,852	498,639,351
Accumulated profit available for distribution	<b>413,928,124</b>	<b>476,120,852</b>
Dividends paid	0	(20,000,000)
<b>Retained earnings carried forward</b>	<b>413,928,124</b>	<b>456,120,852</b>

### DIVIDENDS

The Directors did not recommend any dividend for the financial year under review (2020: Declared and paid dividend amounting to SCR 20 million).

### FIXED ASSETS

The Fixed Assets of the Authority and the movements therein are detailed in Notes 5 and 6 to the financial statements.

The Directors are of the opinion that the carrying amount of fixed assets at the reporting date approximate their fair value.

The Directors are appointed every two years in accordance with the Public Enterprise Monitoring Commission Act, 2013.

### DIRECTORS' REPORT (CONT'D)

#### DIRECTORS AND DIRECTORS' INTERESTS

The Directors of the Authority since the date of the last report and the date of this report are:

#### Appointed Effective July, 2022

Noella Vinda  
Piedro Pierre

#### Appointed Effective February 1, 2021

Marlon Orr (Chairman)  
Sherin Francis  
Magalie Essack  
Kelly Chetty  
Yannick Roucou

#### Resigned April and June 2022 Respectively

Garry Jupiter  
May-Paul Marengo

#### Resigned Effective February 1, 2021

Suketu Patel (Chairman)  
Anne Lafortune  
Amelie Nourice  
Vincent Amelie  
Nadine Potter  
Cindy Vidot  
Benjamin Choppy  
Ange Morel

None of the Directors had any interest in the shares of the Authority during the financial year under review (2020: Nil).

#### STATEMENT OF BOARD OF DIRECTOR'S RESPONSIBILITIES

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in Seychelles and for such internal control as Management determines is necessary to enable the preparation of financial statements that gives a true and fair view of the financial affairs of the Authority and are free from material misstatement, whether due to fraud or error.

In discharging this responsibility, the Board is further responsible to ensure the integrity of financial information; provides financial oversight and monitors financial planning and financial reports, including adoption and supervision of the annual budget; the Directors are to exercise their business judgement to act in what they reasonably believe to be the best interests of the entity in the administration of the entity's assets, and where applicable, its investments.

The Board of Directors discusses issues confronting the Authority related to financial and operational risks and exposures associated with the entity's business strategy, policy matters, service/product innovation and revenue road map (where applicable), are mindful of litigation and regulatory exposures, and other current matters that may present material risk to the entity's financial performance, operations, infrastructure, plans, prospects or reputation, and acquisitions, as well as any issues of concern to the Board.

It is the duty of the Board of Directors to oversee management's performance to ensure that the entity operates in an effective, efficient and ethical manner in order to produce value for its clients and shareholders, in so doing, sees to the establishment of appropriate internal procedures and controls.

They are responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors consider that they have met their responsibilities as set out in the Public Enterprise Monitoring Commission Act, 2013 and the Seychelles Civil Aviation Authority Act 2005.

## Directors' Report

### AUDITORS

The Auditor General is the statutory Auditor of the Authority, in accordance with Section 12(3) of the Seychelles Civil Aviation Act, 2005.

### BOARD APPROVAL




**Marlon Orr**  
Director & Chairman

**Garry Albert**  
Chief Executive Officer

**Sherin Francis**  
Director

**Magalie Essack**  
Director



**Kelly Chetty**  
Director

**Yannick Roucou**  
Director

**Noella Vinda**  
Director

**Pedro Pierre**  
Director

Dated:  
Victoria, Seychelles

## Statement of Financial Statements

Year Ended 31 December 2021

Notes	2021 SCR	Restated		
		2020 SCR	2019 SCR	
<b>Assets</b>				
<b>Non-Current Assets</b>				
Property, Plant & Equipment	5	326,155,091	359,490,504	371,535,615
Investment Property	6	52,682,599	56,230,507	58,840,953
Capital Work in Progress	7	44,303,484	8,045,459	8,170,694
Deferred Tax Asset	8(b)	25,091,931	24,443,587	-
Long Term Deposit		-	-	25,000,000
		<b>448,233,105</b>	<b>448,210,057</b>	<b>463,547,262</b>
<b>Current Assets</b>				
Inventory	9	6,359,252	6,358,596	5,631,248
Trade and Other Receivables	10	86,880,750	64,099,011	122,526,109
Current Tax Receivables	11(a)	5,593,859	18,975,768	9,871,733
Cash and Bank Balances	12	149,453,734	167,423,286	174,151,890
		<b>248,287,595</b>	<b>256,856,661</b>	<b>312,180,980</b>
		<b>696,520,700</b>	<b>705,066,718</b>	<b>775,728,242</b>
<b>Total Assets</b>				
<b>Reserves and Liabilities</b>				
<b>Reserves</b>				
Capital Reserve	13	184,907,963	184,907,963	184,907,963
Retained Earnings		413,928,124	456,120,852	498,639,351
		<b>598,836,087</b>	<b>641,028,815</b>	<b>683,547,314</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
Borrowings	14	17,301,530	-	-
Gratuity and Compensation	15(a)	4,702,638	2,771,745	8,769,168
Deferred Tax Liabilities	8(b)	-	-	4,203,163
		<b>22,004,168</b>	<b>2,771,745</b>	<b>12,972,331</b>
<b>Current Liabilities</b>				
Borrowings	14	13,274,949	-	-
Gratuity and Compensation	15(a)	11,864,285	12,626,866	1,879,415
Accrued Leave	15(b)	10,066,121	9,737,421	8,400,644
Trades & Other Payables	16	40,475,090	38,901,870	68,928,538
		<b>75,680,445</b>	<b>61,266,157</b>	<b>79,208,597</b>
		<b>696,520,700</b>	<b>705,066,718</b>	<b>775,728,242</b>
<b>Total Equity &amp; Liabilities</b>				

The financial statements have been approved for issue by the Board of Directors on:

**Marlon Orr** Director & Chairman      **Garry Albert** Chief Executive Officer      **Sherin Francis** Director      **Magalie Essack** Director

**Pedro Pierre** Director      **Kelly Chetty** Director      **Yannick Roucou** Director      **Noella Vinda** Director

The notes on pages 28 to 59 form an integral part of these financial statements Auditor General's report on pages 19 to 22



### Office of the Auditor General

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Please address all correspondence to the Auditor General

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## OPINION OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF THE SEYCHELLES CIVIL AVIATION AUTHORITY FOR THE YEAR ENDED 31 DECEMBER 2021

### Opinion

The accompanying financial statements set out on pages 6 to 41, which comprise of the statement of financial position as at 31<sup>st</sup> December 2021, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies, have been audited by me. I am satisfied that all information and explanations which, to the best of my knowledge and belief, where necessary for the purpose of the audit have been obtained.

Accordingly, in my opinion,

- (a) proper accounting records have been kept by the Authority as far as it appears from examination of those records; and
- (b) the financial statements on pages 6 to 41 give a true and fair view of the financial position of the Authority as at 31<sup>st</sup> December 2021 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the provisions of the Civil Aviation Act, 2005, as amended and the Public Enterprise Monitoring Commission Act, 2013.

### Basis for Opinion

The audit was conducted in accordance with the International Standards for Supreme Audit Institution (ISSAIs). My responsibilities under those standards are further described in the 'Auditor General's responsibilities for the audit of financial statements' section of my report. I am independent of the Authority in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), together with other ethical requirements that are relevant to the audit of financial statements in Seychelles. I believe the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.



### Office of the Auditor General

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Please address all correspondence to the Auditor General

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## OPINION OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF THE SEYCHELLES CIVIL AVIATION AUTHORITY FOR THE YEAR ENDED 31 DECEMBER 2021

### Opinion

The accompanying financial statements set out on pages 6 to 41, which comprise of the statement of financial position as at 31<sup>st</sup> December 2021, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies, have been audited by me. I am satisfied that all information and explanations which, to the best of my knowledge and belief, where necessary for the purpose of the audit have been obtained.

Accordingly, in my opinion,

- (a) proper accounting records have been kept by the Authority as far as it appears from examination of those records; and
- (b) the financial statements on pages 6 to 41 give a true and fair view of the financial position of the Authority as at 31<sup>st</sup> December 2021 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the provisions of the Civil Aviation Act, 2005, as amended and the Public Enterprise Monitoring Commission Act, 2013.

### Basis for Opinion

The audit was conducted in accordance with the International Standards for Supreme Audit Institution (ISSAIs). My responsibilities under those standards are further described in the 'Auditor General's responsibilities for the audit of financial statements' section of my report. I am independent of the Authority in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), together with other ethical requirements that are relevant to the audit of financial statements in Seychelles. I believe the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

### Responsibilities of the Management and those charged with Governance

The Management is responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Civil Aviation Act, 2005, and Public Enterprise Monitoring Commission Act, 2013 and for such internal control as the Directors determine is necessary to enable the preparation of the 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 Authority'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 Government either intend to liquidate the Authority or to cease operations, or have no realistic alternative but to do so.

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

The audit objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and issue an auditor's report in accordance the Civil Aviation Act, 2005. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs 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 the audit in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risk 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 my opinion. The risk of not detecting material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omission or misrepresentation, or the override of internal control;
- obtain an understanding of the 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 Authority's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;

### Key Audit Matters

The Authority transitioned from Generally Accepted Accounting Practice (GAAP) In Seychelles to IFRS for the year 2021, requiring restatement of the financial position as at the periods 01 January 2020 and 31 December 2020 and the statement of profit or loss and other comprehensive income for the period ending 31 December 2020, a reconciliation of which appears on note 2.3. During the audit, I assessed all areas of material risks for the Authority and have highlighted below two areas where we believe that significant judgements were made in arriving at the figures disclosed in these financial statements and comprised compliance with the requirements of IAS 16 and IAS 2.

#### (i) IAS 16 – Property, Plant and Equipment

The Authority implemented a Fixed Assets Register and has only included items that were purchased from 2015 onwards as they are considered to have a useful life. The exercise is ongoing to ensure that all assets are captured and that the Fixed Assets Register is complete.

The existing capitalisation policy allows for expensing the transactions of capital nature below the amount of SR750,000 during the year and does not take into consideration the nature of the assets.

In the absence of a credible Fixed Assets Register, and the past transactions in line with the existing capitalisation policy the balance of the assets under Property, Plant and Equipment and their accumulated depreciation thereof, may be misstated.

Steps taken to address the key audit matter:

Despite the above capitalisation policy, the key audit matter was addressed by using the fixed assets and depreciation schedule provided by the Authority, which dates back to 2012 and updated annually, to confirm additions, disposals, and the movements in capital work-in-progress and depreciation charged for the year.

#### (ii) IAS 2 - Inventory

The Authority was previously expensing all transactions relating to inventory and only also started accounting for inventory to satisfy IAS 2 in 2021. However, the inventory is still expensed during the year and a reversal is done at year end through a journal voucher and transferred to inventory based on the cost of the items remaining in the store at the reporting date. Although an Inventory Register is maintained, there are errors in records, either in value or quantity, that may lead to misstatements of the inventory value.

Steps taken to address the key audit matter:

The above key audit matter was addressed by attending the physical verification conducted in January 2022. And the discrepancies raised by Audit have been addressed by the Authority.

Year Ended December 2021

- conclude on the appropriateness of the Board of Directors' use of going concern basis of accounting and, based on the audit evidence obtained, conclude whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify my opinion. My conclusions are based on audit evidence obtained to the date of my report. However, future unforeseeable events or conditions may cause the Authority to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Authority to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the audit. I remain responsible for the audit opinion; and
- 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 he identifies during the audit.

#### Report on Other Regulatory Requirement

In satisfying both the Civil Aviation Act, 2005, and the Public Enterprise Monitoring Commission Act, 2013, I have no relationship with or interests in the Authority other than in my capacity as the Auditor General and dealing in the ordinary course of business.



**Gamini Herath**  
Auditor General

20 November 2022  
Victoria, Seychelles

## Statements of Profit or Loss & Other Comprehensive Income

Year Ended 31 December 2021

	Notes	2021 SCR	Restated 2020 SCR
Aeronautical Revenue	17	256,424,777	188,668,288
Non-Aeronautical Revenue	17	35,659,247	21,544,879
Other Income	18	1,258,825	673,723
Less IATA charges		(2,521,098)	(3,297,452)
<b>Operating Income</b>		<b>290,821,751</b>	<b>207,589,438</b>
Employment Benefits Costs	19	(195,335,503)	(211,053,594)
Other Operating Overheads	20	(62,208,574)	(69,921,089)
Exchange Movements	21	(33,945,721)	60,398,919
<b>Earnings Before Depreciation, Interest, ECL &amp; Tax</b>		<b>(668,047)</b>	<b>(12,986,327)</b>
Depreciation Charges	5 & 6	(40,629,952)	(41,226,888)
Expected Credit Loss (ECL)	10(b)(iii)	(3,918,466)	(1,756,936)
Finance Income	22	3,852,974	4,804,902
Finance Costs	14(a)	(1,477,581)	-
<b>Profit/(Loss) Before Taxation</b>		<b>(42,841,072)</b>	<b>(51,165,248)</b>
Taxation	11(b)	648,344	28,646,750
<b>Profit/ (Loss) for the Year and Total Comprehensive Expense</b>	23	<b>(42,192,728)</b>	<b>(22,518,498)</b>

The notes on pages 28 to 59 form an integral part of these financial statements  
Auditor General's report on pages 19 to 22

## Statement of changes in equity

	Capital Reserve	Retained Earning	Total
	SCR	SCR	SCR
<b>At January 1, 2021</b>			
As previously reported	184,907,963	445,997,534	630,905,498
First time adoption of IFRS	-	10,123,318	10,123,318
<b>As restated</b>	<b>184,907,963</b>	<b>456,120,853</b>	<b>641,028,816</b>
Total comprehensive expense for the year	-	(42,192,728)	(42,192,728)
<b>At December 31, 2021</b>	<b>184,907,963</b>	<b>413,928,124</b>	<b>598,836,087</b>
<b>At January 1, 2020</b>			
- As previously reported	184,907,963	501,322,925	686,230,888
- First time adoption of IFRS	-	(2,683,575)	(2,683,575)
<b>As restated</b>	<b>184,907,963</b>	<b>498,639,350</b>	<b>683,547,313</b>
Total comprehensive expense - As restated	-	(22,518,498)	(22,518,498)
- As previously reported	-	(35,325,390)	(35,325,390)
- First time adoption of IFRS	-	12,806,892	12,806,892
Dividend paid (note 24)	-	(20,000,000)	(20,000,000)
<b>At December 31, 2020</b>	<b>184,907,963</b>	<b>456,120,852</b>	<b>641,028,815</b>

The notes on pages 28 to 59 form an integral part of these financial statements  
Auditor General's report on pages 19 to 22

## Statements of Cash Flows

Year Ended 31 December 2021

	Notes	2021	Restated 2020
		SCR	SCR
<b>Cash Flows from Operating Activities</b>			
Profit/Loss Before Taxation		(42,841,072)	(51,165,248)
<b>Adjustments</b>			
Depreciation Property and Equipment	5 & 6	40,629,952	41,226,888
Loss/(Profit) from Disposal Property and Equipment	18	(170,583)	(91,375)
Write off Adjustment (WIP)	7	-	1,168,140
Provision for Expected Credit Losses	10(b)(iii)	3,918,466	1,756,936
Leave Accrued	19	328,700	1,336,777
Gratuity and Compensation Charged	19	13,795,177	13,519,197
Exchange difference on Cash and Bank Balances		29,101,100	(41,507,532)
		<b>44,761,739</b>	<b>(33,756,219)</b>
<b>Movements in Working Capital</b>			
(Increase)/Decrease in Inventories		(656)	(727,348)
(Increase) /Decrease in Trade & Other Receivable		(26,700,205)	56,670,163
Increase/(Decrease) in Accounts Payable		1,573,220	(30,026,668)
<b>Net Cash Generated from Operation</b>		<b>19,634,098</b>	<b>(7,840,073)</b>
Net Tax Received/(Paid)	11	13,381,909	(9,104,035)
Gratuity and Compensation Paid	15	(12,626,866)	(8,769,168)
<b>Net Cash Outflow from Operating Activities</b>		<b>20,389,141</b>	<b>(25,713,276)</b>
<b>Cash Flows from Investing Activities</b>			
Addition to Property & Equipment	5	(4,018,593)	(7,506,219)
Addition to Work In Progress	7	(36,570,822)	(20,108,018)
Proceed from Disposal		755,342	91,375
Additions to Short Term Investment	12	(4,317,243)	(2,880,775)
Receipt of long Term Deposit		-	25,000,000
		<b>(44,151,315)</b>	<b>(5,403,637)</b>
<b>Cash Flows from Financing Activities</b>			
Loan Receipts/Repayment	14	33,349,176	-
Exchange Movement on Borrowings	14	(2,772,696)	-
Dividend Paid	24	-	(20,000,000)
		<b>30,576,480</b>	<b>(20,000,000)</b>
<b>Net Increase/Decrease in Cash &amp; Equivalent</b>		<b>6,814,305</b>	<b>(51,116,913)</b>
<b>Movement in Cash and Cash equivalents</b>			
January 1		98,497,260	108,106,641
Increase/Decrease		6,814,305	(51,116,913)
Exchange difference on Cash and Bank Balances	12	(29,101,100)	41,507,532
<b>Cash as at 31<sup>st</sup> December</b>		<b>76,210,466</b>	<b>98,497,260</b>

The notes on pages 28 to 59 form an integral part of these financial statements  
Auditor General's report on pages 19 to 22

# 2021 Notes to the Financial Statements

## Notes to the Financial Statements

Year Ended 31 December 2021

### 1. GENERAL INFORMATION

The **Seychelles Civil Aviation Authority (the Authority)** was set up under the Seychelles Civil Aviation Authority Act, 2005 which came into force in April 2005. The Authority was vested with the assets and liabilities of the former Directorate of Civil Aviation at nil consideration.

The Authority is domiciled in Seychelles and its registered office is at Seychelles International Airport, Anse des Genets, Mahé.

The activities of the Authority are regulatory, with respect to regulation of civil aviation activities and safety oversight, as well as service provider in the provision of air navigation services and management of Seychelles International and Praslin Airports.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below.

#### 2.1 Basis of preparation

The financial statements of the Authority have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB) and in compliance with the requirements of the Public Enterprise Monitoring Commission Act, 2013.

These financial statements have been prepared under the historical cost convention as modified by the application of fair value measurements required or allowed by relevant accounting standards. Where necessary, comparative figures have been amended to conform with changes in presentation in the current year.

The Authority implemented IFRS for the first time effective year ended December 31, 2021 with restatement of the previous period as appropriate. Effects of first time adoption are detailed on note 2.3. Previously the financial Statements were prepared under Generally Accepted Accounting Practice in Seychelles (Seychelles GAAP).

The Financial Statements are presented in Seychelles Rupees (SCR), which is also the Authority's functional currency.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Management to exercise judgement in the process of applying the Authority's accounting policies. The areas involving higher degree of judgement and complexity or areas where assumptions are significant to the financial statements are disclosed in note 3.

#### 2.2 New and amended standards and interpretations

##### (a) *New standards and amendments effective for annual periods beginning January 1, 2021*

The Authority applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2021 (unless otherwise stated). The Authority has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.



## Notes to the Financial Statements

Year Ended 31 December 2021

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

#### 2.2 New and amended standards and interpretations (Cont'd)

##### (a) *New standards and amendments effective for annual periods beginning January 1, 2021 (Cont'd)*

##### i) *Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 & IFRS 16*

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest;
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued and
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

*These amendments had no impact on the consolidated financial statements of the Authority.*

##### ii) *Covid-19-Related Rent Concessions beyond June 30, 2021 Amendments to IFRS 16*

On May 28, 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment was intended to apply until June 30, 2021, but as the impact of the Covid-19 pandemic is continuing, on March 31, 2021, the IASB extended the period of application of the practical expedient to June 30, 2022. The amendment applies to annual reporting periods beginning on or after April 1, 2021. However, the Authority has not received Covid-19-related rent concessions.

##### (b) *New standards and amendments not yet effective at the reporting date*

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Authority has decided not to adopt early.

##### (i) *The following amendments are effective for the period beginning January 1, 2022:*

- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37);
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16); and
- References to Conceptual Framework (Amendments to IFRS 3).

## Notes to the Financial Statements

Year Ended 31 December 2021

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

#### 2.2 New and amended standards and interpretations (Cont'd)

##### (b) *New standards and amendments not yet effective at the reporting date (Cont'd)*

##### (ii) *The following amendments are effective for the period beginning January 1, 2023:*

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12);
- Definition of Accounting Estimates (Amendments to IAS 8); and
- IFRS 17 Insurance Contracts (effective January 1, 2023) - In June 2020, the IASB issued amendments to IFRS 17, including a deferral of its effective date to January 1, 2023.

(iii) In January 2020, the IASB issued amendments to IAS 1, which clarify the criteria used to determine whether liabilities are classified as current or non-current. These amendments clarify that current or non-current classification is based on whether an entity has a right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. The amendments also clarify that 'settlement' includes the transfer of cash, goods, services, or equity instruments unless the obligation to transfer equity instruments arises from a conversion feature classified as an equity instrument separately from the liability component of a compound financial instrument. The amendments were originally effective for annual reporting periods beginning on or after January 1, 2022. However, in May 2020, the effective date was deferred to annual reporting periods beginning on or after January 1, 2023.

In response to feedback and enquiries from stakeholders, in December 2020, the IFRS Interpretations Committee (IFRIC) issued a Tentative Agenda Decision, analysing the applicability of the amendments to three scenarios. However, given the comments received and concerns raised on some aspects of the amendments, in April 2021, IFRIC decided not to finalise the agenda decision and referred the matter to the IASB. In its June 2021 meeting, the IASB tentatively decided to amend the requirements of IAS 1 with respect to the classification of liabilities subject to conditions and disclosure of information about such conditions and to defer the effective date of the 2020 amendment by at least one year.

The Authority is currently assessing the impact of these new accounting standards and amendments. The Authority will assess the impact of the final amendments to IAS 1 on classification of its liabilities once those are issued by the IASB. The Authority does not believe that the amendments to IAS 1, in their present form, will have a significant impact on the classification of its liabilities.

#### 2.3 First-time adoption of IFRS

The Authority has adopted IFRS effective year ended December 31, 2021 and comparatives which were on Seychelles GAAP have been restated accordingly. Restatements are in respect of period ended December 31, 2020 and 2019 together with comparative information as described in the summary of significant accounting policies. In preparing the Financial Statements, the Authority's opening Statement of Financial Position was prepared as at January 1, 2020.

The note 2.3 explains the principal adjustments made by the Authority upon restatement from Seychelles GAAP to IFRS.

## Notes to the Financial Statements

Year Ended 31 December 2021

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

#### 2.3 First-time adoption of IFRS

##### (a) Reconciliation of Statement of Financial Position as at December 31, 2020

	Conversion Notes	Seychelles GAAP SCR	Effect of adopting IFRS SCR	IFRS adjusted SCR
<b>ASSETS</b>				
<b>Non current assets</b>				
Property, plant and equipmen	2.3(d)(i)	415,721,011	(56,230,507)	359,490,504
Investment property	2.3(d)(i)	-	56,230,507	56,230,507
Capital work in progress		8,045,459	-	8,045,459
Deferred tax asset	2.3(d)(ii)	-	24,443,587	24,443,587
		<u>423,766,470</u>	<u>24,443,587</u>	<u>448,210,057</u>
<b>Current assets</b>				
Inventories	2.3(d)(iii)	-	6,358,596	6,358,596
Trade and other receivables	2.3(d)(iv)	67,289,129	(3,190,118)	64,099,011
Current tax receivable	2.3(d)(v)	26,727,093	(7,751,325)	18,975,768
Cash and cash equivalents	2.3(d)(vi)	167,423,286	-	167,423,286
		<u>261,439,508</u>	<u>(4,582,847)</u>	<u>256,856,660</u>
<b>Total assets</b>		<u>685,205,978</u>	<u>19,860,740</u>	<u>705,066,718</u>
<b>RESERVES AND LIABILITIES</b>				
<b>Reserves</b>				
Capital reserve		184,907,963	-	184,907,963
Retained earnings	2.3(d)(vii)	445,997,534	10,123,318	456,120,852
		<u>630,905,498</u>	<u>10,123,318</u>	<u>641,028,815</u>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Borrowings		-	-	-
Gratuity and compensation	2.3(d)(viii)	-	2,771,745	2,771,745
<b>Current liabilities</b>				
Borrowings		-	-	-
Gratuity and compensation	2.3(d)(viii)	15,398,611	(2,771,745)	12,626,866
Accrued Leave		-	9,737,421	9,737,421
Trade and other payables	2.3(d)(v) & (ix)	38,901,870	-	38,901,870
		<u>54,300,481</u>	<u>6,965,676</u>	<u>61,266,157</u>
		<u>685,205,978</u>	<u>19,860,739</u>	<u>705,066,718</u>

## Notes to the Financial Statements

Year Ended 31 December 2021

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

#### 2.3 First-time adoption of IFRS (Cont'd)

##### (b) Reconciliation of Statement of Financial Position as at January 1, 2019

	Conversion Notes	Seychelles GAAP SCR	Effect of adopting IFRS SCR	IFRS adjusted SCR
<b>ASSETS</b>				
<b>Non current assets</b>				
Property, plant and equipmen	2.3(d)(i)	430,376,568	(58,840,953)	371,535,615
Investment property	2.3(d)(i)	-	58,840,953	58,840,953
Capital work in progress		8,170,694	-	8,170,694
Long term deposit		25,000,000	-	25,000,000
		<u>463,547,262</u>	<u>-</u>	<u>463,547,262</u>
<b>Current assets</b>				
Inventories	2.3(d)(iii)	-	5,631,248	5,631,248
Trade and other receivables	2.3(d)(iv)	125,696,680	(3,170,571)	122,526,109
Current tax receivable	2.3(d)(v)	2,412,177	7,459,556	9,871,733
Cash and cash equivalents	2.3(d)(vi)	174,151,890	-	174,151,890
		<u>302,260,747</u>	<u>9,920,233</u>	<u>312,180,981</u>
<b>Total assets</b>		<u>765,808,009</u>	<u>9,920,233</u>	<u>775,728,243</u>
<b>RESERVES AND LIABILITIES</b>				
<b>Reserves</b>				
Capital reserve		184,907,963	-	184,907,963
Retained earnings	2.3(d)(vii)	501,322,925	(2,683,574)	498,639,351
		<u>686,230,888</u>	<u>(2,683,574)</u>	<u>683,547,314</u>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Gratuity and compensation	2.3(d)(viii)	-	1,879,415	1,879,415
Deferred tax liabilities		-	4,203,163	4,203,163
		<u>-</u>	<u>6,082,578</u>	<u>6,082,577</u>
<b>Current liabilities</b>				
Gratuity and compensation	2.3(d)(viii)	10,648,583	(1,879,415)	8,769,168
Provision for Leave		-	8,400,644	8,400,644
Trade and other payables	2.3(d)(v) & (ix)	68,928,538	-	68,928,538
		<u>79,577,121</u>	<u>6,521,230</u>	<u>86,098,351</u>
		<u>765,808,009</u>	<u>9,920,233</u>	<u>775,728,242</u>

## Notes to the Financial Statements

Year Ended 31 December 2021

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

#### 2.3 First-time adoption of IFRS (Cont'd)

##### (c) Reconciliation of the Statement of Profit or Loss and Other Comprehensive Income as at December 31, 2020

	Conversion Notes	Seychelles GAAP SR	Effect of adopting IFRS SR	IFRS adjusted SR
Revenue		206,915,714	3,297,452	210,213,167
Other income	2.3(d)(x)	5,478,625	(4,804,902)	673,723
Less IATA charges		-	(3,297,452)	(3,297,452)
Employee benefit costs	2.3(d)(ix) & (xi)	(206,735,073)	(4,318,521)	(211,053,594)
Exchange movements		60,398,919	-	60,398,919
Other operating overheads	2.3(d)(xi)	(73,630,182)	3,709,092	(69,921,089)
<b>Earnings before depreciation, interest, ECL and tax</b>		<b>(7,571,996)</b>	<b>(2,116,879)</b>	<b>(12,986,327)</b>
Depreciation charge		(41,226,888)	-	(41,226,888)
Expected credit loss (ECL)	2.3(d)(iv)	(1,737,388)	(19,547)	(1,756,936)
Finance income	2.3(d)(x)	-	4,804,902	4,804,902
Finance Cost	2.3(d)(xi)	-	-	-
<b>Loss before taxation</b>		<b>(50,536,272)</b>	<b>(628,976)</b>	<b>(51,165,248)</b>
Taxation credit	2.3(d)(v)	15,210,882	13,435,868	28,646,750
<b>Loss for the year</b>		<b>(35,325,390)</b>	<b>12,806,892</b>	<b>(22,518,498)</b>

## Notes to the Financial Statements

Year Ended 31 December 2021

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

#### 2.3 First-time adoption of IFRS (Cont'd)

##### (d) Explanatory notes

##### i) Investment property

Under Seychelles GAAP Investment Property was presented under Property, Plant and Equipment (PPE). On adoption of IFRS, the Authority reclassified all buildings or portion that are being used for rental and capital appreciation purposes from note 5 to 6. Depreciation charge relating to Investment Property was simultaneously reclassified from PPE to Investment Property.

##### ii) Deferred tax asset

The Authority was neither accounting nor disclosing deferred tax under Seychelles GAAP. The adoption of IFRS led to the adoption of IAS 12 which mandate accrual of deferred tax. The various transitional adjustments resulted in the recognition of various temporary difference. Deferred tax adjustments are as per accounting policy note 2.4(h) and per note 8.

##### iii) Inventories

Under Seychelles GAAP all inventory items were being expensed on receipt. On adoption of IFRS all materials or supplies to be consumed in the production process or in the rendering of services were recounted and reconciled at each year end. This led to the increase in inventories and retained earnings by SCR 5.6m and SCR 6.4m as at January 1, 2020 and December 31, 2020. Other operating cost fell by SCR 0.8 m.

##### iv) Trade and other receivables

The adoption of IFRS has fundamentally changed the Authority's accounting for impairment losses for financial assets by replacing the incurred loss approach under Seychelles GAAP with a forward-looking expected credit loss (ECL) approach. IFRS requires the Authority to recognise an allowance for ECL for all financial assets not held at fair value through profit and loss. At December 31, 2020, the Authority recognised additional impairment on its trade receivables of SCR 3.19m (2019: SCR 3.17m) which resulted in a decrease in retained earnings by the same amount. Refer to note 10(b)(iii).

##### v) Tax receivable / (payable)

The Authority's Business tax was provided on accounting profits at the rates ruling at the Statement of Financial Position date. On adoption of IFRS the Authority aligned its business tax per policy note 2.4(h). This led to reversal of business tax credit of SCR 15.21m (2019: Reduction of tax charge by SCR 7.8m) which resulted in decreases and increases in retained earnings in 2020 and 2019 respectively by same amounts. Tax receivable increased by SCR 7.8m in 2019 and fell by SCR 7.5m in 2020 (Refer to note 11(a)).

##### vi) Cash and cash equivalents

Under Seychelles GAAP all cash and bank balances were classified as Cash and Cash Equivalents. The adoption of IFRS have led to the exclusion of fixed deposits above 3 months which amounted to SCR 66.1m and SCR 68.9m respectively as at January 1, 2020 and December 31, 2020.

Also the effect of exchange rate changes on Cash and Cash Equivalents held or due in a foreign currency is now being reported in the Statement of Cash Flows in order to reconcile cash and cash equivalents at the beginning and the end of the period. At at December 31, 2020 exchange on cash and bank balances amounted to SCR 41.5m.

## Notes to the Financial Statements

Year Ended 31 December 2021

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

#### 2.3 First-time adoption of IFRS (Cont'd)

##### (d) Explanatory notes (Cont'd)

##### vii) Retained earnings reconciliation

	2020 SCR	2019 SCR
As previously reported	445,997,534	501,322,925
Deferred tax asset (notes 2.3(ii) and 8)	24,443,587	(4,203,163)
Inventories incorrectly expensed (notes 2.3(iii) and 9)	6,358,596	5,631,248
Increase in expected credit losses (notes 2.3(iv) and 10(b)(iii))	(3,190,118)	(3,170,572)
Credit reversed/Reversal of overstated business tax (notes 2.3(v) & 11(a))	(7,751,326)	7,459,556
Leave provision (notes 2.3(ix), 16 and 19)	(9,737,421)	(8,400,644)
<b>As restated</b>	<b>456,120,853</b>	<b>498,639,350</b>

##### viii) Gratuity and Compensation

Compensation and Gratuity is paid to employees upon completion of a 2-year contract in line with the Employment Act 1995 and SCAA Contract of Service. For 2020 financial year the Directors have reclassified SCR 2.8m as long term gratuity and compensation provision to Non Current Liabilities (2019: SCR 8.8m).

##### ix) Accrual of leave days/employment benefits liabilities

Under Seychelles GAAP, the Authority recognised costs related to its leave days on a cash basis. Upon adoption of IFRS, leave days/other post employment benefits are now recognised and are measured on accrual basis using the provisions of the Employment Act 1995 as amended and SCR 9.7m have been recognised in full against retained earnings (2019: SCR 8.4m).

##### x) Finance income presentation

Under Seychelles GAAP financial cost was presented together with Other Income. Upon adoption of IFRS, the Authority applied IAS 1 paragraph 82 to present interest income separately. This led to a decrease in other income by SCR 4.80m and increase in finance income by the same amount.

##### xi) Expenses reclassified

Staff training totalling SCR 2.98m was reclassified from Other Operating Overhead to Employee Benefit Cost while bank charges and commission amounting to SCR 44k which was previously classified as Finance Cost have been reclassified to Other Operating Overheads.

##### xii) Use of estimates

The estimates at December 31, 2020 are consistent with those made for the same dates in accordance with Seychelles GAAP (after adjustments to reflect any differences in accounting policies) apart from provision for expected credit losses and leave provision where Seychelles GAAP did not require estimates.

The estimates used by the Authority to present these amounts in accordance with IFRS reflect conditions at January 1, 2020, the date of transition to IFRS and as at December 31, 2020.

## Notes to the Financial Statements

Year Ended 31 December 2021

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

#### 2.4 Summary of significant accounting policies

##### (a) Property, plant and equipment and Investment Property

Property, plant and equipment except for buildings and infrastructure purchased after December 31, 2014 are stated at cost less accumulated depreciation and any impairment in value. The cost of an asset comprises its purchase price and any attributable costs of bringing the asset to working condition for its intended use.

Buildings and infrastructure purchased before December 31, 2014 are stated at revalued amount less accumulated depreciation which is their deemed cost. The last revaluation was conducted in 2014 by a professional valuer. These have been recognised on the grounds that the Authority has unrestricted right to the enjoyment of the future economic benefits arising from these assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow and the cost can be reliably measured. Repairs and maintenance are charged to the Statement of Profit or Loss during the period in which they are incurred.

Depreciation is calculated on the straight line method to write off the cost of the assets over their estimated useful lives as follows:

	Rate
Buildings and infrastructure	4%
Plant and machinery	10%
Furniture, fittings and office equipment	20%
Motor vehicles	20%
Computer equipment	25%
Others	25%

Capital work in progress and land is not depreciated. Capital work in progress has been classified as a separate financial statement area. This is reclassified to PPE or Investment Property on completion when Management finalise its ultimate purpose.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Gains and losses on disposal of equipment are determined by comparing proceeds with the carrying amount and are included in the Statement of Profit or Loss.

Apart from land which has been purchased by the Authority, the value of land transferred to the Authority at SCR1 occupied by the Authority is not included in the Financial Statements. A number of sites occupied on Mahé including the land upon which the existing Seychelles International Airport is situated are held by the Authority on a 99-year lease at a nominal rent of SCR 1 and are on Parcel S133, S312, S5766, S5767, S5768, S5769, and S5770. The transfer of other land ownership on Mahé and Praslin to the Authority is still under discussion with the Government.

## Notes to the Financial Statements

Year Ended 31 December 2021

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

#### 2.4 Summary of significant accounting policies

##### (b) Inventories

Inventories comprising of terminal and airside spares, repairs and maintenance, human resources and general items, are stated at the lower of cost and net realisable value. In general cost is determined on a first in first out basis. Net realisable value is the estimate of the selling price in the ordinary course of business, less the cost of completion and selling expenses. Provisions are made for obsolete stocks based on Management's appraisal.

##### (c) Financial instruments

###### (i) Recognition and measurement

Financial assets and liabilities are recognised on the SCAA's Statement of Financial Position when the Authority has become a party to the contractual provisions of the instrument.

###### *Financial assets*

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. Financial assets include trade & other receivables, cash and cash equivalent and long term deposits.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Authority commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Subsequent measurement of financial assets depends on the Authority's business model for managing the asset and the cash flow characteristics of the asset. The Authority's financial assets are classified as financial assets at amortised cost, including accounts receivable, deposits, and cash and cash equivalents. They are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method.

Interest income, foreign exchange gains and losses if any and impairment are recognised in Statement of Profit or Loss. Any gain on derecognition is recognised in the Statement of Profit or Loss.

###### *Financial liabilities*

The Authority classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at amortised costs are initially measured at fair value, net of directly attributable cost incurred.

Financial liabilities at amortised cost including trade and other payables and borrowings are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in the Statement of Profit or Loss.

###### (ii) Amortised cost and effective interest method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income over the relevant period.

## Notes to the Financial Statements

Year Ended 31 December 2021

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

#### 2.4 Summary of significant accounting policies (Cont'd)

##### (c) Financial instruments (Cont'd)

###### (iii) Expected credit loss on financial assets (ECL)

The Authority recognises loss allowances for ECL on financial assets measured at amortised cost including trade receivable and cash and cash equivalents. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial asset. The maximum period considered when estimating ECLs is the maximum contractual period over which the Authority is exposed to credit risk.

ECLs are probability-weighted estimates of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Authority in accordance with the contract and all the cash flows that the Authority expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

###### (iv) Impairment loss on financial assets (ECL)

The Authority measures loss allowances for trade receivable using simplified approach and has calculated ECLs based on lifetime ECLs. The Authority has established a provision matrix that is based on the Authority's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other financial assets, the ECLs are based on the 12-month ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

The Directors have considered that ECL on cash and cash equivalents is negligible and therefore no provision made.

###### (v) Derecognition

The Authority derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with IFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

###### (vi) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Statement of Financial Position date when the Authority has a legal enforceable right to set off the recognised amounts and the Authority intends either to settle on a net basis, or to realise the asset and liability simultaneously.

###### (d) Cash and cash equivalents

Cash and cash equivalents include cash in hand and short term deposits held with banks. Cash equivalents are short term, highly liquid investment that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, against which the bank overdrafts are deducted.

## Notes to the Financial Statements

Year Ended 31 December 2021

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

#### 2.4 Summary of significant accounting policies (Cont'd)

##### (e) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

##### (f) Capital Reserve

The Authority was vested with the assets and liabilities of the former Directorate of Civil Aviation for which a financial consideration was not paid. The net value of assets over the liabilities was credited to a Capital Reserve Account.

##### (g) Employee Benefits

###### (i) Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid annual leave and sick leave, bonuses, and non-monetary benefits such as staff insurance), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

###### (ii) Defined contribution plans

A defined contribution plan is a pension plan under which the Authority pays a fixed contribution into a separate entity. The Authority has no legal or constructive obligations to pay further contributions if the funds do not hold sufficient assets to pay all employees the benefits relating to employees service in the current and prior periods.

The Authority and Seychellois employees contribute to the Seychelles Pension Fund (SPF). This is a pension scheme which was promulgated under the Seychelles Pension Fund Act, 2005.

###### (iii) Retirement benefits

Compensation and Gratuity is paid to employees upon completion of a 2-year contract in line with the Employment Act 1995 and SCAA Contract of Service. Compensation and Gratuity are provided for in the accounts yearly and expensed under Staff costs.

##### (h) Taxation

###### Current tax

Tax in the Statement of Profit or Loss relates to current year's tax which is the expected amount of tax payable in respect of taxable profit for the year and is measured using the tax rates that have been enacted at the end of the reporting period.

## Notes to the Financial Statements

Year Ended 31 December 2021

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

#### 2.4 Summary of significant accounting policies (Cont'd)

##### (h) Taxation (Cont'd)

###### Deferred tax

Deferred tax is provided for using the liability method on all taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The principal temporary differences arise from tax losses, unrealised exchange movements, provision for credit losses, payroll provisions and accelerated tax depreciation.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled. The tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date are used to determine deferred tax.

Current and deferred taxes are recognised as income or expenses in the Statement of Profit or Loss. Deferred tax assets are recognised to the extent that it is possible that future taxable profit will be available against which the temporary differences can be utilised.

##### (i) Foreign currencies

###### (i) Functional and presentation currency

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

###### (ii) Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on 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 Profit or Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of transaction.

##### (j) Provisions

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

## Notes to the Financial Statements

Year Ended 31 December 2021

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

#### 2.4 Summary of significant accounting policies (Cont'd)

##### (k) Revenue recognition

The Authority earn revenue from aeronautical and non-aeronautical goods and services:

##### Aeronautical revenue

Aeronautical revenue relates to the following services and is recognised in accordance with IFRS 15 and it is governed by the Statutory Instruments:

- i *Landing fees* - Using regulated tariffs for aircraft landings based on maximum take-off weight for each landing by an airline.
- iii *Aircraft parking* - On regulated tariffs for each aircraft parked by an airline for more than four hours, based on the maximum take-off weight per 24-hour period.
- ii *Passenger service charges* - Using regulated tariffs for each departing passenger at an airport of departure.
- Air Navigation Fees* - Using regulated tariff based on distance flown in the FIR region and maximum take-off weight of aircraft.
- iv *Safety & security regulation* - Tariff based on different type of safety and security oversight services provided to Aircraft and Service Providers.

The Authority accounts for contracts with customers for each revenue stream when all five steps for revenue recognition in accordance with IFRS 15 have been addressed. These steps have been outlined as follows:

- (a) The contract has been approved by the parties to the contract - the contracts are implied based on aviation business practices;
- (b) Each party's rights in relation to the goods or services to be transferred can be identified - the Authority has the right to restrict access to the facilities it provides to customers should they not pay as stipulated by agreed terms for the services it provides;
- (c) The payment terms for the goods or services to be transferred can be identified (see below);
- (d) The contract has commercial substance - the contracts affect the Authority's cash flows and risk as transactions are entered into to earn a profit; and
- (e) It is probable that the consideration to which the entity is entitled to in exchange for the goods or services will be collected - the Authority considers the customer's ability and intention to pay the amount of consideration based on prior business dealings with the customer.

The Authority satisfies its performance obligations in relation to its revenue streams at a point in time,

- i Landing fees - upon landing of an aircraft at the Authority's airports.
- ii Passenger service fees - upon departure by a passenger from the Authority's airports.
- iii Air navigation fees - after the aircraft has passed in the Seychelles Flight Information Region (FIR).
- iv Safety and security - upon the delivery of Airworthiness certificate to aircraft and licences validation for aviation personnel.

Revenue is due within 30 days of satisfaction of a performance obligation. There are no warranties, returns and any related obligations in relation to the Authority's revenue streams. Revenue is measured at the transaction price allocated to that performance obligation.

## Notes to the Financial Statements

Year Ended 31 December 2021

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

#### 2.4 Summary of significant accounting policies (Cont'd)

##### (k) Revenue recognition (Cont'd)

##### Non-aeronautical revenue

Non-aeronautical revenue relates to lease income and other revenue. Revenue from leasing activities is recognised in accordance with IFRS 16 on a straight line basis over the lease term. Other revenue is recognised in accordance with IFRS 15 as detailed below:

Retail Concession - Based on the higher of a minimum guaranteed rental and/or a percentage of turnover.

Parking - Based on time-based tariffs.

Rental and Lease - Based on medium and long-term rental & lease agreements with tenants.

Other - Recognised based on type of permit as well as the access that the permit grants or services provided such as fuel throughput Aircraft security services.

##### (l) Leases

The Authority assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Authority applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Authority had a lease for a period of less than one year and the Directors applied the exemption per IFRS 16 not to recognise right-of-use assets and liabilities for leases with low value or having a lease period of less than 1 year.

### 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### 3.1 Critical accounting estimates and assumptions

The Authority makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. However, in the financial statements, there were no estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities of the Authority within the next financial year.

##### (a) Impairment of Financial Assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Authority uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Authority's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The Authority's historical credit loss experience and forecast economic conditions may therefore not be representative of the actual default in the future.

Bank balances have been assessed to have low credit risk at each reporting date as they are held with reputable banking institutions. Directors have estimated impairment to be immaterial.

## Notes to the Financial Statements

Year Ended 31 December 2021

### 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

#### (b) Functional Currency

The Board of Directors have determined the Seychelles Rupees to be the functional currency of the Authority [Refer to note 2.4(i)].

#### (c) Depreciation Policies

Property, Plant and Equipment and investment property (note 5 & 6) are depreciated to their residual values over their estimated useful lives. The residual value of an asset is the estimated net amount that the Authority would currently obtain from the disposal of the asset, if the asset were already of the age and in condition expected at the end of its useful life.

The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

The Directors therefore make estimates based on historical experience and use best judgement to assess the useful lives of assets and to forecast the expected residual values of the asset at the end of their expected useful lives.

#### (d) Split between Property, plant and equipment and Investment property

The Directors split portions of buildings for rental from those for own based on floor space being rented. Thus building for own use is approximated estimated at 70% of the area while 30% of the remaining for rental.

#### (e) Impairment of Fixed Assets

Property, Plant and Equipment and Investment Property (notes 5 & 6) are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself.

Future cash flows expected to be generated by the assets or cash-generating units are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current net asset value and, if lower, the assets are impaired to the present value.

Cash flows which are utilised in these assessments are extracted from the yearly budget.

#### (f) Limitation of Sensitivity Analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Authority's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Authority's view of possible near-term market changes that cannot be predicted with any certainty.

## Notes to the Financial Statements

Year Ended 31 December 2021

### 4. FINANCIAL RISKS MANAGEMENT

The Authority's comprehensive risk management process involves identifying, understanding and managing the risks associated with each of the Authority's business units. Risk awareness, control and compliance are embedded in the Authority's day-to-day activities.

The Authority operates within clearly defined guidelines that are approved by the Board and the Authority's policy is not to engage in speculative transactions. The Board recognises the critical importance of having efficient and effective risk management policies and systems in place. To this end, there is clear organisational structure with delegated authorities and responsibilities from the Board to Management.

A description of the significant risks is given below together with the risk management policies applicable.

#### 4.1 Credit Risk

Credit risk is the risk of loss to the Authority as a result of the failure by a customer or counterparty to meet its contractual obligations. The Authority's credit risk arises mainly from long term deposits, trade and other receivables and cash and bank balances.

Though 95% of the Authority's international collections or billings are collected by IATA clearing house, the credit risk concentration on trade and other receivables are being mitigated. Most international revenue is collected within the 60 days except rejected billings which takes more time to reconcile. The credit quality of trade and other receivable that are neither past due nor impaired can be assessed by reference to historical information about each customer. Apart from IATA, credit limits on all customer is 30 days.

The allowance account in respect of trade receivables and other receivable is used to record impairment losses unless the Authority is satisfied that no recovery of the amounts owing is possible. At that point, the amounts considered irrecoverable are written off against the allowance account.

#### 4.2 Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Authority's exposure to the risk of changes in foreign exchange rates relates primarily to the Authority's operating activities when revenue, expense and borrowings is denominated in a foreign currency. Foreign currency risk is not hedged.



## Notes to the Financial Statements

Year Ended 31 December 2021

### 4. FINANCIAL RISKS MANAGEMENT (CONT'D)

#### 4.2 Foreign currency risk (Cont'd)

As at December 31, the Authority's exposure to foreign currency risk was as follows, based on the notional amounts:

	2021			2021		
	Notional Amount	Year End Spot Rate	SCR Amount	Notional Amount	Year End Spot Rate	SCR Amount
Trade and other receivables						
In USD	4,943,606	14.69	72,598,343	2,080,200	21.58	44,896,947
In Euro	84,269	16.51	1,391,066	80,149	26.43	2,117,938
Cash and Bank Balances						
In USD	4,680,752	14.69	68,738,242	3,419,714	21.58	73,807,681
In Euro	53,542	16.51	883,846	118,087	26.43	3,120,469
In Pound Sterling	3,480	19.79	68,874	3,480	28.99	100,880
Borrowings						
In USD	2,082,115	14.69	30,576,479	-	21.58	-
Trade and Other Payables						
In USD	2,146,450	14.69	31,521,262	96,350	21.58	2,079,522

At December 31, if the Seychelles Rupees had weakened/strengthened by 5% against United States Dollar and Euro with all variables held constant, impact on results would have been as follows:

	2021		2020	
	Euro	USD	Euro	USD
	SCR	SCR	SCR	SCR
	+/-	+/-	+/-	+/-
Cash and bank balances	44,192	3,436,912	156,023	3,690,384
Trade and other receivables	69,553	3,629,917	105,897	2,244,847
Borrowings	-	1,528,824	-	-
Trade and other Payables	-	1,576,063	-	103,976
	<b>113,746</b>	<b>10,171,716</b>	<b>261,920</b>	<b>6,039,207</b>

#### 4.3 Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. It is the Authority's policy to manage interest cost using a mix of fixed and variable rates debts.

As at December 31, 2021, the Authority had borrowing from Nouvobanq at 5.31%, being 5% over 3 months Secured Overnight Financing Rate (SOFR), whilst interest bearing assets on fixed deposits were between 2.25% to 5.75%. Therefore the impact of interest rate risk was immaterial.

## Notes to the Financial Statements

Year Ended 31 December 2021

### 4. FINANCIAL RISKS MANAGEMENT (CONT'D)

#### 4.4 Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The Authority maintaining flexibility in funding by keeping committed credit lines available.

Management monitors rolling forecasts of the Authority's liquidity reserve on the basis of expected cash flow and do not foresee any major liquidity risk over the short term.

The table below analyses the Authority's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date.

	Less than 1 year	Between 1 and 3 years	Over 3 years	Total
	SCR	SCR	SCR	SCR
<b>At December 31, 2021</b>				
Gross borrowings	15,330,631	33,448,649	5,890,147	54,669,427
Gratuity and compensation	11,864,285	4,702,638	-	16,566,922
Trade and other payables	40,475,090	-	-	40,475,090
	<b>67,670,005</b>	<b>38,151,287</b>	<b>5,890,147</b>	<b>111,711,439</b>
<b>At December 31, 2020</b>				
Gratuity and compensation	12,626,866	2,771,745	-	15,398,611
Trade and other payables	38,901,870	-	-	38,901,870
	<b>51,528,736</b>	<b>2,771,745</b>	<b>-</b>	<b>54,300,481</b>

#### 4.5 Capital risk management

The Authority's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for Government of Seychelles and benefits for other stakeholders, and
- to provide an adequate return to Government by pricing products and services commensurately with the level of risk.

The Authority sets the amount of capital in proportion to risk. The Authority is not subject to external imposed capital requirements. It manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Authority in negotiation with Government of Seychelles, may adjust the amount of dividends paid to the Government of Seychelles and increase or reduce debt. Net debt is calculated as total interest-bearing borrowings (including current and non-current borrowings) less cash and bank balances plus short-term investment while equity include capital reserve and retained earnings.

As at December 31, 2021 Gearing was estimated to be Nil as Cash and bank balances exceed total debts. (2020: None).

#### 4.6 Fair value estimation

The nominal value less estimated credit adjustments of financial liabilities and assets are assumed to approximate their fair values.

## Notes to the Financial Statements

Year Ended 31 December 2021

### 5. PROPERTY, PLANT & EQUIPMENT

	Land		Building & Infrastructure		Plant & Machinery		Furniture, Fittings & Office Equipment		Motor Vehicles		Computer - Hardware & Software		Total	
	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR
<b>Costs</b>														
As at 1 January 2020 Restated	6,774,800	429,832,584	107,313,547	25,629,107	57,677,400	87,603,280	30,666,931	745,497,649						
As at 1 January 2020 - Reported	6,774,800	518,530,279	107,313,547	25,629,107	57,677,400	(1,005,624)	30,666,931	834,195,344						
Reclassification to Investment Property (Note 6)	-	(88,697,695)	-	-	-	-	-	(88,697,695)						
<b>Additions</b>	6,000	18,677,833	4,190,631	956,113	1,135,000	684,114	921,642	26,571,333						
Direct Purchase	6,000	295,206	3,508,145	956,113	1,135,000	684,114	921,642	7,506,220						
Transfer from WIP	-	18,382,627	682,486	-	-	-	-	19,065,113						
Disposals	-	-	-	-	(1,192,300)	(22,515)	-	(1,214,815)						
<b>As at 31 December 2020 - Restated</b>	<b>6,780,800</b>	<b>448,510,417</b>	<b>111,504,178</b>	<b>26,585,220</b>	<b>57,620,100</b>	<b>88,264,879</b>	<b>31,588,573</b>	<b>770,854,167</b>						
<b>Additions</b>														
Direct Purchase	-	243,577	3,020,931	463,075	-	477,175	126,632	4,331,390						
Transfer from WIP	-	-	2,951,711	463,075	-	477,175	126,632	4,018,593						
Disposals	-	243,577	69,220	-	-	-	-	312,797						
<b>As at 31 December 2021</b>	<b>6,780,800</b>	<b>448,753,994</b>	<b>114,525,109</b>	<b>27,048,295</b>	<b>56,866,758</b>	<b>88,537,879</b>	<b>31,667,098</b>	<b>774,179,934</b>						

Included in land, buildings and infrastructure is a house on Parcel S5256 purchased on March 28, 2018 for a sum of seven million Seychelles rupees (SCR 7m). As a result of matrimonial dispute, a Court injunction on registration of Transfer has been imposed pending settlement of the matter. Ongoing Civil Suit set for hearing pending attempts for a judgement by consent.

## Notes to the Financial Statements

Year Ended 31 December 2021

### 5. PROPERTY, PLANT & EQUIPMENT CONT'D

	Land		Building & Infrastructure		Plant & Machinery		Furniture, Fittings & Office Equipment		Motor Vehicles		Computer - Hardware & Software		Total	
	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR
<b>Accumulated Depreciation</b>														
As at 1 January 2020 Restated	-	144,686,967	63,545,939	19,423,162	46,821,011	74,568,221	24,916,735	373,962,035						
As at 1 January 2020 - Reported	-	174,543,709	63,545,939	19,423,162	46,821,011	74,568,221	24,916,735	403,818,777						
Reclassification to Investment Property (Note 6)	-	(29,856,742)	-	-	-	-	-	(29,856,742)						
Charge for the year - Restated	-	18,130,765	6,559,648	2,158,315	4,650,055	4,848,971	2,268,688	38,616,442						
Reported	-	20,741,211	6,559,648	2,158,315	4,650,055	4,848,971	2,268,688	41,226,888						
Reclassification to Investment Property (Note 6)	-	(2,610,446)	-	-	-	-	-	(2,610,446)						
Disposals Depreciation	-	-	-	-	(1,192,300)	(22,515)	-	(1,214,815)						
<b>As at 31 December 2020 - Restated</b>	<b>-</b>	<b>162,817,732</b>	<b>70,105,587</b>	<b>21,581,477</b>	<b>50,278,766</b>	<b>79,394,678</b>	<b>27,185,423</b>	<b>411,363,662</b>						
Depreciation for the year	-	17,940,417	6,811,425	1,929,058	3,790,131	4,269,167	2,341,847	37,082,044						
Disposals Depreciation	-	-	-	-	(326,448)	(46,310)	(48,106)	(420,864)						
<b>As at 31 December 2021</b>	<b>-</b>	<b>180,758,149</b>	<b>76,917,012</b>	<b>23,510,535</b>	<b>53,742,449</b>	<b>83,617,534</b>	<b>29,479,163</b>	<b>448,024,841</b>						
<b>Net Book Value</b>														
As at 31 December 2020 - Restated	6,780,800	285,692,685	41,398,591	5,003,743	7,341,334	8,870,201	4,403,151	359,490,504						
As at 31 December 2021	6,780,800	267,995,845	37,608,097	3,537,760	3,124,309	4,920,344	2,187,936	326,155,091						

## Notes to the Financial Statements

Year Ended 31 December 2021

### 6. INVESTMENT PROPERTY

COST	2021	Restated 2020
	SCR	SCR
At January 1 - As restated	88,697,695	88,697,695
As previously reported	-	-
Reclassifications from property, plant and equipment (note 5)	88,697,695	88,697,695
Additions	-	-
<b>At December 31,</b>	<b>88,697,695</b>	<b>88,697,695</b>
<b>ACCUMULATED DEPRECIATION</b>		
At January 1 - As restated	32,467,188	29,856,742
- As previously reported	29,856,742	-
- Reclassifications from property, plant and equipment (note 5)	2,610,446	29,856,742
Charge for the year - Restated	3,547,908	2,610,446
- As previously reported	-	-
- Reclassifications from property, plant and equipment (note 5)	3,547,908	2,610,446
<b>At December 31,</b>	<b>36,015,096</b>	<b>32,467,188</b>
<b>NET BOOK VALUE</b>	<b>52,682,599</b>	<b>56,230,507</b>

### 7. CAPITAL WORK IN PROGRESS

	2021	2020
	SCR	SCR
At January 1,	8,045,459	8,170,694
Expenditure incurred during the year	36,570,822	20,108,018
Transfer to property, plant & equipment (note 5)	(312,797)	(19,065,113)
Write off (note 7(a))	-	(1,168,140)
	<b>44,303,484</b>	<b>8,045,459</b>

- (a) The write off relates to consultancy fees and charges paid on South East Island reclamation and New SCAA Head Quarters projects. This was after management took a position to differ the implementation of two projects in line with SCAA's financial plan pertaining to Covid-19 impact on the investment funding and liquidity position. The cost of the two projects were estimated to SCR 148 million and are unlikely to be undertaken in the foreseeable future.

### 8. DEFERRED TAX

- (a) Deferred taxes are calculated on all temporary differences under the liability method at applicable rates as mentioned in note 11(d).

There is a legally enforceable right to offset deferred tax assets and deferred tax liabilities when the deferred taxes relate to the same fiscal authority for the same entity.

## Notes to the Financial Statements

Year Ended 31 December 2021

### 8. DEFERRED TAX (CONT'D)

- (b) The following amounts are shown in the Statement of Financial Position:

	2021	Restated 2020
	SCR	SCR
Deferred tax assets (note 8(c)(i))	34,605,365	36,983,815
Deferred tax liability (note 8(c)(ii))	(9,513,433)	(12,540,228)
	<b>25,091,932</b>	<b>24,443,587</b>
The movement on the deferred tax account is as follows:		
At January 1,	24,443,587	(4,203,163)
Credit to Statement of Profit or Loss (note 11(a))	648,345	28,646,750
<b>At December 31,</b>	<b>25,091,932</b>	<b>24,443,587</b>

- (c) Deferred tax is recognised in the Statement of Financial Position with respect to the following:

#### (i) Deferred Tax Assets

	Tax Losses	Unrealised Exchange Loss	Provision for Credit Losses	Payroll Provisions	Total
	SCR	SCR	SCR	SCR	SCR
At January 1, 2020	-	-	-	-	-
As previously reported	-	-	-	-	-
Effect of adopting IAS 12	-	56,020	969,535	5,714,768	6,740,323
<b>As restated</b>	<b>-</b>	<b>56,020</b>	<b>969,535</b>	<b>5,714,768</b>	<b>6,740,323</b>
restated	27,946,390	(56,020)	527,081	1,826,041	30,243,492
As previously reported	-	-	-	-	-
Effect of adopting IAS 12	<b>27,946,390</b>	<b>(56,020)</b>	<b>527,081</b>	<b>1,826,041</b>	<b>30,243,492</b>
<b>At December 31, 2020</b>	<b>27,946,390</b>	<b>-</b>	<b>1,496,616</b>	<b>7,540,809</b>	<b>36,983,815</b>
<b>Credit/(Charge) for the year</b>	<b>(3,032,293)</b>	<b>806,212</b>	<b>730,182</b>	<b>(882,549)</b>	<b>(2,378,450)</b>
<b>Change in temporary difference at</b>	<b>1,950,525</b>	<b>967,454</b>	<b>1,175,540</b>	<b>449,103</b>	<b>4,542,622</b>
<b>Change in tax rate (notes 11(b) &amp;</b>	<b>(4,982,818)</b>	<b>(161,242)</b>	<b>(445,358)</b>	<b>(1,331,652)</b>	<b>(6,921,072)</b>
<b>At December 31, 2021</b>	<b>24,914,096</b>	<b>806,212</b>	<b>2,226,797</b>	<b>6,658,260</b>	<b>34,605,365</b>

## Notes to the Financial Statements

Year Ended 31 December 2021

### 8. DEFERRED TAX (CONT'D)

#### (ii) Deferred Tax Liability

	Accelerated Tax Depreciation SCR	Unrealised Exchange Gain SCR	Total SCR
At January 1, 2020			
As previously reported	-	-	-
Effect of adopting IAS 12	10,943,486	-	10,943,486
<b>As restated</b>	<b>10,943,486</b>	<b>-</b>	<b>10,943,486</b>
Charge for the year - As restated	599,050	997,692	1,596,742
As previously reported	-	-	-
Effect of adopting IAS 12	599,050	997,692	1,596,742
<b>At December 31, 2020</b>	<b>11,542,536</b>	<b>997,692</b>	<b>12,540,228</b>
Charge/(Credit) for the year	(2,029,103)	(997,692)	(3,026,795)
Change in temporary difference at old rate	(126,416)	(997,692)	(1,124,108)
Change in tax rate (notes 11(b) & 11(d))	(1,902,687)	-	(1,902,687)
<b>At December 31, 2021</b>	<b>9,513,433</b>	<b>-</b>	<b>9,513,433</b>

### 9. INVENTORIES

	2021	Restated 2020
	SCR	SCR
Terminal and Airside Spares	694,179	695,970
Maintenance Spares & Consumables (PME)	3,298,975	3,100,989
Maintenance Spares & Consumables (Bld & Infra)	688,829	801,399
Office and & General; Admin Consumables	1,677,269	1,760,238
	<b>6,359,252</b>	<b>6,358,596</b>

### 10. TRADE AND OTHER RECEIVABLES

	2021	Restated 2020
	SCR	SCR
Gross trade receivables (note 10(a))	91,260,682	58,882,894
Less: Allowance for expected credit loss (notes 10(b) & 10(c))	(8,907,184)	(4,988,718)
	<b>82,353,498</b>	<b>53,894,176</b>
Other receivables	2,843,910	8,526,361
Prepayments	1,683,342	1,678,474
	<b>86,880,750</b>	<b>64,099,011</b>

(a) The carrying value of trade and other receivables measured at amortised cost approximates its fair value.

#### (b) Credit Loss Allowances

The Authority measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

## Notes to the Financial Statements

Year Ended 31 December 2021

### 10. TRADE AND OTHER RECEIVABLES (CONT'D)

#### (b) Credit Loss Allowances (Cont'd)

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Authority writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, i.e., when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. The average credit period on trade receivables is 60 days. No interest is charged on outstanding trade receivables.

The following table details the risk profile of trade receivables based on the Authority's provision matrix.

#### (i) At December 31, 2021

	Trade receivables-days past due				Total
	< 30 days	31-60 days	61-90 days	> 90 days	
Gross amount (SCR)	79,027,960	2,514,774	1,241,578	8,476,371	91,260,683
Expected loss rate (%)	3.75%	4.59%	25.22%	65.06%	
Lifetime ECL (SCR)	2,963,549	115,428	313,126	5,515,081	8,907,184

#### ii) At December 31, 2020

	Trade receivables-days past due				Total
	< 30 days	31-60 days	61-90 days	> 90 days	
Gross amount (SCR)	43,786,652	1,656,498	908,659	12,531,085	58,882,894
Expected loss rate (%)	1.48%	1.72%	7.79%	33.86%	
Lifetime ECL (SCR)	648,041	28,492	70,785	4,242,616	4,989,934

#### iii) Expected credit loss movement during the year is as follows:

	2021	2020
	SCR	SCR
At January 1, - restated	4,988,718	3,231,783
- As previously reported	1,798,600	61,211
- First time adoption of IFRS	3,190,118	3,170,572
Bad debt written off		
Charge for the year - As restated	3,918,466	1,756,935
- As previously reported	-	1,737,389
- First time adoption of IFRS	-	19,546
<b>At December 31,</b>	<b>8,907,184</b>	<b>4,988,718</b>

#### (c) Sensitivity analysis

If the ECL rates on trade receivables above 90 days past due had been 1% higher/(lower) as of December 2021, the loss allowance would have been +/- SCR 55,155 (2020: +/- SCR 42,426).

(d) Trade and other receivables include SCR 7.2m due to related parties. (2020: SCR16.4m) (note 27).

## Notes to the Financial Statements

Year Ended 31 December 2021

### 11. CURRENT TAX ASSET

#### (a) Statement of Financial Position

	2021 SCR	Restated 2020 SCR
At January 1,	(18,975,768)	(9,871,733)
As previously reported	(26,727,094)	(2,412,177)
Impact of adopting IFRS	(7,751,326)	7,459,556
Charge to Statement of Profit or Loss (note 11(b))		
As previously reported	-	(15,210,882)
Impact of adopting IFRS	-	15,210,882
<b>Net receipts/(payments) during the year</b>	<b>13,381,909</b>	<b>(9,104,035)</b>
<b>At December 31,</b>	<b>(5,593,859)</b>	<b>(18,975,768)</b>

#### (b) Statement of Profit or Loss

Current tax at applicable tax rate (notes 11(a) & (d)) - As restated	-	-
Deferred tax credit (note 8(b))	648,345	28,646,750
	<b>(648,345)</b>	<b>(28,646,750)</b>

#### (c) Reconciliation between tax expense and accounting profit is as follows:

<b>Loss Before Taxation:</b>	<b>(42,841,072)</b>	<b>(51,165,248)</b>
Tax calculated at applicable tax rates (note 11(d))	(12,852,322)	(15,349,575)
Expenses not deductible for tax purposes	12,711,715	2,867,457
Income exempt for tax purposes	(1,975,810)	(14,854,379)
Excess of capital allowances over depreciation	165,892	(609,893)
Unutilised tax losses carried forward	1,950,525	27,946,390
	<b>(0)</b>	<b>-</b>

#### (d) Applicable tax rates are as follows:

	2021 & 2020
≤ SCR. 1,000,000	25%
> SCR. 1,000,000	30%

#### Change in tax rates - effective 2022

In exercise of the powers conferred by section 81 of the Business Tax Act 2009, the Minister of Finance, Economic Planning and Trade announced changes to tax rates for all entities effective January 1, 2022, as shown below:

≤ SCR. 1,000,000	15%
> SCR. 1,000,000	25%

## Notes to the Financial Statements

Year Ended 31 December 2021

### 12. Cash & Cash Equivalent

	2021 SCR	2020 SCR
Cash on Hand	271,840	387,926
Cash at Bank	149,181,893	167,035,359
<b>Total Cash &amp; Bank Balances</b>	<b>149,453,734</b>	<b>167,423,286</b>
Fixed Deposit	(73,243,270)	(68,926,027)
<b>Cash &amp; Cash Equivalent for Cash Flow</b>	<b>76,210,464</b>	<b>98,497,259</b>

### 13. CAPITAL RESERVE

The Authority was vested with the assets and liabilities of the former Directorate of Civil Aviation for which a financial consideration was not paid. The net value of assets over the liabilities was credited to a Capital Reserve Account.

### 14. BORROWINGS

	2021 SCR
Received during the year	33,349,176
Paid during the year	
Exchange Movement	(2,772,696)
	<b>30,576,480</b>
<i>Analysed as:</i>	
Non-current	17,301,530
Current	13,274,949
	<b>30,576,479</b>

- (a) The Authority obtained a loan of **USD 5 million** from Seychelles International Mercantile Banking Corporation Limited (Nouvobanq). The loan is secured by a first line charge and a floating charge of the Authority's worth to secure USD 5 million.

The loan attracts a fixed interest rate of 5.24% per annum charged on the daily outstanding balances and compounded monthly. The rate has changed in 2022 to 5.315 following a change in banks computation using SOFR rate. Interest charges amount to SR624K. The loan repayment is subject to a moratorium period of 9 months and thereafter payable over 57 months. The fair value is not significantly different to their carrying value.

- (b) The exposure of the Authority's borrowings to foreign exchange risk and maturity profile are shown on notes 4.2.

### 15. Employee Benefits & Leave Provisions

#### (a) Gratuity and Compensation

	2021 SCR	2020 SCR
At January 1,	15,398,611	10,648,583
Charge for the year (note 19)	13,795,177	13,519,197
Paid during the year	(12,626,866)	(8,769,168)
<b>At December 31,</b>	<b>16,566,922</b>	<b>15,398,611</b>
<i>Analysed as:</i>		
Non-current	4,702,638	2,771,745
Current	11,864,285	12,626,866
	<b>16,566,923</b>	<b>15,398,611</b>

## Notes to the Financial Statements

Year Ended 31 December 2021

### 15. Employee Benefits & Leave Provisions (CONT'D)

(b) Accrued Leave	2021	2020
	SCR	SCR
At January 1,	9,737,421	8,400,644
Charge for the year (note 19)	328,700	1,336,777
At December 31,	<u>10,066,121</u>	<u>9,737,421</u>

### 16. TRADE AND OTHER PAYABLES

	2021	Restated 2020
	SCR	SCR
Trade payables	2,027,872	14,602,027
Levies due to Government (note 27)	33,451,927	17,001,434
Other payables	4,995,291	7,298,409
	<u>40,475,090</u>	<u>38,901,870</u>

### 17. REVENUE

	2021	2020
	SCR	SCR
<b>Aeronautical</b>		
Landing fees	19,729,432	9,744,105
Passenger Service Charges	151,873,514	102,048,270
Air Navigation Charges	84,292,036	76,267,363
Safety Regulation Charges	529,795	608,550
	<u>256,424,777</u>	<u>188,668,288</u>
<b>Non-aeronautical</b>		
Concession & Property Rental	31,909,886	18,686,720
Aviation Security Fees	3,641,162	2,690,531
Others Airport Fees	108,199	167,628
	<u>35,659,247</u>	<u>21,544,879</u>
<b>Total Revenue</b>	<u>292,084,024</u>	<u>210,213,167</u>

### 18. OTHER INCOME

	2021	Restated 2020
	SCR	SCR
Administration fees	132,236	133,818
Profit on disposal	170,583	91,375
Others	956,006	448,530
	<u>1,258,825</u>	<u>673,723</u>

### 19. EMPLOYEE BENEFIT COSTS

Salaries and wages	164,141,203	168,676,776
Employer's Pension Costs	4,829,614	4,995,080
Gratuity and compensation charge (note 15)	13,795,177	13,519,197
Leave accrual (note 15)	328,700	1,336,777
Others	12,240,809	22,525,765
	<u>195,335,503</u>	<u>211,053,595</u>

## Notes to the Financial Statements

Year Ended 31 December 2021

### 20. OTHER OPERATING OVERHEADS

	2021	Restated 2020
	SCR	SCR
Office & General Administrative Costs	11,972,340	14,838,184
ICT Service Support & Maintenance	4,218,616	4,707,254
Air Navigation Support Services & Maintenance	7,168,396	9,406,782
Safety & Security Regulation Costs	918,096	3,206,744
Airport Operation Cost	6,226,913	9,070,309
Commercial	1,696,532	1,138,039
Corporate social responsibility Tax	175,959	1,131,884
Electrical and Technical Services & Maintenance	29,702,675	26,277,538
Auditor's remuneration	100,000	100,000
Finance charges	29,047	44,357
	<u>62,208,574</u>	<u>69,921,089</u>

### 21. EXCHANGE MOVEMENTS

	2021	2020
	SCR	SCR
Realised exchange loss/(gain)	33,493,571	(57,073,279)
Unrealised exchange loss/(gain)	452,150	(3,325,640)
	<u>33,945,721</u>	<u>(60,398,919)</u>

### 22. FINANCE INCOME

	2021	Restated 2020
	SCR	SCR
Interest from fixed deposit	3,642,756	4,403,316
Interest on staff loans	210,218	401,586
	<u>3,852,974</u>	<u>4,804,902</u>

### 23. LOSS FOR THE YEAR

This has been arrived at after charging:

	2021	2020
	SCR	SCR
- Auditor's remuneration	100,000	100,000
- Directors' remuneration (note 27(e))	345,600	388,800

## Notes to the Financial Statements

Year Ended 31 December 2021

### 24. DIVIDEND PAID

Dividend to Government is made in accordance with directions given by the Minister under Section 11 (3) of the Seychelles Civil Aviation Authority Act, 2005. Dividend paid to Government in 2020 amounted to SCR 20 million. In light of the impact of the COVID-19 pandemic, monthly payment was for the first 4 months of 2020. No Dividend was paid in 2021.

### 25. CONTINGENT LIABILITIES

In July 2016, a legal claim was lodged by a Duty-Free retail shop claiming damages of SCR1.06 million to its merchandise while construction work was ongoing to adjacent premises. As at December 31, 2021, a judgement was yet to be pronounced, however the claim is estimated to be SCR 300,000.

### 26. COMMITMENTS

#### Capital Commitments

	2021	2020
	SCR	SCR
Approved and contracted for	83,792,873	5,153,140
Approved and but not contracted for	-	-
	<u>83,792,873</u>	<u>5,153,140</u>

### 27. RELATED PARTY TRANSACTIONS

#### (a) Identification of related parties

SCAA is a public entity established under the Seychelles Civil Aviation Authority Act, 2005 of Seychelles and reports to the Minister for Transport, Civil Aviation and Ports & Marine. It therefore has a significant number of related parties including other state-owned entities, government departments and other entities within the sphere of Government. In addition, the Authority has a related party relationship with its Directors and Executive officers (Key Management). Unless specifically disclosed, transactions are concluded on an arm's length basis and the Authority is open to transact with any entity.

Key Management Personnel has been defined as the Authority's Board of Directors, CEO and Senior Executive effective for 2021 and 2020. Non-executive Directors are included in the definition of key management personnel as required by IFRS. The definition of Key Management includes close family members of key management personnel and any entity over which key management exercises control or joint control.

## Notes to the Financial Statements

Year Ended 31 December 2021

### 27. RELATED PARTY TRANSACTIONS (CONT'D)

#### (b) Related Party Transaction and Balances

	Balances		Transactions		
	Loans & Advance	Deposits	Levies Collected	Trade Receivable	Trade Payables
	SCR	SCR	SCR	SCR	SCR
<b>December 31, 2021</b>					
Public Entities	(30,576,479)	100,379,523		7,244,671	2,680,160
Government organisations and	-	-	(33,451,927)	-	-
<b>December 31, 2020</b>					
Public Entities	-	115,169,669	-	16,472,791	2,042,044
Government organisations and	-	-	(17,001,434)	-	-

#### (c) Remuneration to Executive Key Management

The aggregate remuneration provided for and paid to Key Management personnel comprised.

	2021	2020
	SCR	SCR
*Chief Executive Officer	1,493,409	1,080,000
<b>Other Key Management Personnel Staff</b>		
Salary and allowances	7,388,767	8,762,637
End on Contract Payment (EOC)	1,090,532	1,769,194
Other Benefit	-	-
	<u>8,479,299</u>	<u>10,531,831</u>

\*The increase in CEO's remuneration in 2021 is due to his 3 year End of Contract payment

No other benefits was paid to Key Management Staff in 2020 and 2021 due Financial Covid mitigation being implemented.

#### (d) Loans and advances to key management

Loans to Key Management personnel were approved and disbursed as per the Authority's loan policy. As at December 31, 2021 loans and advances to Key Management amounted to SCR200,094 (2020: SCR366,693). There were no new loans issued in 2020 & 2021.

## Notes to the Financial Statements

Year Ended 31 December 2021

### 27. RELATED PARTY TRANSACTIONS (CONT'D)

#### (e) Directors' Fees to Non-Executive Directors

	Resignation	Appointment	2021 SCR	2020 SCR
Marlon Orr		Feb-21	63360	
Sherin Francis		Feb-21	42240	-
May-Paul Marengo	Jun-22	Feb-21	42240	-
Kelly Chetty		Feb-21	42240	-
Garry Jupiter	Apr-22	Feb-21	42240	-
Yannick Roucou		Feb-21	42240	-
Magalie Essack		Feb-21	42240	-
David Savy	Apr-20	Sep-11		32,000
Suketu Patel	Jan-21	May-20	5760	50,560
Anne Lafortune	Jan-21	Feb-14	3840	59,040
Vincent Amelie	Jan-21	May-17	3840	59,040
Nadine Potter	Jan-21	May-17	3840	59,040
Cindy Vidot	Jan-21	May-17	3840	59,040
Benjamin Choppy	Jan-21	May-20	3840	35,040
Ange Morel	Jan-21	May-20	3840	35,040
			<u>345,600</u>	<u>388,800</u>

### 28 Events After The Reporting Period

#### Announcement of a Major Restructuring

Following the Cabinet approval of a bill by Cabinet of Ministers in October 2021, the Management of SCAA and the Board embarked on the preparatory journey for the separation of SCAA into two legal entities. The separation shall entail that SCAA shall remain as the regulatory and oversight body for safety, security and civil aviation operations in our jurisdiction and; the other entity shall become the Airport Authority responsible for air navigation, fire and rescue, security and passenger welfare in the general operations of the airport on a commercial basis.

The restructuring shall support to achieve reduction of potential conflicts of interest between the regulatory authority and the service provider. It will also allow the Airport Authority to derive maximum commercial opportunities.

#### Ukraine/Russian Conflict

The Ukraine/Russia conflict in late February 2022 resulted in imposition of sanctions on Russia, and the expectation of further challenges which could delay the economic recovery. It was also anticipated that the sanction may weaken the recovery of the tourism activity. Whilst the Aeroflot Airline was also sanctioned, tourism activity even from Russian markets continues to increase, especially as other Airline substituted for Aeroflot routes. As the COVID-19 pandemic slowly eases, the appetite for travelling is high, and the Authority anticipates increasing passenger movements especially recovery from the main European market and increasing scheduled and non-scheduled flights.

The increase in Gas and Oil prices are expected to bring additional challenges such as increase in prices of tickets, but the recovery of the industry and expected increase in earnings for the Authority and Airlines remains relatively positive.

The above events and information does not affect any amounts recognised in the 2021 financial statements, and the Authority will continue to operate as a going concern.





# 2021 Business & Operations Review

## Summary & Key Highlights

Passenger throughput 2021

**532,724** **32.6% ↑**



Total Operating Income  
**SCR290.8 million**

Aircraft Movements  
**27,840**



**723**  
Full Time Employees

**11**  
Internal Audits

**32**  
Long serving employees of 30+ years

**95**  
Total Mandatory Occurrence Reports  
\*Note: Mandatory Occurrence reports are those reported by ATC and Aerodrome Operations only.

**0**  
Aircraft Accidents



**3,525**  
Number of airfield surveillance

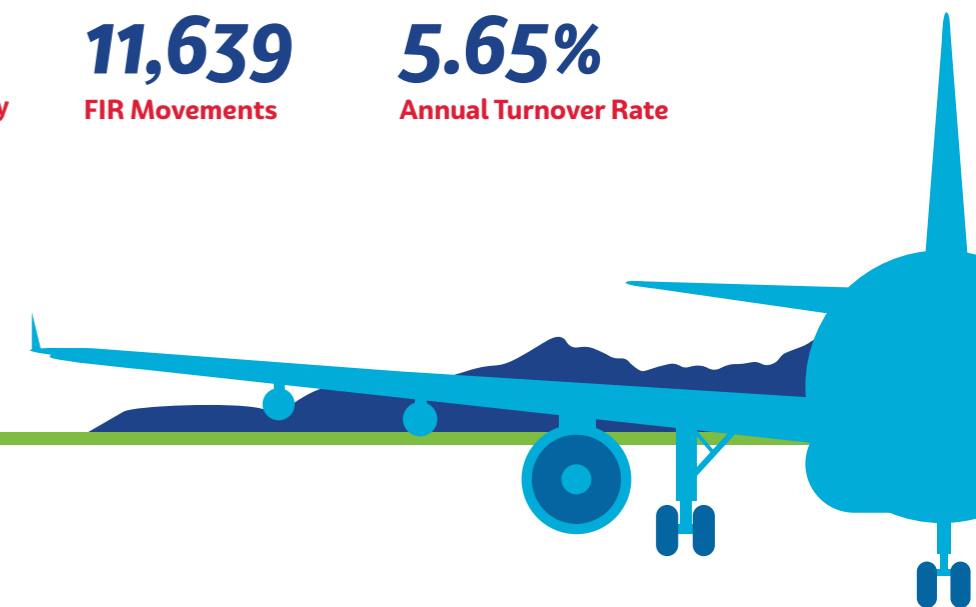
**15**  
Confirmed Bird Strikes

**18**  
Health & Safety Inspections

**11,639**  
FIR Movements

**5.65%**  
Annual Turnover Rate

**207**  
No. of staff screened by staff nurse



# Seychelles International Airport

Aerodrome Reference Code: **4E**



Surface Area: **109 Hectares**

**2,987m**

**46m**

Runway Designations

**13 | 31**

Category For Fire Fighting

**Cat9**



seychelles international airport

### International Terminal

- 6** Departure Immigration Counters
- 13** Arrival Immigration Counters
- ~~670~~ Arrival Lounge Capacity  
**430** New Normal
- ~~492~~ Departure Lounge Capacity  
**315** New Normal

### Domestic Terminal

- 25** Arrival Lounge Capacity  
**25** New Normal
- ~~80~~ Departure Lounge Capacity  
**75** New Normal

Car Parking Capacity **320** at The Terminal

## Safety & Security Regulation Department

*Audits, Inspections & Licenses processed and issued in 2020*

Airworthiness & Engineer Licensing	
Normal Audits	10
Normal / Adhoc Inspections	Nil
Approved Maintenance Organisation (AMO) Audits	5
Foreign Approved Maintenance Organisation (FAMO) Audits	5
Continuing Airworthiness Management Organization (CAMO) Audits	11
ORG Manual Checks	9
Maintenance Program Approval	15
Modifications & Repairs Approval	25
Engineer Licensing Audits	35
Aircraft Inspections	19

Flight Operations & Flight Crew Licensing	
Normal Audits	9
Normal / Adhoc Inspections	3
Cargo in Passenger Cabin	Nil
Carriage of PCR Samples in Aircraft/ Operator without a Dangerous Goods Authorization	3
Medical Certificate Extension	0
Manuals reviewed/processed	11
Authorisation to use Medical Certificate issued by another state	0
LPC/OPC Extension	0
Pilot License renewal processed	134
On-going operator recertification	3

Aerodrome Safety & Standards	
Normal Audit - Mahé	2
Normal Audit - Praslin	1
International aerodrome certified	Nil
Domestic aerodrome licensed	Nil
Aerodrome Manuals & Notices Assessed	60
Coordination Meetings convened	25
Number of runway incursions	7
Number of runway excursions	1
Number of bird strikes	24

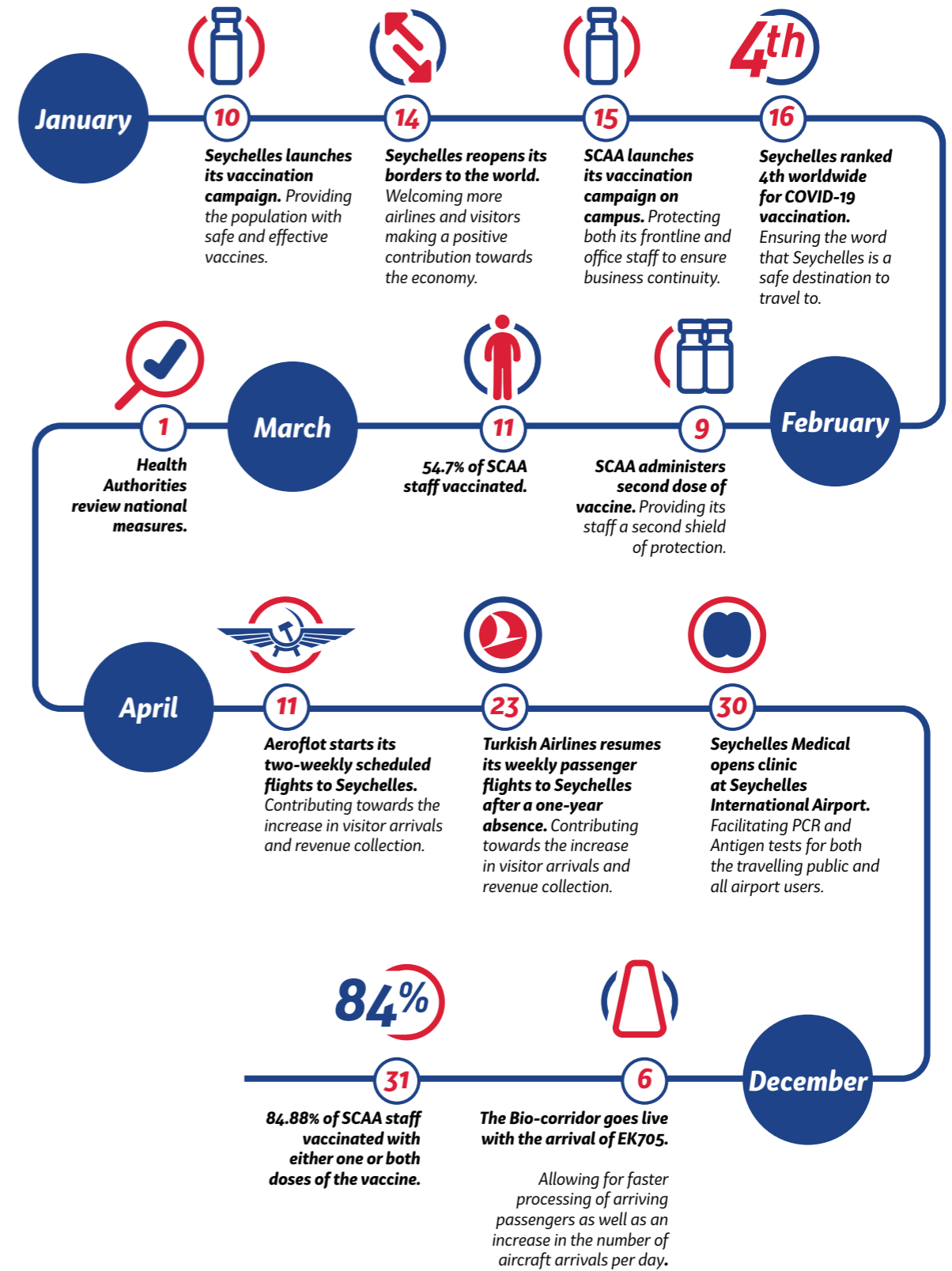
Air Navigation Standards & ATC Licensing	
Normal Audits	12
Normal / Adhoc Inspections	10
ANSP Certified	Nil
AIS Office Certified	Nil
CNS/ATSEP Certified	Nil
Manual review/checks	13
ATCO Licence renewed	134
New ATCO Licence issued	7
NOTAMs reviewed and approved	18
Other assessments conducted/ supported	8

AVSEC & Facilitation Regulation	
Airport Operator Audit	1 (FSSP)
Airport Operator Inspection	1 Mahé • 1 Praslin
Airline Inspection	16 <i>(Inspections of UU, UL, AF, MK, BA (5) postponed due to non-resumption of flights)</i>
Security test (all entities)	23 <i>(Tests of UU, UL, AF, MK, BA (5) postponed due to non-resumption of flights 4 PRI (FSPP) Tests postponed due to covid situation)</i>
Ground Handling Agent	2
Air Caterer	1 audit
General Aviation	1 audit
Cargo Operator	1 Follow up inspection and test conducted
Follow up Inspections (all entities)	8
Program review and Approval	Review and distribution of NCASP
Others	CMCs issued (32 HM flight crew + 54 HM Cabin crew) 1 instructor certification 3 investigations Security culture campaign awareness Observation visit SIA (1 risk assessment of HM flight.)



# COVID-19 On the Road to Recovery

## Timeline



## COVID-19 on the Road to Recovery

In January 2021, Seychelles experienced a sudden surge in the number of COVID-19 cases shooting up to 1205 by the end of the month. Consequently, current restrictions were intensified in order to protect the population and limit the spread as community transmission was inevitable. The Seychelles Civil Aviation Authority (SCAA) was not spared from the surge. We saw a significant rise in positive COVID-19 cases and staff quarantine. Non-essential staff were encouraged to work from home whilst ensuring continuity in service provision. Although some restrictions were eased by PHA as of 1st March 2021, SCAA still maintained its flexible approach to work.

*‘Equitable access to safe and effective vaccines is critical to ending the COVID-19 pandemic.’*

**World Health Organisation**

Seychelles launched its vaccination campaign in January 2021. Being a frontline essential service, access to the vaccines were prioritised for our staff. In Collaboration with the Ministry of Health, we set up a vaccination clinic for the Sinopharm Vaccine first dose from 15th- 22nd January 2021 and the second dose was administered on 9th, 10th and 11th February 2021 where 54.7% of staff were vaccinated.

By December, 84.88% of staff had already been vaccinated with either one or both doses of the vaccine.

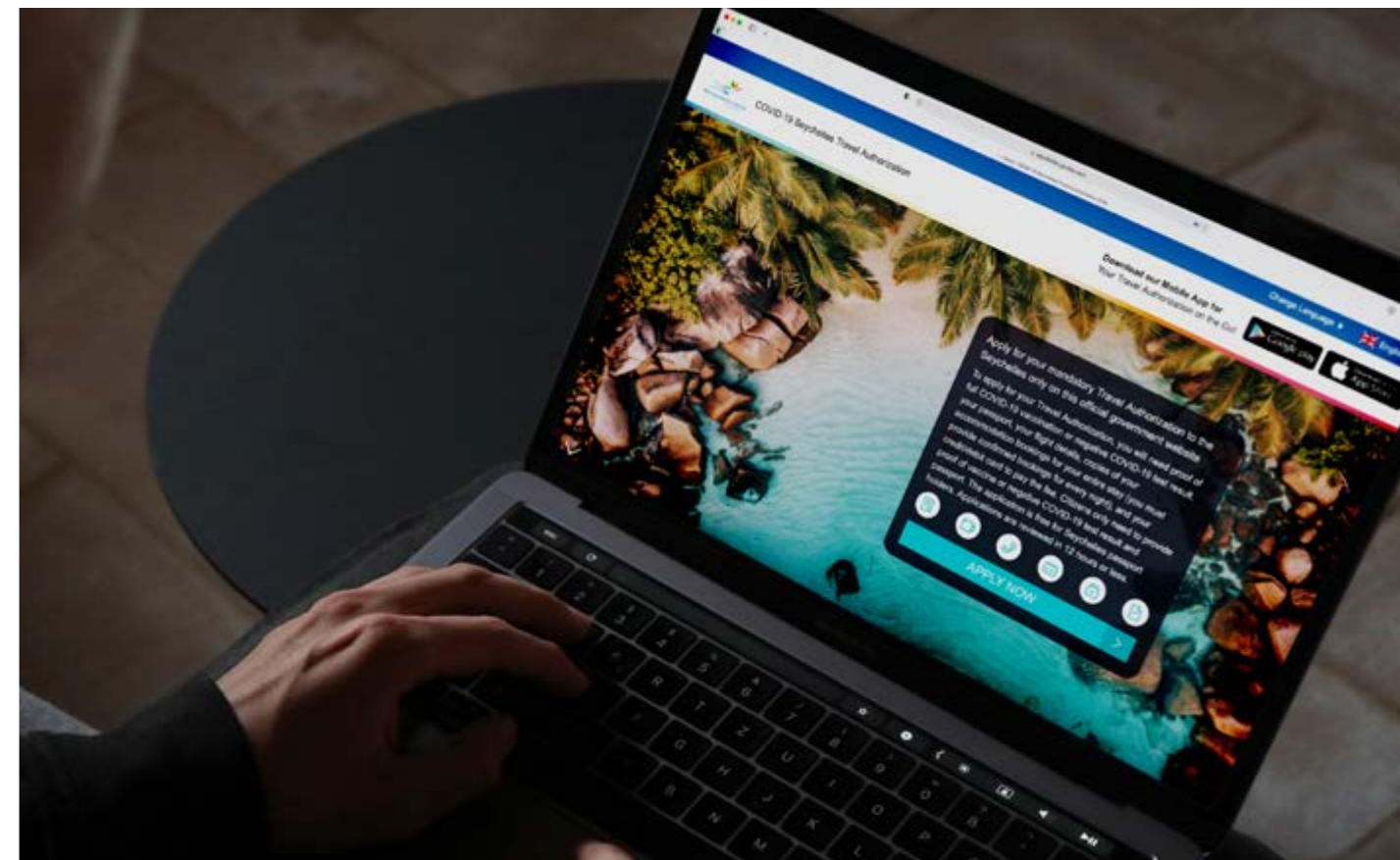


## The reopening of borders to the World

On 14th January 2021, Seychelles reopened its borders to the world after almost one year of travel restrictions. In phase one of the reopening, from January to mid-March, visitors entering the country had to certify that they had been vaccinated with a minimum of two weeks since they received the second dose and show proof of a negative PCR test 72 hours prior to travelling. It was no longer mandatory for visitors to undergo quarantine upon entry if the above requirements were met. Starting phase two, from Mid-March onwards, proof of vaccination was no longer a prerequisite however proof of a negative PCR test was still required.

## Travizory

Introduced late 2020, the Travizory system facilitates the collection and analysis of traveller documentation. Embracing technology through the use of web and mobile apps, it allows the health authority to collect personal identification and health information directly from the traveller. This new system also helps with border control and minimising the risk of COVID-19 transmission.



### Increase in flights and passenger numbers

With the Travizory system already in place at the Seychelles International Airport, it allowed for faster processing of arriving passengers as well as an increase in the number of aircraft arrivals per day. Since vaccination was proving to be a game changing tool and boosting the confidence of the travel public, at the beginning of the second quarter many airlines namely Turkish Airlines, Edelweiss, Kenya Airways, Condor, Air France, Sri Lankan Airlines and Air Austral resumed their operations to Seychelles. Additionally, throughout the year Emirates, Air Seychelles (with routes to Male, Tel Aviv and Dubai), Ethiopian Airlines and Etihad Airways started increasing their flying frequencies. Following a 17-year hiatus, in April 2021 we welcomed back Russian Airline Aeroflot carrying 387 passengers onboard. One month later, Israeli designated carrier El Al Airlines was operating weekly flights to Seychelles from May to July. In 2021 we also saw improvements in airline numbers as a total of 15 airlines operated at SIA, the highest number recorded compared to previous years.

By December, passenger arrivals had grown by 51% and throughput by 33% of 2020 level with October recording the peak number of passenger arrivals.



### Seychelles Medical offering 24/7 COVID-19 testing service

In April 2021 Seychelles Medical started operating at SIA, facilitating PCR and Antigen tests for the travelling public as well as all airport users. Currently located inside the Payanke CIP Lounge, this clinic is opened 24/7.



### Installation of a Bio-corridor

In order to curb the negative impacts that the global pandemic has had on the economy and as a means of achieving a more efficient flow through a seamless set up within the International Arrival Lounge, a proposal to install a Bio-Security Corridor was brought forth. On 06th December 2021, the Bio-corridor went live with the arrival of EK705. This allowed for the entire health processing of passengers to be done in three (3) seconds, hence minimising the passenger queue and ensuring SCAA achieves the ICAO facilitation standard of 45 minutes. Health and safety risks are also kept at a minimum with this contactless procedure as facial recognition is used to automatically identify the traveller when he/she walks through the corridor. This will then alert the health officer of the passengers' 'health status'.



### An eye on 2022

Without a doubt, the road to recovery is expected to be one which is lengthy, however with better management of the pandemic, eased global restrictions and the restored confidence for people to travel, we are hopeful to reach the forecasted passenger numbers for 2022. We will remain focused on our recovery and providing the ultimate airport experience to our customers whilst operating safely.

# Air Transport Highlights

## Air Transport Highlights

### Passenger & Aircraft Movement Summary

Since the re-opening of our borders there has been a considerable improvement in air travel. Although traffic numbers in 2021 remained lower than pre COVID – 19 levels, passenger throughput increased by 33% compared to the year 2020, from 401,663 to 532,724 passengers. International passengers' arrival showed a sharp increase compared to 2020. The total number for the year was 218,132 which represents a 61% increase, with October recording the peak number of arrivals. Departing passengers also increased by 43% compared to 2020.

A total of 27,840 aircraft movements were recorded at SIA for the year 2021. This represents an increase of 40% compared to 2020.

### Airlines Development

As of 31st December 2021, 15 airlines were operating to Seychelles, with an average of 47 inbound flights per week. The increase in airlines follows the gradual resumption of scheduled international operators on the route, as many countries removed travelling restrictions.

Despite the pandemic, 3 new airlines also commenced operations to Seychelles. Aeroflot began to operate on the route on 2nd April 2021 with two weekly flights and later increased to 3 weekly flights in May and 4 weekly flights in June. Israeli carriers EL Al and Arkia launched flights to Seychelles in March and September respectively. SpiceJet and Ukraine International Airlines also did a series of charter flights from August to December.



### 2022 Outlook

With the encouraging performance in 2021, the outlook for 2022 looks bright. A number of scheduled airlines have communicated their intention to increase occupancy on the route and there is also potential interest from new airlines. SCAA will continue working in close collaboration with other airlines, aviation stakeholders and government entities to further strengthen strategic alliances and further forge forward the path to recovery.

## Statistics

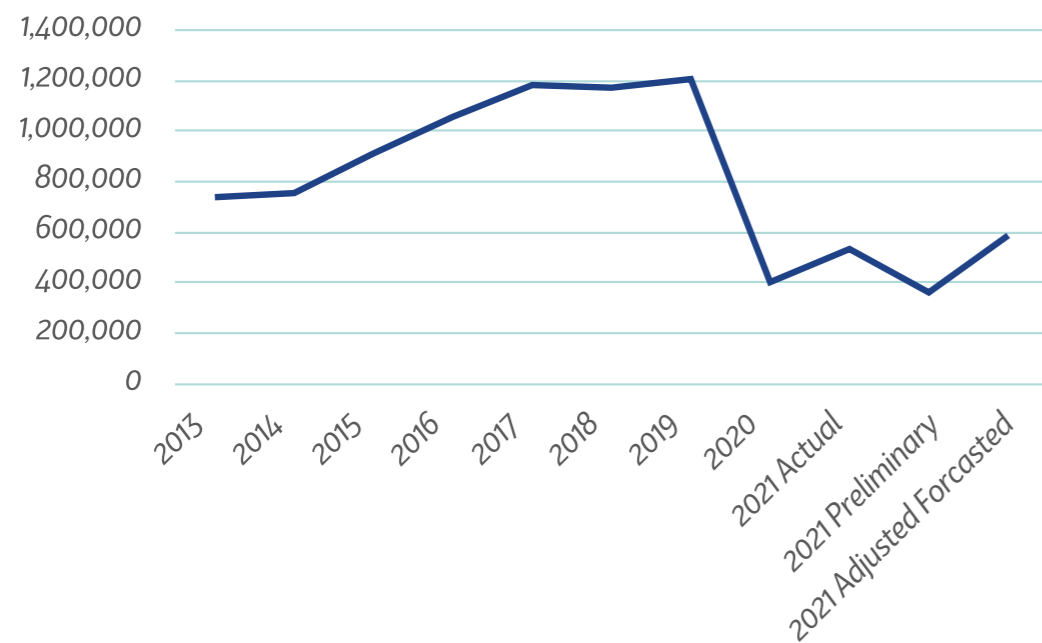
### International traffic

In 2021, air travel improved compared to year 2020 despite the prevailing covid-19 pandemic. It was a year of positive developments, where vaccination of the population intensified, and many countries removed travelling restrictions. Passenger throughput increased by 33% compared to the year 2020, from 401,663 to 532,724 passengers. International passengers' arrival showed a sharp increase compared to 2020. The total number for the year was 218,132 which represents a 61% increase compared to 2020. Departing passenger number also increased by 43% to 208,541.

The number of arrivals for visitors and residents recorded were 187,360 and 30,772, representing an increase of 67% and 30% respectively. Departing visitors and residents recorded were 175,853 and 32,688 representing an increase of 45% and 30% respectively.

Similarly, to the year 2020, transfer passengers declined. A drop of 52% was recorded from 9,028 to 4,298. Air Seychelles cancelled scheduled operations in February 2021 as a result of the pandemic, consequently, ceasing carrying transfer passengers on its routes from January to May. The bulk of transfer passengers was carried by Air Seychelles from Male which represents 48% of the total. This was followed by the Johannesburg route (34%), Mauritius (5%), and Tel Aviv (2%). In addition, Edelweiss also carried 10% of the total transfer passengers. These were recorded in the second half of 2021.

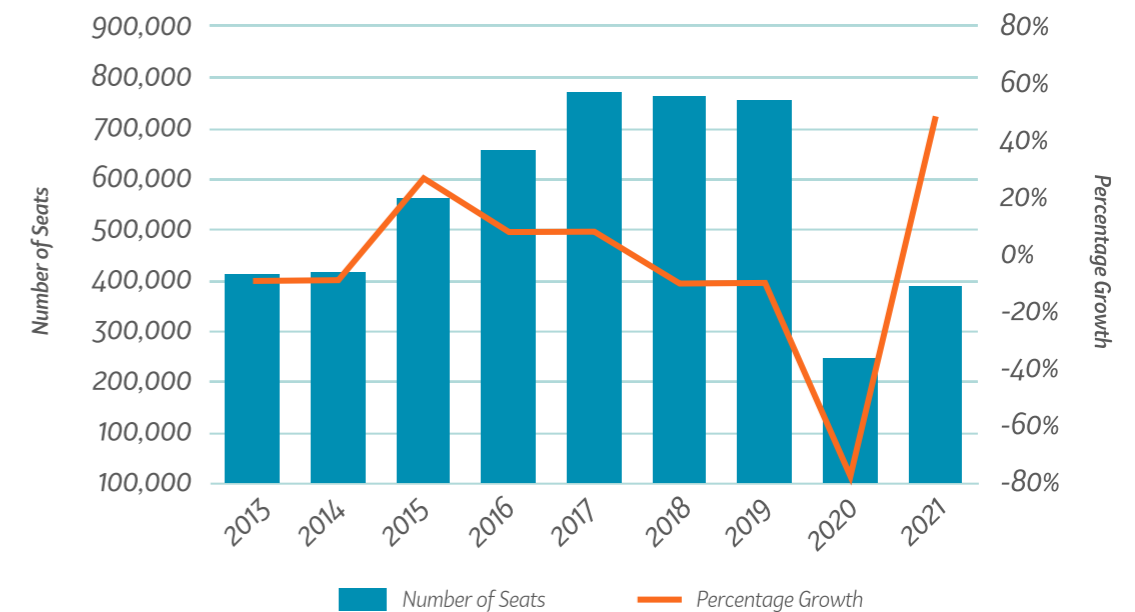
Passenger throughput 2013 - 2021



### Capacity

International seating capacity increased by 57% compared to 2020 due to air travel recovery. Most scheduled airlines were operating at higher frequencies compared to the year 2020 during the pandemic. Seating capacity from the Middle East occupied 66% of total seats to Seychelles. Seats from Middle East and Europe increased by 111% and 87% respectively.

Airline Seating Capacity



### Domestic

Domestic operations were negatively impacted as a result of the pandemic's impact on international travel and there was more competition locally. Passenger throughput on Air Seychelles domestic operations dropped by 9% compared to 2020, from 107,151 to 97,485. Departure passenger figures (Mahé to Praslin) declined by 6% from 53,240 to 50,025 compared to 2020. Departing non-residents decreased from, 35,845 to 24,268 but residents however, increased from 17,395 to 25,757. Non-residents declined by 32% and residents increased by 48% respectively.

Arrival passenger figures (Praslin to Mahé) declined by 12% from 53,911 to 47,460 compared to 2020. Arrival of non-residents increased from (16,740) to 24,971. Residents however, decreased from 37,171 to 22,489.



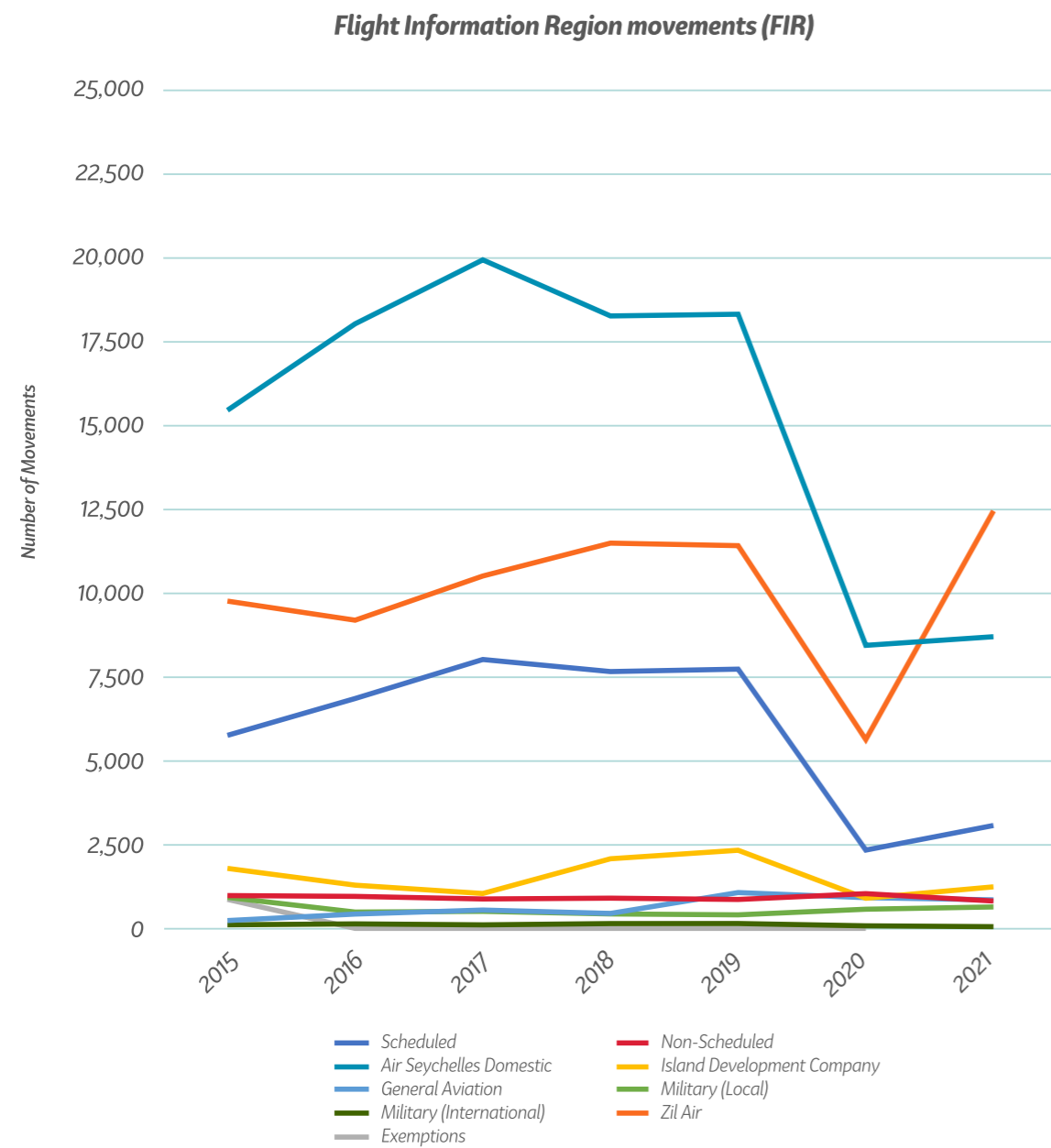


### Flight Movements

A total of 27,840 aircraft movements were recorded at SIA for the year 2021. This represents an increase of 40% as compared to 2020. Scheduled landing movements increased by 31% from 2,337 to 3,072.

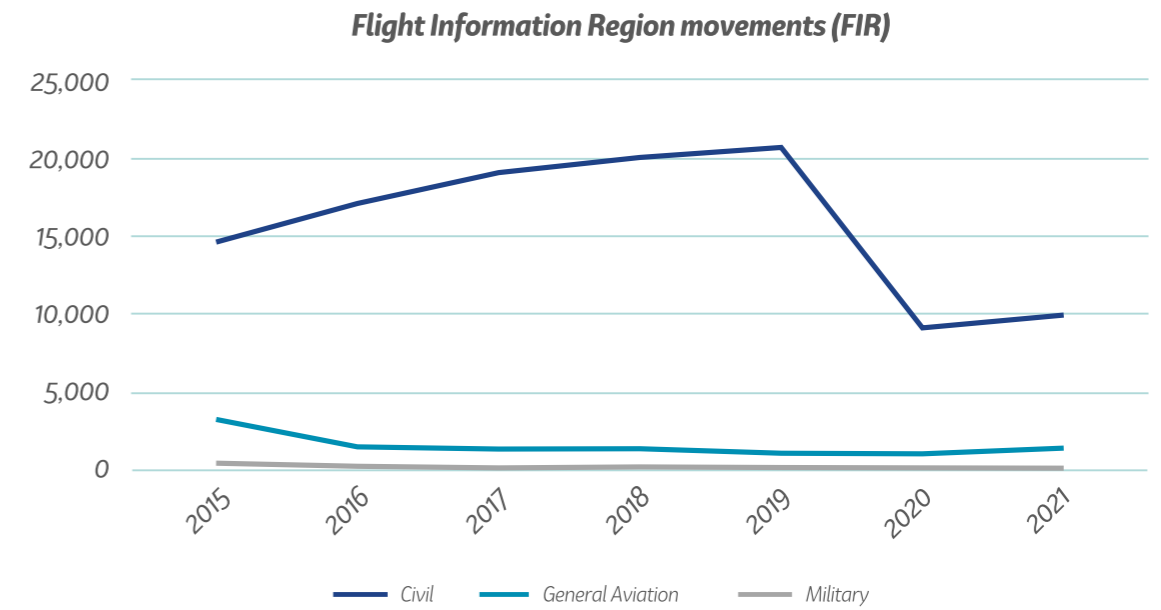
There was a substantial increase in domestic movements. Helicopter movements increased from 4,821 to 10,325. This is a growth of 169%. IDC and Air Seychelles landings augmented by 38% and 3% respectively.

Non-scheduled flight operations decreased by 21%, from 1,037 to 816. This was due to a reduction in cargo charters and repatriation flights. On the upside, the number of private jets increased from 367 to 412.



### Flight information region (FIR)

FIR Movements rose by 11% from 10,475 to 11,638 in 2021. Civil aircraft movements increased by 9%, from 9,150 to 9,968. General Aviation movements increased by 33%, from 1,111 to 1,475. Military movements declined by 9%, from 214 to 195.



### Cargo

The total number of cargo recorded for the year was 7,716 a 20% increase compared to the year 2020. Inbound cargo increased by 16% from 5,244 to 6,083 tonnes compared to the previous year. The bulk of cargo was carried by Emirates Airline. During the last quarter cargo operation augmented as several airlines operated a series of passenger and cargo flights. Qatar Airways and Ethiopian airlines for example, carried more cargo compared to 2020.

Domestic cargo from and to Mahe and Praslin augmented by 17% from 12 to 15 tonnes for the year 2020.



## Environment

### State Action Plan

As part of our strategy to preserve the environment and our commitment to ICAO's environment endeavor, we are moving forward with the development of our State Action Plan (SAP) and we have secured the support of the ICAO regional Environment office in realising this important venture. A comprehensive development plan along with the formal invitation for assistance was conveyed to us and following this, a National Action Plan Team comprising of internal and external stakeholders was set up to assist with the development of the State Action Plan (SAP). In September 2021, we secured technical assistance with ICAO through the ICAO- EU Capacity Building for CO2 Mitigation in international Aviation phase II. Under this, Seychelles benefitted further with technical assistance and expertise.

The project was launched in May 2021 and we expect the first draft to be completed in March 2022. This plan earmarks activities aimed at reducing CO2 emissions emanating from the aviation industry. To materialise this, a series of initiatives has been recommended by ICAO for States to consider for implementation, such as recording and monitoring CO2 emission by airlines registered in their respective states under the umbrella of CORSIA (Carbon Offsetting Reduction Scheme for International Aviation), the use of technology that would limit fuel consumption, the use of sustainable fuels as well as having a State Action Plan.



### Virtual Pledge Wall

In June 2021 we launched our virtual pledge wall on our website to commemorate world environment day. The aim was to give airport stakeholders a space to openly commit themselves by setting a target to preserve, protect and conserve the environment. In total, nine (9) organizations submitted their pledges namely, Zil Air, Air Seychelles, IDC, Coffee Club, Sky Chef, Met Office and Seypec.



### Security Culture

**'2021: The Year of Security Culture – a call for global efforts' ICAO.**

In December 2020, the Secretary General of ICAO dedicated 2021 as the year of security culture during the fourth annual ICAO Global Aviation Security Symposium (AVSEC2020) with the objective of raising security awareness and promoting a positive security culture in aviation operations across the globe. SCAA being the sole authority responsible for Aviation Security in Seychelles, launched the campaign by fostering a security culture philosophy in everything that is done within the organisation. The campaign which was being led by the Aviation Security and Facilitation Inspectorate Division aimed at encouraging and facilitating the enhancement of security behaviors and practices by focusing on the principle that security is everyone's responsibility-from the ground up and top-down. Airport staff, stakeholders and airport users whose duties have no direct involvement in Aviation Security were encouraged to familiarise themselves with security issues, procedures and response mechanisms in case of suspicious activities at the airport.

### Carbon Offsetting Reduction Scheme in Aviation (CORSIA)

Mid 2021 Air Seychelles submitted its CO2 emissions report to the Authority which was verified by SCAA and submitted to ICAO via the CORSIA Central Registry. This is the second time that the Authority- representing the State Voluntarily submits CO2 emissions report to ICAO.



### Activities organised throughout the campaign

To support this initiative many events were organised whereby we sensitised people about the risks and consequences of leaving baggage/belongings unattended, sensitised travellers and other individuals about the differences between prohibited and restricted articles, focused on aspects of reporting security occurrences and tested the knowledge of airport staff through questionnaires.

Other activities included the distribution of leaflets to airport staff and stakeholders operating at SIA (e.g. DMC operators, concessionaires, food outlets and taxi operators), the unveiling of the banner featuring airport staff with tag line **“Security is Everyone’s Responsibility – Together We Got it Covered”**, online distribution of posters, establishment of mandatory and confidential reporting system, distribution of questionnaire to Zil Air and IDC staff whereby 100% of their staff passed the test and a video shooting session with participation from AVSEC/FAL Inspectorate and AVSEC Implementation division.

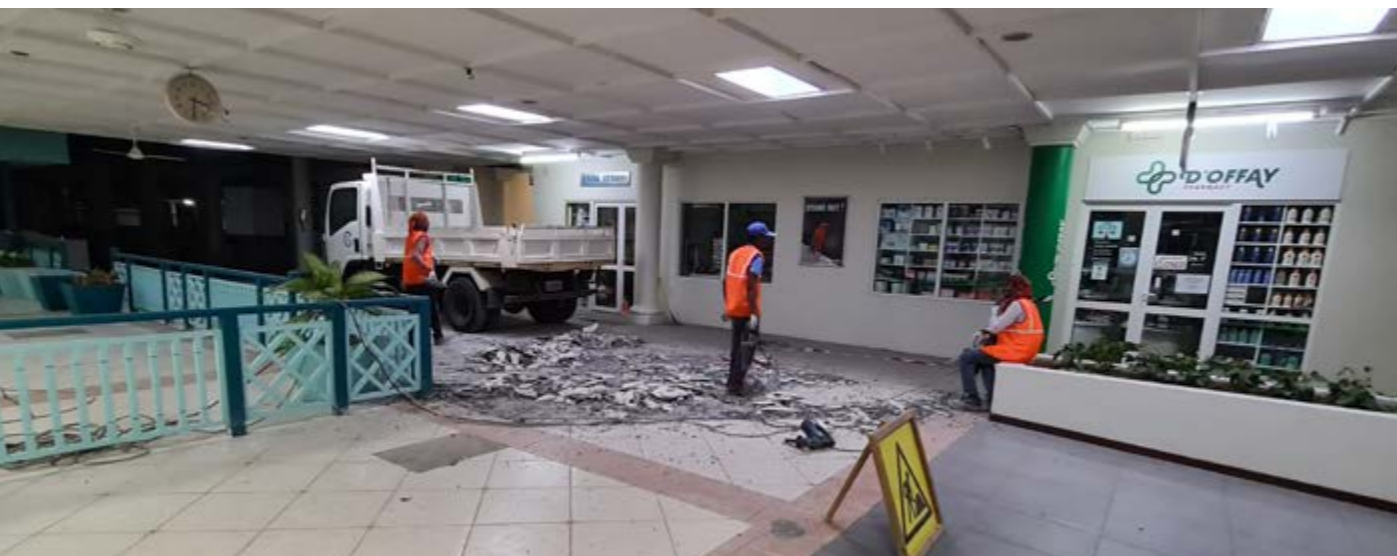


### Project Updates

#### Terminal Upgrade

In view of budget cuts as a result of COVID-19, very few infrastructural works were undertaken in 2021. The biggest project we embarked on was the concourse refurbishment project amounting to SCR7.7 million. Following significant delays in shipment of materials from India brought on by restrictions associated with the pandemic works finally kicked off in October. The project comprises of installation of a new suspended ceiling as well as fans to improve ventilation on the concourse and placing of tiles on the existing concrete floor.

We aim to complete the project by fourth quarter of 2022.



### Air Traffic Management Modernisation Project

Following tender for the ATM Modernisation Project in 2019, the contract for its implementation was signed with ADACEL Technologies Limited in June 2021, an industry leader in advanced air traffic management and air traffic control simulation and training systems, for an amount of USD3,625,000.

The existing ATM system was installed in 2009 and has already reached its lifespan since 2019. Additionally, the existing system has limitations in implementing new industry standards and technology, hence limiting the services that can be offered by the ANSP, such as surveillance service and ATS (Air Traffic Services) Interfacility Data Communication. The ATM Modernization project was initiated in 2018 with the aim of replacing the ATM system with one that would allow the ANSP to provide these additional services.

This investment is in line with the Global Air Navigation Plan from ICAO, which presents all States with a comprehensive planning tool supporting a harmonized global air navigation system. The implementation will lead to an enhanced level of safety and efficiency, enhanced service delivery and will also bring benefits that will justify review of SCAA’s ANS related charges.



### Fire & Rescue Services

In 2021, we successfully completed the procurement process for two new Fire Tenders. They will replace two fire tenders on Mahé and Praslin, which have been out of service. The procurement also forms part of the fire service asset replacement plan with the objectives of ensuring that the right level of fire cover for aircraft operations can be maintained at all times. We will be signing the contract with the successful bidder in early 2022 for manufacturing and delivery of the fire tenders.

### ICT Modernisation Project

Following tender for the Modernisation of the SCAA ICT Infrastructure, System and Services program, the contract was awarded to Birger of Mauritius in November 2021. The project entails the replacement and modernization of the entire ICT network and server infrastructures that include both production and back-up sites. It also includes essential applications to manage, cyber-secure and enable user productivity.

### Airport Operations

As was the case in 2020, SCAA’s activities continued to be affected by the unpredictable circumstances entailed by the COVID-19 pandemic and the appearances of new variants worldwide. Despite this, we were able to act quickly to adjust the capacity of our airport to meet the specific needs of the operation whilst maintaining a safe work environment for our employees and a safe experience for our customers, in line with our COVID-19 Guidelines. We effectively managed the increase of passengers and activities at our international and domestic terminals. Our Airside Operations Team continued to ensure that the standards and safety of our airfield were always maintained, conducting critical activities such as runway & apron inspections, airside escorts, and wildlife deterrence.

## Engineering & Technical Services

In 2021, the maintenance section took over the management responsibility of the Maintenance Unit of Praslin. Apart from attending to breakdown works and ongoing preventive maintenance tasks, the section also executed some minor projects and assisting with landscaping work on Mahé and Praslin. A secondary power source for the technical room was also installed.

## Business Development

Business activities at Seychelles International Airport benefited from a much-needed boost as global connectivity was restored in 2021 and air travel demand increased. We worked closely with the airport community to ensure businesses were able to fully re-open in a safe manner, ensuring the well being of their staff, as well as the safety of passengers and airport users.

As international traffic picked up at SIA, by the second quarter, the waivers provided to airport concessionaires, tenants, and airlines as part of our relief measures were fully removed.

## Relocation of Commercial Outlets at SIA

A number of Commercial outlets at the Seychelles International Airport were reorganized during the year in a bid to satisfy customer demands, increase visibility, ease accessibility and encourage more spendings.

Shops selling unique and traditional products with a Seychelles' touch, such as Exotic Scents and Queen Creole, which were originally at the first floor of the international departure lounge, were relocated to the ground floor. A global food outlet, Burger King which was in the international departure lounge has been moved to the domestic public area, whereby the general public can now enjoy its products even if they are not traveling.



## Upcoming Projects

In line with our strategy to proactively pursue innovative business ventures to provide more diverse services for our customers and diversify our non-aeronautical revenue, some new projects will be implemented in 2022. A new duty-free retail shop, targeting our growing market of families with children and Seywei soft toys will commence operations in the international departure lounge.

Additionally, tender has been released for a new open bar concept for departing international passengers. The SCAA will also be launching a tender for a car wash facility on its premises as we upgrade the existing pay parking system.

## Customer Service Award



As part of its support to tourism week, the Seychelles Civil Aviation Authority (SCAA) took the opportunity to launch its new Customer Service Award which gives recognition to airport business operators. The award celebrates the dedicated and consistent efforts of airport employees in delivering good customer service and to encourage more engagement with stakeholders as part of ongoing efforts to promote service quality at the airport, despite the pandemic.

## Safety Management

In 2020/2021 SCAA was faced with the consequences of the Covid19 pandemic, and several changes in the way operational departments/sections/units operate was necessary. Risk assessments of those changes were conducted and mitigation strategies were implemented to reduce the severity of adverse consequences. A roadmap to recovery through monitoring of mitigating actions periodically is being followed. Some aspects of the SMS can now be assessed as there is enough data and the report was presented to the Safety Review Board.

With limited resources we managed to join forces with corporate communications team to carry out a comprehensive Operational Safety Management campaign which has captivated the attention of SCAA staff, SCAA stakeholders and the general public.



# 2021 Financial Review

## Financial Review

### Significant Financial Developments

- **Total revenue: SCR290.8m up by 40% (2020 IFRS Re-Stated : 207.6m)**
- **Operating expenditure (inclusive of foreign exchange movements and excluding depreciation and bad debts): 291.5m up by 32% (2020 IFRS Re-Stated : SCR220.6m ) (excluding depreciation and bad debt and including foreign exchange movements)**
- **Operating loss after tax before dividend: (SCR 42.2m) up by 87% (2020 IFRS Re-Stated: SCR22.5m)**

The impact brought by the COVID-19 pandemic in 2020, escalated SCAA's financial health in 2021, where the Authority had to maintain its cost cutting measures to safeguard its resources and ensure that the company remains afloat. Despite this challenging financial year, SCAA was able to sustain its workforce and other crucial operational functions through its reserves.

### Overall Financial Performance

For the year ended 31st December 2021, SCAA recorded an operating loss before tax SCR42.8m (2020 IFRS Re-Stated SCR51.2m). For the year 2021, no dividend payment was made, hence retained loss of SCR42.2m was recorded after deducting Business tax credit of SCR0.648m. Despite the losses made during the year, SCAA has observed substantial improvement in revenue inflows during the second half of the year where some airlines gradually resumed their operations and passenger movements increased, compare to the same period in 2020.

### The financial performance for the past 3 years

	As at 31st December 2021 (Audited)	As at 31st December 2020 (Audited)	As at 31st December 2019 (Audited)
	SCR'000	SCR'000	SCR'000
Operating Income	290,822	207,589	500,068
Operating Expenditure	(291,490)	(220,576)	(316,876)
<b>Operating Profit/Earnings before Depreciation, Interest, ECL &amp; Tax</b>	<b>(668)</b>	<b>(12,986)</b>	<b>183,192</b>
Depreciation Charges	(40,630)	(41,227)	(42,633)
Expected Credit Loss (ECL)	(3,918)	(1,757)	(3,183)
Finance Income	3,853	4,805	4,815
Finance Costs	(1,478)	0	(24)
<b>Profit/ (Loss) Before Taxation</b>	<b>(42,841)</b>	<b>(51,165)</b>	<b>142,168</b>
Taxation	648	28,647	(36,923)
<b>Net profit/ (Loss) for the year and Total Comprehensive Expense</b>	<b>(42,193)</b>	<b>(22,518)</b>	<b>105,246</b>

## Financial Review

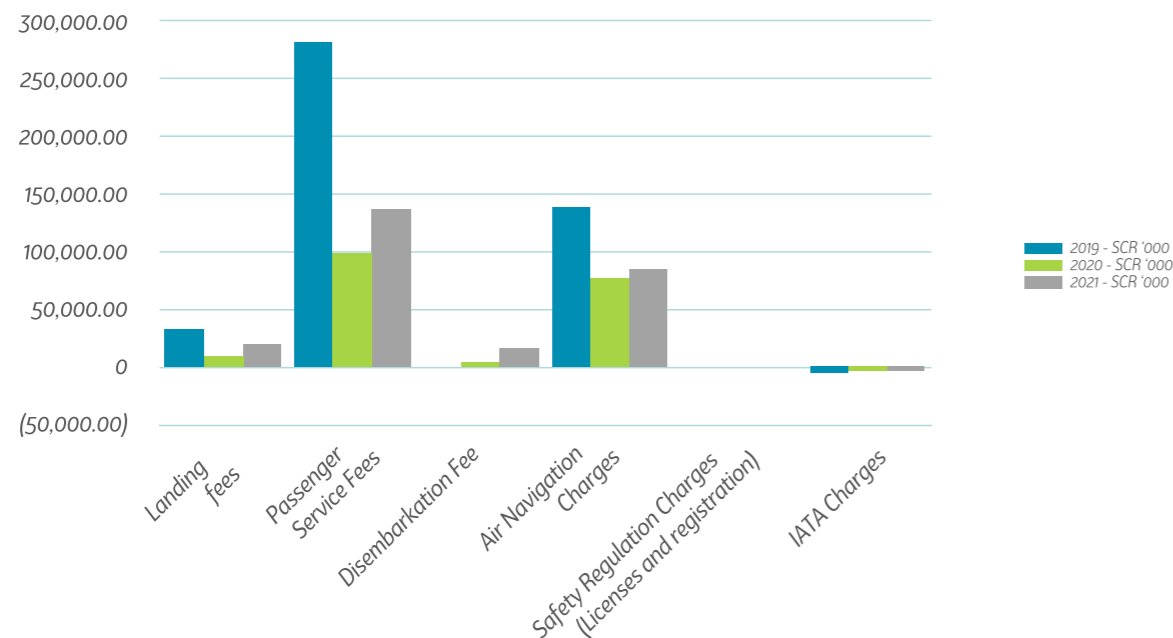
### Operating Revenue

As at 31st December 2021, SCAA collected a total sum of SCR290.8m which comprises of aeronautical and non-aeronautical revenue. Aeronautical revenue accounts for 87% whilst non-aeronautical revenue accounts for 12% and the remaining 1% being other income.

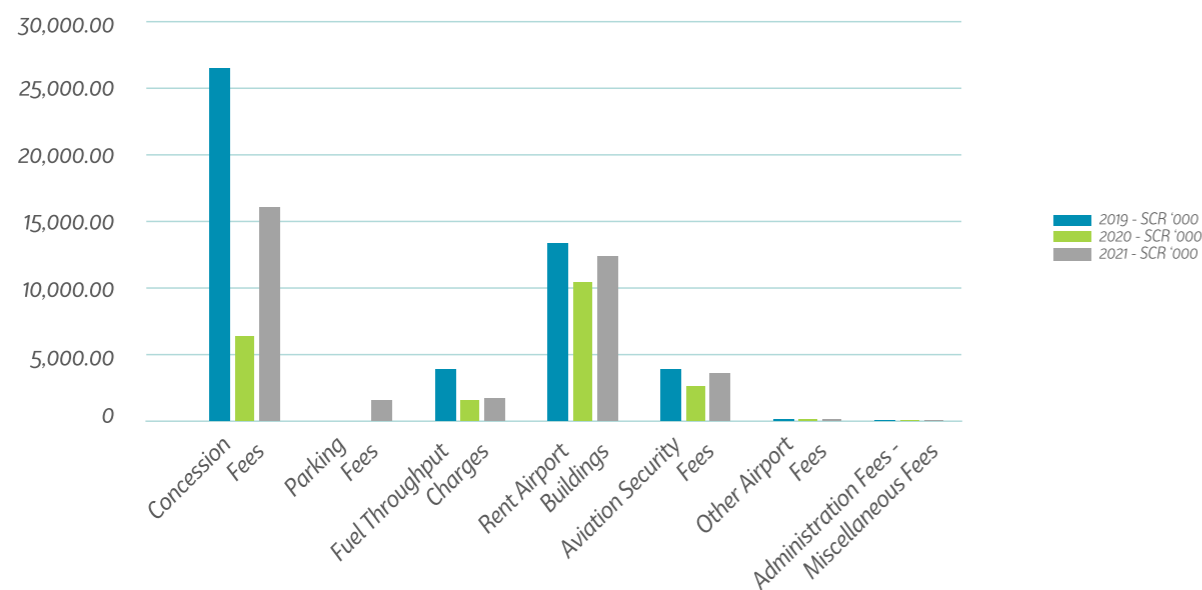
Aeronautical revenue comprises of landing fees, licenses and registration, passenger service fees (international and domestic), disembarkation fees and air navigation fees.

### Illustration of Aeronautical and Non-Aeronautical Revenue trends for the past three years

**Aeronautical Revenue for the past three years**

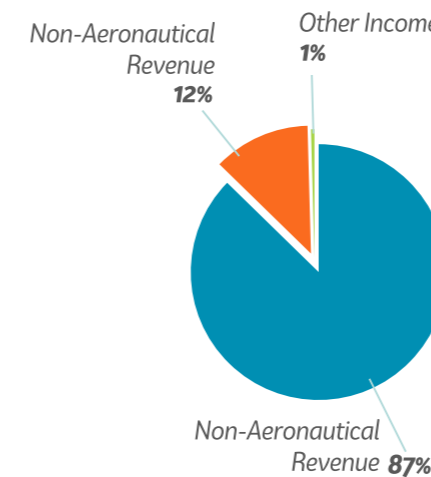


**Non-Aeronautical Revenue for the past three years**



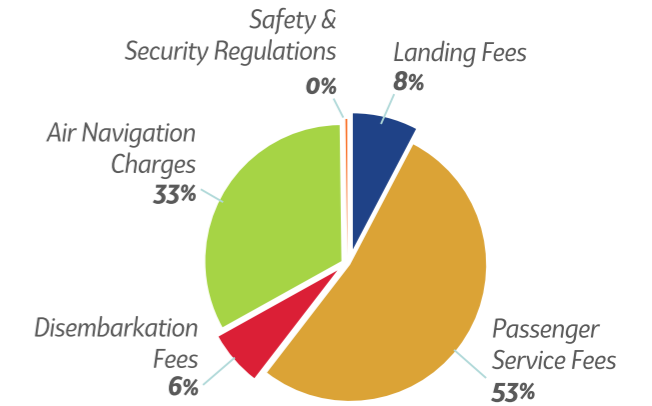
### Revenue Portfolio

as at 31st December 2021



### Aeronautical Revenue Portfolio

as at 31st December 2021



### Aeronautical Revenue

Passenger service fees remains the highest collection being 52.8% of the aeronautical revenue at SCR135.3m. This is due to increased international passenger throughput from 290,831 in 2020 to 430,971 which increased substantially in the second half of the year.

Air Navigation, being the second highest income totaled to SCR84.3m compared to SCR76.3m generated in 2020. The 10% increase in fees collection is because of recommencement of flights which were cancelled due to COVID-19 restrictions, impacting both overflights and SIA (Seychelles International Airport).

Revenue from landing fees for scheduled and non-scheduled flights accounts for 7.7% of the aeronautical revenue portfolio.

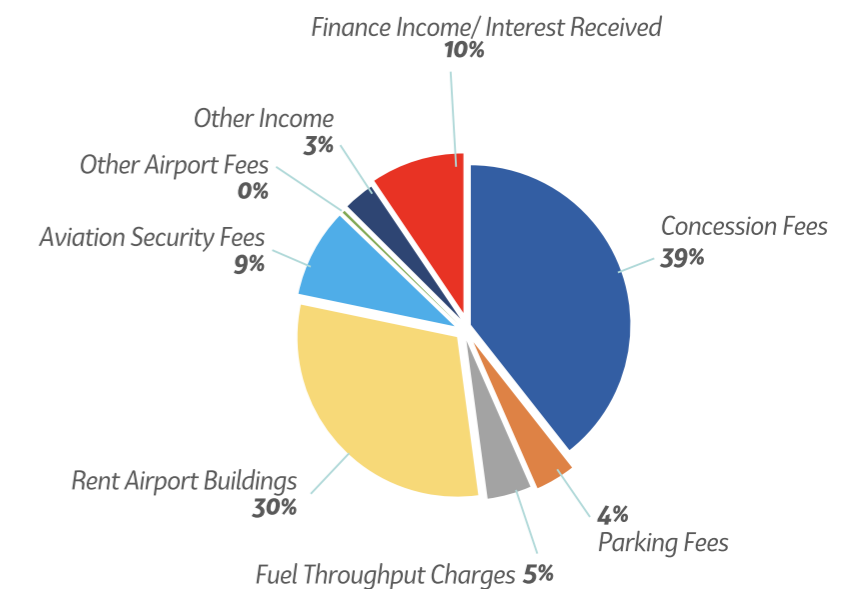
### Non-Aeronautical Revenue

Non-aeronautical revenue accounts for 12% of the total revenue portfolio which comprises of concession fees, fuel throughput charges and rental of airport buildings.

There has been an increase in non-aeronautical and other income including finance income revenue by 51% over 2020 performance. Concession fees remains the highest non-aeronautical revenue, and this is in relation to food and beverage and other concessions from retail operations within the airport. Whilst other income comprises of interest received from deposits.

### Non-Aeronautical Revenue Portfolio

as at 31st December 2021



## Financial Review

### Operating expenses

For the year 2021, SCAA spent SCR257.5m (excluding depreciation and doubtful debts and foreign exchange movement) in operating expenses, a reduction by 8% compared to 2020. Cost control, whilst ensuring the safety, security, regulatory, and international standards, and requirements are not jeopardized remained amongst our top priorities throughout the year. This achievement enabled the company to sustain its staff costs being the dominant expenses as the aviation industry is highly labor-intensive and heavily regulated.

### Capital Expenditure

In terms of capital expenditure, the sum of SCR40.5m was spent during 2021. This includes the purchase of critical assets at a sum of SCR34.8m, SCR4m as asset replacement and SCR1.7m towards the concourse terminal refurbishment as part of our ongoing airport renovations project.

### 2022 Outlook

The last quarter of 2021 brought about significant improvements and further reinstated the confidence in passenger travel. We remain optimistic that the trend will increase whilst being prudent that there may be adverse circumstances causing a diminishment in the top contributed markets, in view of the insurgence between Russia and Ukraine. However, as we continue on the road to recovery, we remain confident and foresee that we will reach 2019 performance figures in the coming years. Currently, we have already surpassed 92% of 2019 revenue figures. With the US\$ loan facility, SCAA will also be able to undertake critical capital projects which were put on hold for the past two years



# 2021

## Our People

### Our People

#### *Protecting & Caring for our staff*

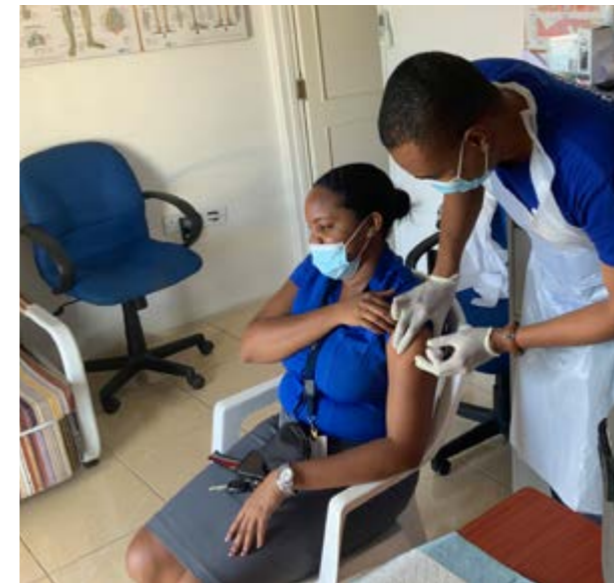
As was the case for 2020, throughout 2021, we proactively monitored and managed the impact of COVID-19 on our employees and devised strategies to manage the challenges and mitigate risks that arose. At the beginning of 2021, we saw a significant rise in positive COVID-19 cases and staff quarantine. As a result, non-essential staff were encouraged to work from home whilst ensuring continuity in service provision. Following the ease of restrictions by PHA as of 1st March 2021, we still maintained our flexible approach to work.

However, with the gradual increase in flight operations and activities at the airport, our support staff resumed normal duty as of 6th April and continued to follow all health and safety protocols implemented across the organisation and the airport.

#### *Access to Vaccination*

In our efforts to mitigate the spread of COVID-19 in Seychelles and to protect our staff, SCAA in collaboration with the Ministry of Health set up a Vaccination clinic for the first dose of the Sinopharm at the HR House from 15th-22nd January 2021. The second dose was administered on 9th, 10th and 11th February 2021, where 54.7% of staff were vaccinated. As at 31st December 2021, 530 staff had taken 2 vaccine doses and 95 staff had taken a 3rd dose. Our staff are continuously being encouraged to vaccinate and take their booster dose.

A total of 179 positive COVID-19 cases were recorded in 2021.





## Our People

### Staff Cost Reduction

In anticipation of the slow and unpredictable recovery, reducing staff costs was a necessary part of our COVID-19 response strategy. In 2021 all employee remuneration and benefits that had been included in the cost reduction plan were maintained.

The following have been affected:

- **Reduction in Learning and Development budget with a focus on local, in-house and online training**
- **All overseas training were put on hold**
- **Freeze on Recruitment, Salary Enhancement and promotions**
- **Freeze on staff benefits e.g Staff home internet, Mobile phone package, Transport allowances, Fuel allowances, Mileage allowances, Committee allowances etc...**
- **Freeze on Staff recognition budget**

Despite the cuts, we were able to maintain all our staff salaries and no staff retrenchment were made.

## Organisational Level Highlights

### Executive Team

On 26th January 2021, our Chief Operations Officer, retired after 43 years of service. Our CFO also left the organisation in February 2021.



### Organisational Structure

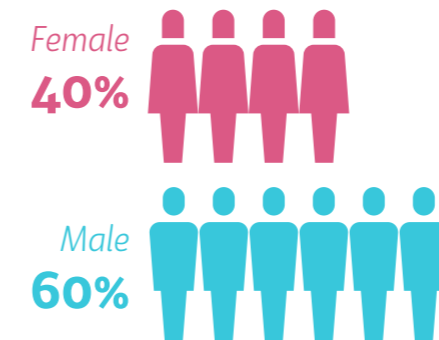
The structure of the organization was last updated early 2021. Following the retirement of the COO, the Operations department ceased to exist and its functions were re-allocated.

### Succession Plan

The SCAA succession plan was further reviewed in 2021. All key positions within the organization were dully updated in order to ensure continuity in operations.

### Staffing

As of 31st December, total number of staff was 723. In view of the freeze on recruitment only 37 replacements took place following staff exits, and 1 post creation with board approval. A total of 48 staff exited the company, including 8 retirements and 2 deaths. Labour turnover rate was 5.6% compared to 6.16% (2020).



Department	No. of Staff	No. of Male	No. of Female
CEO Secretariat	11	3	8
Airport Management	333	198	135
ETS	101	99	2
ANS	81	61	20
HRA	102	18	84
Finance	22	11	11
Commercial	24	4	20
IPICT	25	22	3
SSR	24	14	10
<b>Total</b>	<b>723</b>	<b>430</b>	<b>293</b>

	2021	2020	2019
Promotions	1	14	27
Demotions	2	0	5
Internal Transfer	6	11	6
Exits	48	47	68
Appointments	38	20	107

## Health & Safety

The COVID-19 pandemic has been the primary focus of the Occupational Health and Safety Division during the year. A budget of SR1.7 million was dedicated to COVID related consumables such as PPEs, sanitizers and masks. OHS staff closely monitored compliance to the Standard Operating Procedure (SOP) devised in 2020 for staff and airport operations.

Apart from the main focus on the ongoing pandemic, other OHS activities were undertaken such as blood drive and cluster investigation screening in collaboration with Ministry of Health for both Praslin and Mahé staff.



A total of 5 occupational accidents were recorded this year compared to 7 recorded for the year 2020.

## Learning & Development

Most trainings that took place in 2021 were done locally, with the majority being in-house sessions facilitated by international institutions. 163 of our staff benefited from at least one of the locally paid trainings. This amounted to SCR2.2 million.

A total of ten staff attended overseas trainings. Seven staff under the Air navigation Modernisation Programme and three staff from the Safety and Security Regulation Department.

### Air Traffic Management Training

From 25th October to 10th December 2021, a group of five controllers from the Air Traffic Management division attended and successfully completed their ICAO 053 – Approach Procedural Control Course. The training which took place locally was led by Takeoff Aviation Academy, a UK based training institute. The trainees had to undergo both theoretical and practical examinations in order to successfully pass the course.

To validate and become Licensed Approach Controllers, they will undergo local training - as student controllers, which involves classroom, simulator and on-the-job training. This license will allow them to work and provide Air Traffic Control service to the Seychelles Approach Control unit. The ATM Division manpower plans is taking place in parallel to the ongoing ATM Modernisation project. Having adequate staffing of controllers allows for more efficient rostering of staff and brings the Division in line with Regulatory requirements.



## Going the Extra Mile (GEM) Award

In 2020, we were unable to fully implement our Staff Recognition Programme, however towards the end of the year, the Human Resources' department launched the Going the Extra Mile (GEM) Award which gained momentum in 2021. This programme recognizes the exemplary work of staff and gives them the opportunity to recognize and reward their colleagues by sharing the story of their creativity, dedication and willingness to go the extra mile. In 2021 the GEM winners were awarded with their recognition token every quarter.



# 2021 Events

## Events

### 'Mind over Matter' challenge

Following the Mind over Matter initiative by local reputed swimmer Felicity Passon, whereby she swam 15km from La Digue to Praslin and back for mental health awareness, the SCAA's Commercial Department also made their financial contribution towards this cause.

The Department raised funds through an internal activity. General Manager for Commercial Ms. Florence Marengo presented the fund to Miss Passon during a brief ceremony in the presence of some of her staff. The swimmer's challenge project consists of extending psychosocial support to the general public through the establishment of a telephone and e-counselling service by certified professionals.



### SCAA Office Choir

After winning the Jury's Award in 2019 for the SBC's Sing for Charity television programme the SCAA's choir decided to join the competition in 2021 after not participating in the 2020 edition.

The choir managed to reach the final and though unable to clinch top awards the team was rewarded with SR8,000 which is to go towards the patients of the North-East-Point Mental Home. The fund is to be used to purchase clothing items.



## Events

### International Civil Aviation Day

Another low-key International Civil Aviation Day for the organization, whereby the commemoration was done internally as well as on the SBC local radio station.

In view of SCAA's focus on environment there was a tree planting ceremony on the grounds opposite the Air Seychelles' VIP Lounge. The two palm trees which were planted by Miss Lise Morel General Manager for Infrastructure Projects and Information communication Technology and Mr. Colin Chang Tave General Manager for Airport Management represented the organization's continuous effort to protect the environment which is also one of SCAA's core values. On the radio the general public were able to participate in a quiz competition and won interesting prizes as they tested their knowledge on civil aviation in Seychelles.

Following a bring and buy to collect funds for one staff member whose family had lost their family home to fire, the staff was presented with the contribution on ICAO Day. The presentation was made by HR Manager Miss Samantha Amice.

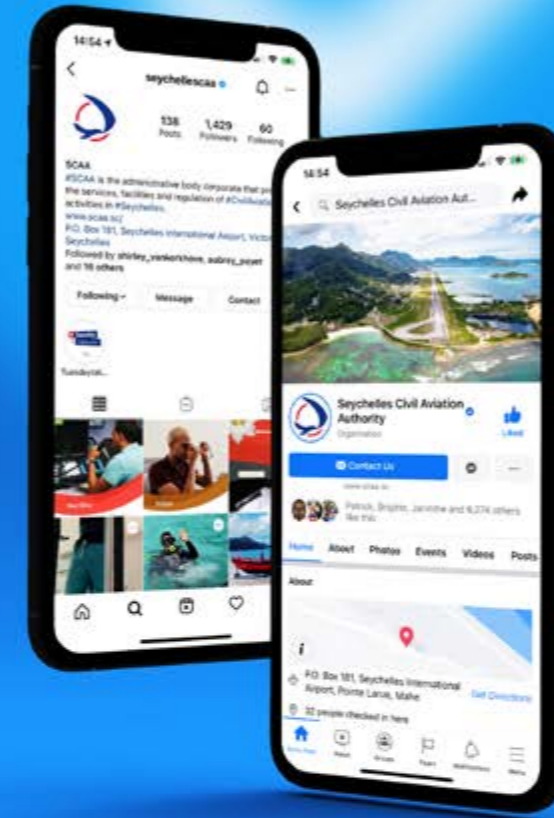


### Queen's Baton Relay

A group of athletes within the organization got the opportunity to take a souvenir photo with the Queen's Baton on its way to Praslin for the Queen's Baton Relay in a short ceremony inside the Mahé domestic arrival lounge.



## Social Media



<b>Instagram</b>	<b>1586</b>
<b>Youtube</b>	<b>394</b>
<b>Facebook</b>	<b>7,636</b> +34.0119%
<b>LinkedIn</b>	<b>861</b>

In 2021 the SCAA continued to grow its social media presence through established pages on Facebook, LinkedIn, Instagram, Youtube and Twitter. The highlight in 2021 was the introduction of the #TuesdayTakeover, in line with the strategic objective of the Corporate Communication division, to promote and enhance SCAA's image. This new initiative fostered staff participation in showcasing their departments, allowed the public the opportunity for a closer look into how the organization manages civil aviation through the different departments, and created engaging content that inspires and encourages potential recruits to join SCAA. 28 videos including 5 sit-down interviews with General Managers were produced internally, which were largely well received with positive feedback online. Complimentary to this initiative was also the #Safetysaturday series in collaboration with the aviation safety office, which provided important safety advice and reminders to aviation professionals while educating the public on best practices.

The SCAA social media platforms were instrumental in sharing updates on Health Entry and Stay conditions by the Ministry of Health, and updates on airlines that resumed service to Seychelles International Airport as well as changes in frequencies on the flight schedule. Owing to restrictions on gatherings during the pandemic, social media was used as the primary driver to commemorate several occasions including golden jubilee of the arrival of the first commercial flight.

# SCAA in Review



Aeroflot Russian Airline made its return to Seychelles on April 2nd. After a hiatus of 17 years the Russian based airline had an Airbus 330 (300 series) on its route to the archipelago with the capacity to carry 296 passengers.



For May Day the Minister for Employment and Social Affairs Mrs. Patricia Francourt paid a visit at the SCAA's Air Navigation Services to meet staff as they engaged in their daily duties.



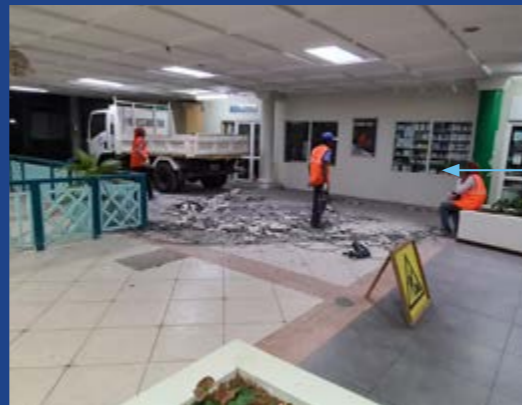
Two SCAA long serving employees celebrated their 40th working anniversary with the authority - housekeeper Mrs. Marjorie Belle and painter Mr. Michel Leggaie.



ICAO declared the year 2021 as the year for 'Security Culture'. The Aviation Security launched its 'Security Culture' campaign under the theme: 'Security is everyone's responsibility', whereby airport stakeholders including members of the public were prompted to play their role in safeguarding the security of the Seychelles International Airport and the domestic airports.



SCAA recognized East Cargo for lifting out the highest payload of 23,008.9 Kg of fish at the Seychelles International Airport onto Turkish Airlines (TK0749) outbound to various points in the United States and Europe via Istanbul.



The contract for the SCAA's Chief Executive Officer Mr. Garry Albert was renewed for another three years following an official meeting with the Minister for Transport Mr. Antony Derjacques.

SCAA embarked on a project to revamp the international concourse area to improve the overall appearance of the main public space under the international terminal. This is in line with the authority's continued efforts towards improving the airport's facilities. The works entail the installation of a new suspended ceiling and fans as well as placing of tiles on the existing concrete floor.



Authentication of SCAA Facebook page, to ensure that this profile is the one and only Facebook page representing our company hence ensuring that it is the 'go to' platform for sharing the correct information about SCAA.



Regular media interviews and press conferences to provide updates on our business and to reply to queries from the media and the public in general.



**SCAA Annual Report 2021**

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Published by the Seychelles Civil Aviation Authority (SCAA)  
Seychelles International Airport, Pointe Larue, Mahé, Seychelles

November 2022

**SCAA Annual Report 2021**

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