

# **SEYCHELLES CIVIL AVIATION AUTHORITY**

**Audited  
Financial  
Statements  
2015**

**Seychelles Civil Aviation Authority****TABLE OF CONTENT**

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**Seychelles Civil Aviation Authority**  
**DIRECTORS REPORT**  
**FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2015**

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The Directors present their report together with the Auditor's Report and the Audited Financial Statements of the Seychelles Civil Aviation Authority (hereafter called the "Authority") for the year ended 31st December 2015.

***Principal Activities of the Authority***

The principal activities of the Authority remains 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.

***Results for the Year***

	<b><i>31st December 2015</i></b>	<b><i>31st December 2014</i></b>
	SCR	SCR
Operating Income	350,507,006	315,715,115
Operating Expenses	(234,177,427)	(203,190,827)
Profit before taxation	116,329,579	112,524,288
Taxation	(34,848,874)	(33,707,286)
Profit for the Year	81,480,705	78,817,002
Dividends	(44,400,000)	(37,400,000)
Retained Profit at end of Period	37,080,705	41,417,002

***Fixed Assets***

Additions to property and equipment totalling to SCR46.16 million for the year under review comprise mainly culvert construction, Fibre Optic cabling, fire service building and electrical substation.

The Directors are of the opinion that the market or saleable value of the fixed assets at 31st December 2015 does not differ substantially from the amounts at which they are included in the accounts at that date.

***Reserves***

The current year's retained profit of SCR37,080,705 together with opening retained earnings totalling to SCR277,330,949 makes a total of SCR314,411,654 in the Authority's reserves.

***Dividend***

The Directors recommend the payment of dividend of SCR44,400,000.

***Directors***

Details of the current members of the Board of directors are shown in Note 6. The Directors are appointed every two years in accordance with the Public Enterprise Monitoring Commission Act, 2013.

None of the Directors held interest in the share of the Authority during the financial year.

**Seychelles Civil Aviation Authority**  
**DIRECTORS REPORT**  
**FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2015**

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***Statement of Director's Responsibilities***

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

The Directors are 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.

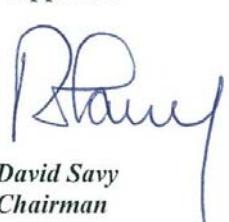
They are responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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.

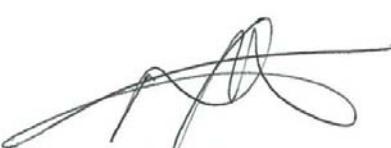
***Auditors***

The Office of the Auditor General will continue in office in accordance with Section 12(3) of the Seychelles Civil Aviation Act, 2005.

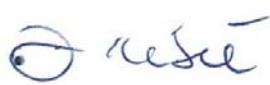
***Approval***

  
David Savy  
Chairman

  
Wills Agricole  
Director

  
Michelle Murray  
Director

  
Anne Lafourture  
Director

  
Damien Thesee  
Director

  
Amelie Nourice  
Director

**Date: 31/03/2015**  
**Victoria, Seychelles**

**Seychelles Civil Aviation Authority**  
**AUDITORS REPORT**  
**FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2015**

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**REPORT OF THE AUDITOR GENERAL TO THE BOARD OF THE  
SEYCHELLES CIVIL AVIATION AUTHORITY**

**Scope**

I have audited the financial statements of the Seychelles Civil Aviation Authority for the year ended 31 December 2015 as set out on pages 5 – 16.

**Responsibility of the Board of Directors of the Authority for the Financial Statements**

The Board of Directors of the Authority is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in Seychelles and in compliance with the requirements of the Seychelles Civil Aviation Authority Act, 2005 and the Public Enterprise Monitoring Act, 2009 and for such internal control as the Board of Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Responsibility of the Auditor General**

My responsibility is to express an opinion on these financial statements based on the audit. The audit was conducted in accordance with the International Standards of Supreme Audit Institutions. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 Authority'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 Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors as well as evaluating the overall presentation of the financial statements.

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

**Seychelles Civil Aviation Authority**  
**AUDITORS REPORT**  
**FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2015**

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**Audit Opinion**

In my opinion:

- the financial statements on pages 5 – 16 give a true and fair view of the financial position of the Authority as at 31 December 2015 and the results of its financial operations and cash flows for the year then ended;
- proper accounting records have been kept by the Authority as far as it appears from my examination of those records; and
- I have obtained the information necessary for the purpose of the audit and am satisfied with the information received.

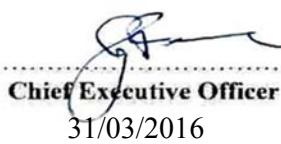


Marc Benstrong  
**AUDITOR GENERAL**

06 April 2016  
Victoria

**Seychelles Civil Aviation Authority**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31<sup>st</sup> DECEMBER 2015**

		2015	2014
	Notes	SCR	SCR
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, Plant & Equipment	8	318,461,964	304,579,928
Capital Work in Progress	9	<u>41,651,640</u>	<u>26,553,612</u>
		<b>360,113,604</b>	<b>331,133,540</b>
<b>Current Assets</b>			
Trade Debtors	10	84,293,300	79,306,897
Other Debtors & Prepayments	11	15,742,610	8,008,009
Staff Loans	12	4,441,716	3,547,184
Provisional Tax	13	8,685,996	5,823,469
Cash and Bank Balances	14	<u>71,124,799</u>	<u>54,927,281</u>
		<b>184,288,421</b>	<b>151,612,840</b>
<b>Less:</b>			
<b>Current Liabilities</b>			
Trade Creditors		3,714,874	8,634,038
Other Creditors & Accruals		9,473,767	4,486,514
Provision for Terminal Benefits		<u>9,375,968</u>	<u>7,386,916</u>
		<b>22,564,609</b>	<b>20,507,468</b>
<b>Net Current Assets</b>		<b>161,723,812</b>	<b>131,105,372</b>
<b>Total Assets</b>		<b><u>521,837,416</u></b>	<b><u>462,238,912</u></b>
<b>Long Term Liabilities</b>			
Loan Accounts	18	22,517,799	
<b>Represented By</b>			
Government Capital Reserve		184,907,963	184,907,963
Retained Earnings	15	<u>314,411,654</u>	<u>277,330,949</u>
		<b><u>521,837,416</u></b>	<b><u>462,238,912</u></b>

  
**Chief Executive Officer**

31/03/2016

  
**Financial Controller**

The notes set out on pages 8-16 form an integral part of these Financial Statements

**Seychelles Civil Aviation Authority**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2015**

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	Notes	2015	2014
		SCR	SCR
<b>Income</b>			
Aeronautical Revenue	4(a)	316,599,921	275,146,048
Non-Aeronautical Revenue	4(b)	31,975,133	27,691,735
Other Operating Income	4(c)	3,334,770	2,241,798
Exchange Gain/(Loss)		(2,998,123)	10,417,744
Profit on Disposal		<u>1,595,305</u>	<u>217,790</u>
<b>Net Income</b>		<b>350,507,006</b>	<b>315,715,115</b>
<b>Operating Expenses</b>			
Staff Costs	5	111,609,691	86,358,443
Repairs and Maintenance		24,135,684	26,417,620
Other Operating Expenses	7	64,038,272	57,605,337
Bad & Doubtful Debts		32,286	247,277
Interest Expense		2,198,688	-
Depreciation	8	<u>32,162,806</u>	<u>32,562,150</u>
		<u>234,177,427</u>	<u>203,190,827</u>
<b>Profit before Tax</b>		<b>116,329,579</b>	<b>112,524,288</b>
Business Tax	13	<u>(34,848,874)</u>	<u>(33,707,286)</u>
<b>Net Profit After Tax</b>		<b>81,480,705</b>	<b>78,817,002</b>
Distribution to Government	16	<u>(44,400,000)</u>	<u>(37,400,000)</u>
<b>Retained Profit for the year</b>		<b><u>37,080,705</u></b>	<b><u>41,417,002</u></b>

The notes set out on pages 8-16 form an integral part of these Financial Statements

**Seychelles Civil Aviation Authority**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2015**

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	<b>2015</b>	<b>2014</b>
	SCR	SCR
<b>Cash Flows from Operating Activities</b>		
Profit Before Tax	116,329,579	112,524,288
Depreciation Expenses	32,162,806	32,562,150
Interest Receivable/Payable	(1,286,377)	(181,209)
Loss/(Profit) on Disposal	(1,595,305)	(217,790)
Bad & Doubtful Debts	32,286	12,236
Exchange Losses/(Gains) on Year End Transactions	<u>1,581,825</u>	<u>147,224,814</u>
<b>Business Tax Paid</b>	<b>(37,711,401)</b>	<b>(27,872,318)</b>
<b>Movements in Working Capital</b>		
(Increase) /Decrease in Accounts Receivable (including Staff Loans)	(12,307,965)	(22,771,618)
Increase/(Decrease) in Accounts Payable	76,204	4,217,599
Increase/(Decrease) in Terminal Benefits	<u>1,989,052</u>	<u>(10,242,709)</u>
	<u>(1,441,412)</u>	<u>(19,995,431)</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of Assets & WIP	(61,254,460)	(54,037,004)
Sale of Assets	<u>1,706,895</u>	<u>(59,547,565)</u>
	<u>416,668</u>	<u>(53,620,336)</u>
<b>Cash Flows from Financing Activities</b>		
Loan Receipt	29,948,001	
Loan Repayment	(9,073,622)	
Dividend Paid	<u>(44,400,000)</u>	<u>(23,525,621)</u>
	<u>(37,400,000)</u>	<u>(37,400,000)</u>
Net Increase/(Decrease) in Cash	16,197,518	5,338,356
Cash as at 1 <sup>st</sup> January 2015	<u>54,927,281</u>	<u>49,588,925</u>
<b>Cash as at 31<sup>st</sup> December 2015</b>	<b><u>71,124,799</u></b>	<b><u>54,927,281</u></b>

The notes set out on pages 8-16 form an integral part of these Financial Statements

**Seychelles Civil Aviation Authority**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2015**

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**1 CORPORATE 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 for which a financial consideration was not paid. The net value of assets over the liabilities was credited to a Capital Reserve account.

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 BASIS OF PREPARATION**

The financial statements of the Authority have been prepared under the historical cost convention, modified to include the valuation of certain property, plant and equipment.

The financial statements of the Authority have been prepared in accordance with generally accepted accounting practice in Seychelles. The financial statement values are presented in Seychelles Rupee (SCR) unless otherwise indicated.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of the financial statements are set out below:

**(a) Property, Plant and Equipment and Depreciation**

Apart from land which has been purchased by the Authority, the value of land 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 lease of 99 years at a nominal rent. The transfer of other land ownership on Mahé and Praslin to the Authority is still under discussion with the Government.

Buildings and infrastructure are stated at revalued amount less accumulated depreciation, while plant and equipment, motor vehicles and others are stated at cost less accumulated depreciation.

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

Buildings and infrastructure are stated at fair value for existing use as ascertained by a professional valuer as at 2005. 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.

**Seychelles Civil Aviation Authority**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2015**

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Depreciation of buildings and infrastructure is recognised in profit or loss. Depreciation on property, plant and equipment is calculated on a straight line basis such that rates used will write-off cost, less estimated residual value, of each asset evenly over their expected useful lives. Land is not depreciated.

The annual rates of depreciation are as follows:

• Buildings and Infrastructure	4%
• Plant & Machinery	10%
• Furniture, Fittings And Office Equipment	20%
• Motor vehicles	20%
• Computers – Hardware And Software	25%
• Others	25%

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. Any gain or loss arising on derecognition of an asset is included in the income statement in the year the asset is derecognised.

**(b) Foreign Currency**

Transactions in currencies other than Seychelles Rupees are converted at the rate of exchange ruling at the transaction date. At the balance sheet date, foreign currency monetary assets and liabilities are converted at the rate ruling at that date. Exchange differences arising are taken to the income statement.

**(c) Taxation**

Business tax is provided at the rates ruling at the balance sheet date on profits of the Authority adjusted for items not allowed for taxation purposes.

**(d) Cash and Bank Balances**

Cash and bank balances comprise cash at bank, in hand and short-term deposits within an original maturity of one year or less in the balance sheet.

For the purpose of the cash flow, cash and cash equivalent consist of the cash and bank balances as defined above net of outstanding bank overdrafts.

**(e) 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.

**(f) Going Concern**

The management has made an assessment of its ability to continue as a going concern and is satisfied that the Authority has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast

**Seychelles Civil Aviation Authority**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2015**

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significant doubt upon the Authority's ability to continue as going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

<b>2015</b>	<b>2014</b>
SCR	SCR

#### **4 INCOME**

##### **(a) Aeronautical Revenue**

Landing fees (International/Domestic)	25,886,923	22,626,353
Licences and Registration	723,627	-
Passenger Service Fees (International /Domestic)	190,152,979	158,208,202
Air Navigation Charges	104,084,511	98,016,957
IATA Charges	<u>(4,248,119)</u>	<u>(3,705,464)</u>
	<b><u>316,599,921</u></b>	<b><u>275,146,048</u></b>

##### **(b) Non Aeronautical Revenue**

Other Airport Charges	1,292,972	105,433
Licences and Registration	-	202,358
Concession Fees	17,753,772	15,703,272
Fuel Throughput Charges	3,275,294	2,389,641
Rent Airport Buildings	<u>9,653,095</u>	<u>9,291,031</u>
	<b><u>31,975,133</u></b>	<b><u>27,691,735</u></b>

##### **(c) Other Income**

Interest Received	3,223,078	851,364
Miscellaneous	<u>111,692</u>	<u>1,390,434</u>
	<b><u>3,334,770</u></b>	<b><u>2,241,798</u></b>

**Seychelles Civil Aviation Authority**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2015**

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	<b>2015</b> <b>SCR</b>	<b>2014</b> <b>SCR</b>
<b>5 STAFF COSTS</b>		
Payroll Expenses	76,716,739	62,390,696
Pension Contribution	1,851,896	1,511,950
Income Taxes	13,454,677	10,900,938
Compensation & Gratuity	18,688,149	10,724,631
Income Tax on other Benefits	556,507	492,622
Directors & Secretary's Fees (see Note 6)	<u>341,723</u>	<u>337,606</u>
	<b><u>111,609,691</u></b>	<b><u>86,358,443</u></b>

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

**6 DIRECTORS FEES & EXECUTIVE EMOLUMENTS**

**Directors**

D. Savy (appointed September '11)	77,640	77,640
W Agricole (appointed November 2010)	49,404	49,404
M. Murray (appointed September '11)	49,404	49,404
T. Mondon (appointed April '12)	-	4,117
S. Naiken (appointed Mar '13)	-	4,117
G. Robert (appointed Mar '13)	-	49,404
A.Lafortune (appointed Feb'14)	49,404	41,170
D.Thesee (appointed Feb'14)	49,404	41,170
D Singh (appointed Jan'15)	37,053	-
A Nourice (appointed Nov'15)	8,234	-
Secretary fees	<u>21,180</u>	<u>21,180</u>
	<b><u>341,723</u></b>	<b><u>337,606</u></b>

**Senior Executive Emoluments**

Chief Executive Officer	843,832	668,844
Other Senior Management	5,481,072	4,968,344

**Seychelles Civil Aviation Authority**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2015**

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	<b>2015</b> SCR	<b>2014</b> SCR
<b>7 OTHER OPERATING EXPENSES</b>		
Administration Costs	28,570,830	28,490,310
Communication Costs	6,837,955	5,797,525
Transportation Costs	3,101,149	3,154,633
Staff Training	9,728,025	7,004,736
Other General Expenses	<u>15,800,313</u>	<u>13,158,133</u>
	<b><u>64,038,272</u></b>	<b><u>57,605,337</u></b>
After charging:		
Audit Fees	100,000	100,000

**Seychelles Civil Aviation Authority**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2015**

**8 PROPERTY, PLANT AND EQUIPMENT**

	Land	Building & Infrastructure	Plant & Machinery	Furniture, Fittings & Office Equipment	Motor Vehicles	Computer – Hardware & Software	Other Assets	Total
	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR
<b>Costs</b>								
<b>As at 1 January 2014</b>	<b>1,558,050</b>	<b>299,980,036</b>	<b>60,492,456</b>	<b>14,531,915</b>	<b>27,780,733</b>	<b>64,421,259</b>	<b>25,269,824</b>	<b>494,034,273</b>
Additions during the year		29,548,187	3,700,432	652,418	15,025,052	1,543,866	122,088	50,592,043
Disposals during the year					(645,753)			(645,753)
<b>As at 31 December 2014</b>	<b>1,558,050</b>	<b>329,528,223</b>	<b>64,192,888</b>	<b>15,184,333</b>	<b>42,160,032</b>	<b>65,965,125</b>	<b>25,391,912</b>	<b>543,980,563</b>
Additions during the year		30,497,690	6,526,273	1,105,265	4,054,067	2,140,597	1,832,540	46,156,432
Disposals during the year					(1,331,465)		(1,071,265)	(2,402,730)
<b>As at 31 December 2015</b>	<b>1,558,050</b>	<b>360,025,913</b>	<b>70,719,161</b>	<b>16,289,598</b>	<b>44,882,634</b>	<b>68,105,722</b>	<b>26,153,187</b>	<b>587,734,265</b>
<b>Accumulated Depreciation</b>								
<b>As at 1 January 2014</b>		<b>83,550,075</b>	<b>24,796,328</b>	<b>10,916,222</b>	<b>24,184,826</b>	<b>42,513,691</b>	<b>21,324,217</b>	<b>207,285,359</b>
Depreciation for the year		12,002,167	6,092,980	1,451,982	1,701,800	9,527,522	1,785,699	32,562,150
Disposals Depreciation					(446,874)			(446,874)
<b>As at 31 December 2014</b>		<b>95,552,242</b>	<b>30,889,308</b>	<b>12,368,204</b>	<b>25,439,752</b>	<b>52,041,213</b>	<b>23,109,916</b>	<b>239,400,635</b>
Depreciation for the year		13,182,716	5,995,088	1,188,631	4,443,537	5,889,233	1,463,601	32,162,806
Disposals Depreciation					(1,331,465)		(959,675)	(2,291,140)
<b>As at 31 December 2015</b>		<b>108,734,958</b>	<b>36,884,396</b>	<b>13,556,835</b>	<b>28,551,824</b>	<b>57,930,446</b>	<b>23,613,842</b>	<b>269,272,301</b>
<b>Net Book Value</b>								
<b>As at 31 December 2014</b>	<b>1,558,050</b>	<b>233,975,981</b>	<b>33,303,580</b>	<b>2,816,129</b>	<b>16,720,280</b>	<b>13,923,912</b>	<b>2,281,996</b>	<b>304,579,928</b>
<b>As at 31 December 2015</b>	<b>1,558,050</b>	<b>251,290,955</b>	<b>33,834,765</b>	<b>2,732,763</b>	<b>16,330,810</b>	<b>10,175,276</b>	<b>2,539,345</b>	<b>318,461,964</b>

**Seychelles Civil Aviation Authority**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2015**

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	<b>2015</b> SCR	<b>2014</b> SCR
<b>9 CAPITAL WORK IN PROGRESS</b>		
Work in Progress brought forward	26,553,612	23,108,651
Expenditure incurred during the year	45,548,118	32,976,938
Transferred to Fixed Assets	(30,450,090)	(29,459,227)
Transferred to Expenditure	<u>-</u>	<u>(72,750)</u>
	<b><u>41,651,640</u></b>	<b><u>26,553,612</u></b>
<b>10 TRADE DEBTORS</b>		
Trade Debtors	84,097,791	79,140,697
Debtors' Exchange Rate Revaluation	272,212	210,617
Bad Debts Provisions	<u>(76,703)</u>	<u>(44,417)</u>
	<b><u>84,293,300</u></b>	<b><u>79,306,897</u></b>
<b>11 OTHER DEBTORS AND PREPAYMENTS</b>		
Prepayment	3,112,778	816,167
Treasury Account	350,243	516,055
Interest Receivables	1,560,495	282,233
VAT Liability	10,539,359	6,229,344
Rent Deposit	<u>179,735</u>	<u>164,210</u>
	<b><u>15,742,610</u></b>	<b><u>8,008,009</u></b>
<b>12 STAFF LOANS</b>		
Vehicle Loans	4,161,494	3,432,100
General Purpose Loans	77,613	46,262
Other Loans	<u>202,609</u>	<u>68,822</u>
	<b><u>4,441,716</u></b>	<b><u>3,547,184</u></b>
<b>13 TAXATION</b>		
Tax Balance Brought Forward	(5,823,469)	(8,506,920)
<i>Charge for current year:</i>		
Provision for business tax based on profit for the period	34,848,874	33,707,286
Adjustment of Reassessment of Tax 2013	<u>-</u>	<u>(3,151,517)</u>
Provisional Tax Paid	<u>(37,711,401)</u>	<u>(27,872,318)</u>
	<b><u>(8,685,996)</u></b>	<b><u>(5,823,469)</u></b>

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	<b>2015</b> SCR	<b>2014</b> SCR
<b>14 CASH AND BANK BALANCES</b>		
Cash on hand	82,929	47,362
Seychelles Rupee a/c Balance	15,416,344	18,981,193
Euro A/c Balance	1,828,144	8,048,551
US\$ Dollar a/c Balance	5,071,425	(2,750,779)
Short-Term Security Deposit	<u>48,725,957</u>	<u>30,600,954</u>
	<b><u>71,124,799</u></b>	<b><u>54,927,281</u></b>

**15 RETAINED EARNINGS**

Balance brought forward as at 1st Jan	277,330,949	232,762,430
Profit during the year	81,480,705	78,817,002
Adjustment of Provisional Tax	-	3,151,517
Less: Distribution to Government (Note 16)	<u>(44,400,000)</u>	<u>(37,400,000)</u>
<b>Retained earnings for the year</b>	<b><u>314,411,654</u></b>	<b><u>277,330,949</u></b>

**16 DISTRIBUTION TO GOVERNMENT**

Distribution to Government is made in accordance with directions given by the Minister under Section 11 (3) of the Seychelles Civil Aviation Authority Act, 2005.

**17 FINANCIAL RISK MANAGEMENT**

**(a) Currency risk**

Some of the Authority's assets and liabilities are denominated in foreign currencies. There is a resultant exposure to foreign exchange fluctuations which may affect the Authority's assets and liabilities in a material manner.

The Authority's financial assets and liabilities are denominated as follows:

	<b>Asset</b>	<b>Liabilities</b>
	<b>SCR</b>	<b>SCR</b>
US Dollar	64,193,203	22,783,486
Euro	3,974,371	36
Seychelles Rupees	<u>116,120,482</u>	<u>22,298,521</u>
<b>Total</b>	<b><u>184,288,056</u></b>	<b><u>45,082,043</u></b>

**(b) Liquidity Risk**

SCAA practices prudent liquidity risk management by maintaining adequate funds to meet its funding needs.

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**(c) Credit Risk**

SCAA seeks to invest cash assets safely and profitably. SCAA also seeks to control credit risk by setting limit and ensuring that credit facility is made to customer with appropriate credit history and monitoring customers financial standing through credit review. SCAA considers the risk of material loss in the event of non-performance to be minimal.

**(d) Fair Value**

The carrying amount of the Authority financial assets and liabilities at the Balance Sheet date approximates the fair value.

**18 NOUVOBANQ LOAN**

	<b>2015</b> SCR	<b>2014</b> SCR
Balance as at 1 <sup>st</sup> January	-	
Amounts drawn down	29,948,001	
Repayments	(9,073,622)	
Exchange rate adjustment at year end	<u>1,643,420</u>	
<b>Balance as at 31<sup>st</sup> December</b>	<b><u>22,517,799</u></b>	

US\$6.5 million loan to fund the construction of the Domestic Terminal and purchase of essential airport equipment has been taken from Nouvobanq. The loan is being serviced by the Seychelles Civil Aviation Authority. As at 31<sup>st</sup> December 2015, the loan balance is US\$1,715,537.32, and US\$4.1 million remained to be withdrawn.