

DIRECTORS REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

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Paradis Des Enfants Entertainment Limited

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present herewith their report and audited financial statements of the company for the year ended 31 December 2016.

Activities

The company operates as a children's playground that provides entertainment services to the general public through electronic as well as non-electronic games and other related activities.

Results

As shown on the Statement of Income on page 5, activities of the current year give the company an operating loss of R 456,077 (2015 - profit of R 669,934).

Fixed assets

Additions to fixed assets during the year were purchases made for computers, office equipments and furnitures and fittings.

Directors and their interest in the company

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

		SHARES HELD	
		21 April	31 December
Veronique Laporte	(Resigned 18/11/2016)	0	0
Yves Choppy	(Resigned 18/11/2016)	0	0
Veronique Herminie	(Resigned 18/11/2016)	0	0
Audrey Nanon		0	0
Doreen Monthly		0	0
Amanda Padayachy		0	0

Yves Choppy and Veronique Herminie retired by rotation from the board in accordance with Articles of Association and being eligible to offer themselves for re-election.

Statement of directors responsibilities

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

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

select suitable accounting policies and then apply them consistently;

Paradis Des Enfants Entertainment Limited

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2016

Statement of directors responsibilities

make judgements and estimates that are reasonable and prudent; and

disclose and explain any material departures from applicable accounting

The Companies Act 1972 also requires the directors to keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the company. They also have the general responsibility for taking reasonable steps to safeguard the assets of the company and detect fraud and other irregularities.

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

Auditors

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

Directors


Amanda Padayachy


Doreen Monty


Audrey Nanon

22 May 2019



INDEPENDENT AUDITOR'S REPORT

Paradis Des Enfants Entertainment Limited

We have audited the accompanying financial statements of Paradis Des Enfants Entertainment Limited on pages 4 to 10. Which comprise the balance sheet as at December 31, 2016, the income statement including cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by directors, under the historical cost convention and the financial reporting provisions of the Seychelles Companies Act 1972 and International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SME's).

This report is made solely for the Company's members as a body in accordance with Section 158 of the Companies Act 1972 and the Public Enterprise Monitoring Commission Act 2013. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company's Members as a body for our audit work, for this report or for the opinion we have formed.

Director's Responsibility for the Financial Statements

Directors are responsible for keeping proper accounting records and for the preparation of financial statements that give a true and fair view of the company's affairs in accordance with the financial reporting provisions of the Seychelles Companies Act 1972, the Public Enterprise Monitoring Commission Act 2013 and International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SME's) and for such internal control as directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

We have no relationship with, or material interest in the company other than in our capacity as auditors and tax and business advisors and arm's length dealings with the company in the ordinary course of business.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and that these are in accordance with the accounting records maintained by the management. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion;

- The accompanying financial statements set out on pages 4 to 10 give a true and fair view of the financial position of Paradis Des Enfants Entertainment Limited as at December 31, 2016, and of its financial performance and its cash flows for the year then ended in accordance with the financial reporting provisions of the Seychelles Companies Act 1972, the Public Enterprise Monitoring Commission Act 2013 and International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SME's).
- The company has maintained proper and adequate accounting records during the year.
- We have been availed of all information necessary for the purposes of our audit and were satisfied with the information received.
- The information given by the Directors in the annual report in relation to the financial year under reference is consistent with the accounts.

Pool Patel
POOL & PATEL
CHARTERED ACCOUNTANTS

22 May 2019

Paradis Des Enfants Entertainment Limited

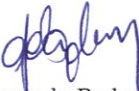
Statement of Financial Position

Financial statements are prepared in Seychelles Rupees

	Note	2016	As at 31 December 2015
Assets			
Property, Plant & Equipment	7	589,675	340,024
Deferred Tax Asset	11	381,942	345,278
Non-current assets		971,617	685,302
Stock		98,298	185,160
Trade and other receivables	8	126,731	481,545
Cash and cash equivalent		325,290	701,492
Current assets		550,319	1,368,197
Total assets		1,521,937	2,053,499
Deferred Tax Liability	11	51,786	313,799
Provision for end of contract payment		32,161	51,115
Non-Current Liabilities		83,947	364,914
Current Taxation	11	741,188	545,103
Trade & Other Payables	9	706,412	697,015
Current Liabilities		1,447,600	1,242,118
Total liabilities		1,531,547	1,607,032
Share capital	6	10,000	10,000
Retained earnings		(19,610)	436,467
Equity		(9,610)	446,467
Total liabilities and equity		1,521,937	2,053,499

The notes on pages 7 and 10 are an integral part of these financial statements.

Directors


Amanda Padayachy


Doreen Monthy


Audrey Nanon

22 May 2019

Paradis Des Enfants Entertainment Limited

Statement of income - by nature of expense and retained earnings

Financial statements are prepared in Seychelles Rupees

	Note	Year Ended 31 December 2016	Year Ended 31 December 2015
Revenue	3	5,912,304	8,209,339
Directors Remuneration	10	(450,987)	(540,362)
Employee salaries and benefits expense	4	(1,526,556)	(1,304,682)
Provision for bad debts		(1,240,978)	(1,116,897)
Depreciation		(98,296)	(33,123)
Security charges		(1,374,826)	(1,217,515)
Utilities		(171,414)	(743,867)
Other expenses		(1,607,916)	(2,039,335)
Profit/(Loss) before tax		(558,669)	1,213,558
Taxation	11	102,592	(513,624)
Profit/Loss for the year		(456,077)	699,934
Retained Earnings at 1st January		436,467	(263,467)
Retained earnings 31 December		(19,610)	436,467

Paradis Des Enfants Entertainment Limited

Cash flow statement

Financial statements are prepared in Seychelles Rupees.

	Note	As at 31 December 2015	As at 31 Decemebr 2015
Cash flows from operating activities			
Profit for the period		(558,669)	1,213,558
Provision for compensation		(18,978)	51,115
Depreciation		98,296	33,123
<hr/>			
Changes in working capital		(479,351)	1,297,796
Decrease in Inventories		86,862	(185,160)
Decrease in receivables		354,814	(190,027)
Increase in payables		9,397	(114,001)
<hr/>			
Net cash used in operating activities		(28,278)	808,608
<hr/>			
Cash flows from investing activities			
Payments to acquire tangible fixed assets		(347,924)	(233,302)
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Net cash used in investing activities		(347,924)	(233,302)
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Cash flow from financing activities			
Issue of Share Capital		0	0
<hr/>			
Net cash from in financing activities		0	0
<hr/>			
Increase in cash and cash equivalents		(376,202)	575,306
Cash & cash equivalents at 1 January		701,492	126,186
<hr/>			
Cash & cash equivalents at 31 December		325,290	701,492

Paradis Des Enfants Entertainment Limited

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2016

Financial statements are prepared in Seychelles Rupees

1 *Reporting entity*

Paradis Des Enfants Entertainment is a limited liability company incorporated and domiciled in the Seychelles on 21 April 2014. The address of the company's registered office is Maison La Rosiere, Victoria, Mahe, Seychelles.

Paradis Des Enfants Entertainment manage and operate a family amusement, Fun Park & Entertainment Facility in Victoria.

2 *Summary of significant accounting policies*

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

2.1 *Basis of presentation*

The statements of Paradis Des Enfants Entertainment are prepared in accordance with the requirements of the Seychelles Companies Act, 1972 and the International Financial Reporting Standard for Small and Medium - sized Entities (IFRS for SME's). They have been prepared under the historical cost convention.

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

2.2 *Functional and reporting currency*

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

2.3 *Property, plant and equipment*

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

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

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives. The estimated useful lives range as follows:

Equipment	5 years
Furniture and fittings	10 years
Computer	5 years

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

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

Paradis Des Enfants Entertainment Limited

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2016

Financial statements are prepared in Seychelles Rupees

2.4 *Inventories*

Inventories are stated at the lower of cost or net realisable value.

Cost includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location.

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

2.5 *Taxation*

The tax expense for the period comprises of business tax.

2.6 *Cash and cash equivalents*

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturates of three months or less. Bank overdrafts are show within borrowings in current liabilities on the statement of financial position.

2.7 *Trade receivables*

Trade receivables are initially recognised at the transaction price. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to original terms of the receivables.

2.8 *Revenue*

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the company's activities. Revenue is shown net of value-added tax.

The company recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the activities.

3 *Revenue*

Analysis of revenue by category	2016	2015
Government Grant from Children Special Fund	127,500	37,000
Government Grant from MOFTBE	4,500,000	6,300,000
Government Grant from CSR Fund	26,628	0
Other activities	95,448	45,426
Rental Income	943,528	1,017,385
Tenant Water & Electricity	0	534,350
Toy Shop Sales	219,200	275,178
Total	5,912,304	8,209,339

4 *Employee salaries and benefits expense*

	2016	2015
Wages and salaries	1,412,536	1,228,195
End of contract provision	74,461	51,116
Pension costs	39,559	25,371
Total	1,526,556	1,304,682

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2016

Financial statements are prepared in Seychelles Rupees

5	<i>Profit for the year</i>	2016	2015
Profit for the year has been arrived at after charging/ (crediting):		34,500	34,500
Audit fee			
6	<i>Authorised & Issued Share Capital</i>	2016	2015
Authorised and issued and fully paid 100 shares of R 100 each		10,000	10,000
7	<i>Property,</i>		
		Computers	Furniture & fittings
		Equipments	Total
Cost			
	At 01 January 2016	30,055	311,735
	Additions	0	1,300
	Disposal	0	0
	At 31 December 2016	30,055	313,035
Accumulated depreciation and impairment			
	At 01 January 2016	8,834	30,888
	Annual depreciation	6,011	31,271
	Disposals	0	0
	At 31 December 2016	14,845	62,159
Carrying amount			
	At 01 January 2016	21,221	280,847
	At 31 December 2016	15,210	250,876
8	<i>Trade and other receivables</i>	2016	2015
Trade receivables		126,731	481,545
Total		126,731	481,545
9	<i>Trade and other payables</i>	2016	2015
Trade		578,887	531,882
Rental		127,525	165,133
Total		706,412	697,015
10	<i>Directors emoluments, pensions or compensation</i>	2016	2015
Veronique Laporte		13,859	43,200
Patrick Payet		0	8,671
Yves Choppy		10,103	26,012
Doreen Monthly		10,103	26,012
Veronique Herminie		8,353	27,445
Audrey Nanon		391,680	391,680
Vanessa Marie		6,785	0
Amanda Padayachy		10,103	17,342
Total		450,986	540,362

Paradis Des Enfants Entertainment Limited

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2016

Financial statements are prepared in Seychelles Rupees

10 *Taxation*

	Statement of Financial Position		Statement of Income	
	2016	2015	2016	2015
11.1 Current tax				
Balance due from prior year	545,103	0	0	0
Provision for the year	196,085	545,103	196,085	545,103
Provisionally paid for current year	0	0	0	0
Total	741,188	545,103	196,085	545,103
11.2 Deferred tax asset				
Provision for employee compensation and bad debts	381,942	345,278	(36,664)	(345,278)
11.3 Deferred tax liability				
Deferred due to accelerated tax depreciation	51,786	313,799	(262,013)	313,799
Total deferred tax expense			(298,677)	(31,479)
Total income tax expense			(102,592)	513,624

11 *Capital Commitments*

There were no capital commitments, either contracted for or approved by the directors but not contracted for at 31 December 2016.

12 *Contingencies Liability*

The directors are not aware of any outstanding contingent Liability at 31 December 2016.

Paradis Des Enfants Entertainment Limited

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2016

Financial statements are prepared in Seychelles Rupees.

		2015
Sales		
Revenue	5,912,304	8,209,339
Cost of Goods Sold	212,688	(229,358)
	<u>5,699,616</u>	7,979,981
Less: Expenses		
Advertising & PR	39,590	118,356
Audit fees	20,000	39,000
Bad Debts	1,240,978	1,116,897
Bank charges	7,116	5,778
Directors Remuneration	450,987	540,362
Cleaning	453,299	326,630
Consultancy fees	0	114,270
CSR tax payable	30,250	56,831
Depreciation	98,296	33,123
Entertainment	6,800	222,800
Equipment expensed	1,548	0
Insurance	51,082	40,698
Internet & Network	44,904	62,218
Landscaping, grounds upkeep, cleaning & refuse	320,925	272,500
License Fee	6,800	0
Legal Fees	0	120,000
Light & Heat	0	2,500
First Aid Training	0	4,950
Office supplies & sundries	29,377	61,746
Pest Control	41,925	45,100
Repairs and Maintenance	190,272	69,709
Security Charges	1,374,826	1,217,515
Salaries and Wages	1,526,556	1,304,681
Transportation	151,340	225,884
Uniforms	0	21,008
Utilities	171,414	743,867
	<u>6,258,285</u>	6,766,423
Operating profit for the period	<u>(558,669)</u>	1,213,558