



L'Union Estate Company Ltd  
(Registration number 969)

Financial statements  
for the year ended December 31, 2023

Issued June 10, 2024

# L'Union Estate Company Ltd

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## General Information

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Country of incorporation and domicile

Seychelles

Nature of business and principal activities

Tourism, Farming, Retail and Real Estate

Directors

Mr. Nigel Rosette  
Ms. Nadine Maillet  
Ms. Kaline Jeannevول  
Mr. Vincent Cedras  
Mr. Melton Ernesta  
Mr. Jean-Pierre Morin

Registered office

L'Union Estate  
La Digue  
Seychelles  
+248

Business address

L'Union Estate  
La Digue  
Seychelles

Bankers

Nouvobanq  
ABSA  
Mauritius Commercial Bank (Seychelles) Ltd  
Seychelles Commercial Bank

Auditors

Victoria Chartered Certified Accountants  
Certified Accountants  
Registered Auditors  
Providence,  
Mahe,  
Seychelles

Secretary

Mr. Pedro Pierre

Company registration number

969

Level of assurance

These financial statements have been audited in compliance with the applicable requirements of the Companies Ordinance, 1972.

Issued

June 10, 2024

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### Published

June 10, 2024

# **L'Union Estate Company Ltd**

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## **Directors' Responsibilities and Approval**

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The directors are required in terms of the Companies Ordinance, 1972 to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to December 31, 2024 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 9 to 11.

The financial statements set out on page 12, which have been prepared on the going concern basis, were approved by the board on June 10, 2024 and were signed on their behalf by:

### **By Order of the Board**

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**Mr. Nigel Rosette**  
**Board Chairman**

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**Ms. Nadine Maillet**  
**Vice Chairperson**

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**Ms. Kaline Jeannevol**  
**Non-Executive Director**

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**Mr. Vincent Cedras**  
**Non-Executive Director**

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**Mr. Melton Ernesta**  
**Non-Executive Director**

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**Mr. Jean-Pierre Morin**  
**Non-Executive Director**

# **L'Union Estate Company Ltd**

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## **Statement on Internal Financial Controls**

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The directors, whose names are stated below, hereby confirm that:

- (a) the financial statements set out on pages 12 to 31, fairly present in all material respects the financial position, financial performance and cash flows of the company in terms of IFRS;
- (b) no facts have been omitted or untrue statements made that would make the financial statements false or misleading
- (c) internal financial controls have been put in place to ensure that material information relating to the company has been provided to effectively prepare the financial statements of the company; and
- (d) the internal financial controls are adequate and effective and can be relied upon in compiling the financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King Code. Where we are not satisfied, we have disclosed to the audit committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action.

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**Mr. Nigel Rosette**  
Chairman

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**Ms. Nadine Maillet**  
Vice Chairperson

# **L'Union Estate Company Ltd**

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## **Board Secretary's Certification**

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In terms of the Companies Ordinance, 1972, I certify that the company has lodged with the Commissioner all such returns as are required of a public company in terms of the Act and that all such returns are true, correct and up to date.

I declare that, to the best of my knowledge, the company has lodged with the Commissioner of Companies all such returns as are required of a public company in terms of the Companies Ordinance, 1972, and that all such returns are true, correct and up to date.

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**Board Secretary**

# L'Union Estate Company Ltd

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## Directors' Report

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The directors have pleasure in submitting their report on the financial statements of L'Union Estate Company Ltd for the year ended December 31, 2023.

### 1. Incorporation

The company was incorporated on October 9, 1984 and obtained its certificate to commence business on the same day.

The company is domiciled in Seychelles where it is incorporated as a private company limited by shares under the Companies Ordinance, 1972. The address of the registered office is set out on page 1.

### 2. Nature of business

L'Union Estate Company Ltd was incorporated in Seychelles with interests in the farming, tourism, real estate and General (incl wholesale and retail sales) industry. The company operates in Seychelles.

The principal activity of the company is to cultivate land for vegetables and fruits and it is also engaged in poultry and pig farming. It is also responsible for the upkeep and maintenance of the Estate and charges a fee to overseas visitors to enjoy the use of the premises.

There have been no material changes to the nature of the company's business from the prior year.

### 3. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Ordinance, 1972. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

### 4. Share capital

	2023	2022		
	Number of shares		2023	2022
<b>Authorised</b>				
Ordinary Shares	80,000		80,000	80,000
<b>Issued</b>				
Ordinary Shares	2023 SR 7,295,000	2022 SR 7,295,000	2023 Number of shares 72,925	2022 Number of shares 72,925

There have been no changes to the authorised or issued share capital during the year under review.

### 5. Dividends

The company's dividend policy is to consider an interim and a final dividend in respect of each financial year. At its discretion, the board may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the board may pass on the payment of dividends.

The board does not recommend the declaration of a dividend for the year.

### 6. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the company or in the policy regarding their use.

At December 31, 2023 the company's investment in property, plant and equipment amounted to SR152,397,977 (2022: SR 150,214,159), of which SR5,556,024 (2022: SR 550,452) was added in the current year through additions.

# **L'Union Estate Company Ltd**

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## **Directors' Report**

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### **7. Events after the reporting period**

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report however it should be noted that the Board secretary resigned in January 2024.

### **8. Going concern**

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

### **9. Liquidity and solvency**

The directors have performed the required liquidity and solvency tests required by the Companies Ordinance, 1972.

### **10. Litigation statement**

The company becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The company is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

### **11. Secretary**

The Board secretary is Mr. Pedro Pierre. (Resigned January 2024)

### **12. Statement of disclosure to the company's auditors**

With respect to each person who is a director on the day that this report is approved:

- there is, so far as the person is aware, no relevant audit information of which the company's auditors are unaware; and
- the person has taken all the steps that he/she ought to have taken as a director to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **13. Terms of appointment of the auditors**

Victoria Chartered Certified Accountants were appointed as the company's auditors at the general meeting held in 2022. Included in profit for the year is the agreed auditors' remuneration of SR205,000. Shareholders wishing to inspect a copy of the terms on which the company's auditors are appointed and remunerated may do so by contacting the Board Secretary.

### **14. Date of authorisation for issue of financial statements**

The financial statements have been authorised for issue by the directors on Monday, June 10, 2024. No authority was given to anyone to amend the financial statements after the date of issue.

### **15. Acknowledgements**

Thanks and appreciation are extended to all of our shareholders, staff, suppliers and consumers for their continued support of the company.

# **L'Union Estate Company Ltd**

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## **Directors' Report**

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The financial statements set out on page 12, which have been prepared on the going concern basis, were approved by the board on June 10, 2024, and were signed on its behalf by:

**By Order of the Board**

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**Mr. Nigel Rosette**  
Chairperson  
Monday, June 10, 2024

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**Ms. Nadine Maillet**  
Non-executive  
Monday, June 10, 2024

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**Ms. Kaline Jeannevol**  
Non-executive Director  
Monday, June 10, 2024

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**Mr. Vincent Cedras**  
Non-executive Director  
Monday, June 10, 2024

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**Mr. Melton Ernesta**  
Non-executive Director  
Monday, June 10, 2024

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**Mr. Jean-Pierre Morin**  
Non-executive Director  
Monday, June 10, 2024

## Independent Auditor's Report

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**To the Shareholders of L'Union Estate Company Ltd**

### **Opinion**

We have audited the financial statements of L'Union Estate Company Ltd (the company) set out on pages 12 to 31, which comprise the statement of financial position as at December 31, 2023, 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 notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of L'Union Estate Company Ltd as at December 31, 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Ordinance, 1972.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (Parts 1, 3 and 4A) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Seychelles. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Seychelles. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

The directors are responsible for the other information. The other information comprises the information included in the document titled "L'Union Estate Company Ltd financial statements for the year ended December 31, 2023", which includes the Directors' Report as required by the Companies Ordinance, 1972 and the supplementary information as set out on pages 32 to 36. The other information does not include the financial statements and our auditor's report thereon.

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

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

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## Independent Auditor's Report

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### Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Ordinance, 1972, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- 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.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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## **Independent Auditor's Report**

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**Victoria Chartered Certified Accountants**  
**Certified Accountants**  
**Registered Auditors**

**June 10, 2024**  
**Providence**

# L'Union Estate Company Ltd

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## Statement of Financial Position as at December 31, 2023

Figures in Seychelles Rupee	Note(s)	2023	2022
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	4	152,397,977	150,214,156
Biological assets	5	3,261,500	2,943,700
Intangible assets	6	210,560	101,076
Investments at fair value	8	5,090,644	4,088,606
		<b>160,960,681</b>	<b>157,347,538</b>
<b>Current Assets</b>			
Biological assets	5	3,886,945	4,425,480
Inventories	10	637,301	396,341
Trade and other receivables	7	2,001,264	1,043,388
Cash and cash equivalents	12	10,446,564	7,328,184
		<b>16,972,073</b>	<b>13,193,393</b>
<b>Total Assets</b>		<b>177,932,754</b>	<b>170,540,931</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	13	7,292,500	7,292,500
Members' equity	14	158,467,630	147,173,536
Retained income		4,172,413	7,707,232
		<b>169,932,543</b>	<b>162,173,268</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Retirement benefit obligation: Pension Liability	9	4,670,268	4,568,891
<b>Current Liabilities</b>			
Trade and other payables	15	2,825,010	2,048,132
Current tax payable	11	504,932	1,750,640
		<b>3,329,942</b>	<b>3,798,772</b>
<b>Total Liabilities</b>		<b>8,000,211</b>	<b>8,367,663</b>
<b>Total Equity and Liabilities</b>		<b>177,932,754</b>	<b>170,540,931</b>

# L'Union Estate Company Ltd

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## Statement of Profit or Loss and Other Comprehensive Income

Figures in Seychelles Rupee	Note(s)	2023	2022
Revenue	16	37,913,381	37,615,637
Cost of sales	17	(8,866,951)	(8,090,261)
<b>Gross profit</b>		<b>29,046,430</b>	<b>29,525,376</b>
Other operating income	18	529,252	211,444
Other operating gains (losses)	19	69,044	(12,467)
Other operating expenses		(24,967,381)	(20,266,480)
<b>Profit before taxation</b>		<b>4,677,345</b>	<b>9,457,872</b>
Taxation	21	(504,932)	(1,750,640)
<b>Total comprehensive income for the year</b>		<b>4,172,413</b>	<b>7,707,232</b>

# L'Union Estate Company Ltd

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Financial Statements for the year ended December 31, 2023

## Statement of Changes in Equity

Figures in Seychelles Rupee	Share capital	Members equity	Retained income	Total equity
<b>Balance at January 1, 2022</b>	<b>7,292,500</b>	<b>147,173,537</b>		<b>- 154,466,037</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>7,707,232</b>	<b>7,707,232</b>
<b>Balance at January 1, 2023</b>	<b>7,292,500</b>	<b>147,173,537</b>	<b>7,707,232</b>	<b>162,173,268</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>4,172,413</b>	<b>4,172,413</b>
Transfer between reserves	-	11,294,093	-	3,586,861
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>-</b>	<b>11,294,093</b>		<b>- 3,586,861</b>
<b>Balance at December 31, 2023</b>	<b>7,292,500</b>	<b>158,467,630</b>	<b>4,172,413</b>	<b>169,932,543</b>
Note(s)	13		14	

The accounting policies on pages 16 to 20 and the notes on pages 21 to 31 form an integral part of the financial statements

# L'Union Estate Company Ltd

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## Statement of Cash Flows

Figures in Seychelles Rupee	Note(s)	2023	2022
<b><u>Cash flows from operating activities</u></b>			
Profit before taxation		4,677,345	9,457,872
<b><u>Adjustments for non-cash items:</u></b>			
Depreciation, amortisation, impairments and reversals of impairments	23	4,404,088	2,488,264
(Gains) losses on exchange differences		(69,044)	12,467
Defined benefit plan		-	-
Retirement benefit obligation charge		371,430	1,783,048
Retirement benefit obligation paid		-	(1,304,129)
<b><u>Adjust for items which are presented separately:</u></b>			
<b><u>Changes in working capital:</u></b>			
(Increase) decrease in inventories		(240,960)	1,030,310
(Increase) decrease in biological assets		-	(4,482,100)
(Increase) decrease in trade and other receivables		(957,876)	303,390
Increase (decrease) in trade and other payables		776,877	1,125,274
<b>Cash generated from operations</b>		<b>8,961,860</b>	<b>10,414,397</b>
Tax paid		-	(264,045)
Tax paid	24	(1,750,640)	-
<b>Net cash from operating activities</b>		<b>7,211,220</b>	<b>(264,045)</b>
<b><u>Cash flows from investing activities</u></b>			
Purchase of property, plant and equipment	4	(3,001,565)	(63,335,807)
Purchases of biological assets	5	220,735	-
Purchases of intangible assets	6	(109,484)	-
Purchases of investments at fair value	8	(1,002,038)	(4,024,588)
<b>Net cash from investing activities</b>		<b>(3,892,352)</b>	<b>(67,360,395)</b>
<b><u>Cash flows from financing activities</u></b>			
Increase/(decrease) in reserves		-	58,513,416
Net payments on defined benefit obligations	9	(200,488)	-
<b>Net cash from financing activities</b>		<b>(200,488)</b>	<b>58,513,416</b>
<b>Total cash movement for the year</b>			
Cash and cash equivalents at the beginning of the year		3,118,380	(9,111,024)
Net cash from Operations (pulled through)		7,328,184	6,024,811
<b>Cash and cash equivalents at the end of the year</b>	12	<b>10,446,564</b>	<b>7,328,184</b>

# L'Union Estate Company Ltd

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Financial Statements for the year ended December 31, 2023

## Accounting Policies

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### 1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these financial statements.

#### 1.1 Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these financial statements and the Companies Ordinance, 1972 as amended.

The financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Seychelles Rupees, which is the company's functional currency.

These accounting policies are consistent with the previous period.

#### 1.2 Biological assets

Biological assets are measured at their fair value less costs to sell. As at 1 January 2023 petting zoo animals have been classified as Non-Current and other normal agricultural biological assets as Current assets.

#### 1.3 Property, plant and equipment

Property, plant and equipment is initially measured at cost.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and impairment losses except for land which is not depreciated.

The useful lives of items of property, plant and equipment have been assessed as follows:

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Item	Depreciation method	Average useful life
Buildings	Straight line	33.33
Plant and machinery	Straight line	8.33
Furniture and fixtures	Straight line	4
Motor vehicles	Straight line	4
Office equipment	Straight line	8.33
IT equipment	Straight line	8.33
Computer software	Straight line	5

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. No material changes were made.

Depreciation is not charged for Land because the recoverable amount is higher than the carrying amount.

There were no indicators of impairment for property, plant and equipment and no impairment tests were performed.

#### 1.4 Intangible assets

Intangible assets are initially recognised at cost.

Intangible assets are subsequently measured at cost less any accumulated amortisation and impairment losses.

# L'Union Estate Company Ltd

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Financial Statements for the year ended December 31, 2023

## Accounting Policies

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### 1.4 Intangible assets (continued)

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

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Item	Amortisation method	Average useful life
Computer software, internally generated	Straight line	5
Computer software, other	Straight line	5

The useful life and amortisation method of intangible assets are reviewed at the end of each reporting period. No material changes were made.

There were no indicators of impairment for intangible assets and no impairment tests were performed.

### 1.5 Financial instruments

Financial instruments are recognised when the company becomes a party to the contractual provisions. They are measured, at initial recognition, at fair value plus transaction costs, if any.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

The material accounting policies for each type of financial instrument held by the company are presented below:

#### Debt instruments at fair value through other comprehensive income

They are measured at fair value, with the difference, at reporting date, between the amortised cost and the fair value being recognised in other comprehensive income and accumulated in equity in the reserve for valuation of financial instruments.

The amortised cost, calculated using the effective interest method, is the amount recognised initially, minus principal repayments, plus cumulative amortisation of interest, adjusted for any loss allowance.

Although these instruments are measured at fair value, interest income is recognised on them using the effective interest method, and is included in profit or loss.

Refer to the loss allowances and write offs accounting policy for impairment of debt instruments at fair value through other comprehensive income.

On derecognition, the cumulative gain or loss on that instrument which was previously accumulated in equity in the reserve for valuation of financial instruments is reclassified to profit or loss.

#### Trade and other receivables

Trade and other receivables, excluding, when applicable, VAT and prepayments, are measured, subsequent to initial recognition, at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

The accounting policy for impairment of trade and other receivables is set out in the loss allowances and write offs accounting policy.

# L'Union Estate Company Ltd

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## Accounting Policies

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### 1.5 Financial instruments (continued)

#### Impairment - Expected credit losses and write offs

A provision matrix is used as a practical expedient when determining expected credit losses. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast conditions.

All other loss allowances are measured at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk (risk of default) since initial recognition. If the credit risk has not increased significantly since initial recognition, then the loss allowance for that instrument is measured at 12 month expected credit losses (12 month ECL). The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective instruments. This means that at each reporting date, the ECL for a specific instrument will either be based on lifetime ECL or 12 month ECL depending on the credit risk at reporting date compared to the credit risk at initial recognition.

Irrespective of the outcome of the above assessment, the credit risk on an instrument is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the company has reasonable and supportable information that demonstrates otherwise.

By contrast, if an instrument is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk of the receivable has not increased significantly since initial recognition.

The measurement of expected credit losses incorporates the probability of default, loss given default and the exposure at default, taking the time value of money, historical data and forward-looking information into consideration.

The movement in credit loss allowance is recognised in profit or loss with a corresponding adjustment to the carrying amount of the instrument through a loss allowance account.

The company writes off an instrument when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Instruments written off may still be subject to enforcement activities under the company's recovery procedures. Any recoveries made are recognised in profit or loss.

#### Trade and other payables

Trade and other payables, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

#### Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

#### Bank overdrafts

Bank overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

#### Reclassification

The company only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities are not reclassified.

## **Accounting Policies**

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### **1.6 Tax**

#### **Current tax assets and liabilities**

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

#### **Tax expenses**

The income tax expense consists of current and deferred tax and is recognised in profit or loss.

### **1.7 Inventories**

Inventories are measured at the lower of cost and net realisable value on the first-in-first-out basis.

Write downs and reversals of write downs of inventories are included as part of the cost of goods sold.

### **1.8 Impairment of assets**

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. If the recoverable amount cannot be determined for an individual asset, then it is determined for the cash generating unit to which the asset belongs.

An impairment loss is recognised for an asset (or a cash-generating unit) if the recoverable amount of the asset or cash generating unit is less than the carrying amount. The impairment loss is determined as the difference between the two amounts. For cash generating units, the impairment loss is allocated to reduce the carrying amount of goodwill included in the cash-generating unit and then to the other assets on a pro-rata basis.

Impairment losses are recognised immediately in profit or loss.

### **1.9 Share capital and equity**

Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

### **1.10 Employee benefits**

#### **Short-term employee benefits**

Short-term employee benefits, which consist of paid annual leave and sick leave, bonuses and medical care are recognised in the period in which the service is rendered and are not discounted.

#### **Defined contribution plans**

Payments are charged as an expense as they fall due.

# **L'Union Estate Company Ltd**

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Financial Statements for the year ended December 31, 2023

## **Accounting Policies**

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### **1.10 Employee benefits (continued)**

#### **Defined benefit plans**

The cost of providing the benefits is determined using the projected unit credit method.

Actuarial valuations are conducted on an annual basis by independent actuaries.

Remeasurements comprising actuarial gains and losses, the effect of the asset ceiling and return on plan assets (excluding interest) are recognised immediately to the statement of financial position and to other comprehensive income in the period they occur. The amount recognised in other comprehensive income is not subsequently reclassified to profit or loss.

Current service costs are recognised as an expense in the period in which the related services are performed.

Net interest income or expense are recognised in investment income and finance costs respectively.

### **1.11 Provisions and contingencies**

The company recognises provisions in circumstances where it has a present obligation resulting from past events, which can be measured reliably and for which it is probable that the company will be required to settle the obligation.

There is always a degree of estimation uncertainty involved with provisions as they are measured at management's best estimate of the amount which will be required to settle the obligation. When the effect of discounting is material, the provision is measured at the present value of such amounts.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in .

### **1.12 Cost of sales**

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

Cost of sales is reduced by the amount recognised in inventory as a "right to returned goods asset" which represents the company's right to recover products from customers where customers exercise their right of return under the company returns policy.

### **1.13 Translation of foreign currencies**

#### **Foreign currency transactions**

A foreign currency transaction is recorded, on initial recognition in Seychelles Rupees, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are translated at the end of the reporting period using the closing rate.

Cash flows arising from transactions in a foreign currency are recorded in Seychelles Rupees by applying to the foreign currency amount the exchange rate between the Seychelles Rupee and the foreign currency at the date of the cash flow.

Refer to the individual accounting policies for financial instruments for the detailed foreign exchange accounting policies.

# L'Union Estate Company Ltd

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Financial Statements for the year ended December 31, 2023

## Notes to the Financial Statements

Figures in Seychelles Rupee

2023

2022

### 2. Changes in accounting policy

The financial statements have been prepared in accordance with International Financial Reporting Standards on a basis consistent with the prior year except for re-classification of petting zoo animals as non-current assets, a change in chart of accounts and the adoption of the following new or revised standards.

#### **Disclosure of accounting policies: Amendments to IAS 1 and Practice Statement 2**

The company adopted the amendments to IAS 1 and Practice Statement 2, which now require that only material accounting policy information shall be disclosed in the annual financial statements. The amendment did not result in changes to measurement or recognition of financial statement items, but management reviewed the accounting policies and made changes to ensure that only material accounting policy information is disclosed.

Management do not have sufficient records relating to interest capitalised on plant and equipment to enable retrospective expensing of borrowing cost. For this reason the change in accounting policy is applied prospectively.

### 3. New Standards and Interpretations

#### **3.1 Standards and interpretations effective and adopted in the current year**

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

##### **Initial application of IFRS 17 and IFRS 9 - Comparative information**

A narrow-scope amendment to the transition requirements of IFRS 17 for entities that first apply IFRS 17 and IFRS 9 at the same time. The amendment regards financial assets for which comparative information is presented on initial application of IFRS 17 and IFRS 9, but where this information has not been restated for IFRS 9. Under the amendment, an entity is permitted to present comparative information about a financial asset as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset before. The option is available on an instrument-by-instrument basis. In applying the classification overlay to a financial asset, an entity is not required to apply the impairment requirements of IFRS 9.

The effective date of the amendment is for years beginning on or after January 1, 2023.

The company has adopted the amendment for the first time in the 2023 financial statements.

The impact of the amendment is not material.

##### **Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2**

IAS 1 was amended to require that only material accounting policy information shall be disclosed in the financial statements. The amendment will not result in changes to measurement or recognition of financial statement items, but management will undergo a review of accounting policies to ensure that only material accounting policy information is disclosed.

The effective date of the amendment is for years beginning on or after January 1, 2023.

The company has adopted the amendment for the first time in the 2023 financial statements.

The impact of the amendment is set out in note 2 Changes in Accounting Policy.

##### **Definition of accounting estimates: Amendments to IAS 8**

The definition of accounting estimates was amended so that accounting estimates are now defined as "monetary amounts in financial statements that are subject to measurement uncertainty."

## Notes to the Financial Statements

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### **3. New Standards and Interpretations (continued)**

The effective date of the amendment is for years beginning on or after January 1, 2023.

The company has adopted the amendment for the first time in the 2023 financial statements.

The impact of the amendment is not material.

#### **Classification of Liabilities as Current or Non-Current - Amendment to IAS 1**

The amendment changes the requirements to classify a liability as current or non-current. If an entity has the right at the end of the reporting period, to defer settlement of a liability for at least twelve months after the reporting period, then the liability is classified as non-current.

If this right is subject to conditions imposed on the entity, then the right only exists, if, at the end of the reporting period, the entity has complied with those conditions.

In addition, the classification is not affected by the likelihood that the entity will exercise its right to defer settlement. Therefore, if the right exists, the liability is classified as non-current even if management intends or expects to settle the liability within twelve months of the reporting period. Additional disclosures would be required in such circumstances.

The effective date of the amendment is for years beginning on or after January 1, 2023.

The company has adopted the amendment for the first time in the 2023 financial statements.

The impact of the amendment is not material.

#### **3.2 Standards and interpretations not yet effective**

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after January 1, 2024 or later periods:

<b>Standard/ Interpretation:</b>	<b>Effective date:</b> <b>Years beginning on or after</b>	<b>Expected impact:</b>
• Lack of exchangeability - amendments to IAS 21	January 1, 2025	Unlikely there will be a material impact
• Supplier finance arrangements - amendments to IAS 7 and IFRS 7	January 1, 2024	Unlikely there will be a material impact
• Non-current liabilities with covenants - amendments to IAS 1	January 1, 2024	Unlikely there will be a material impact
• Lease liability in a sale and leaseback	January 1, 2024	Unlikely there will be a material impact

# L'Union Estate Company Ltd

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Financial Statements for the year ended December 31, 2023

## Notes to the Financial Statements

Figures in Seychelles Rupee

2023 2022

### 4. Property, plant and equipment

	2023			2022		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
<b>Used within the company</b>						
Land	72,877,086	-	72,877,086	69,560,586	-	69,560,586
Buildings	85,261,600	(15,784,737)	69,476,863	84,826,895	(13,438,387)	71,388,508
Plant and machinery	16,670,684	(9,839,649)	6,831,035	15,801,384	(8,235,735)	7,565,649
Furniture and fixtures	6,395,719	(4,801,311)	1,594,408	6,186,204	(4,538,831)	1,647,373
Motor vehicles	2,343,339	(1,907,919)	435,420	2,378,656	(2,349,071)	29,585
Capital - Work in progress	1,183,165	-	1,183,165	22,456	-	22,456
<b>Total</b>	<b>184,731,593</b>	<b>(32,333,616)</b>	<b>152,397,977</b>	<b>178,776,181</b>	<b>(28,562,024)</b>	<b>150,214,156</b>

#### Depreciation rates

Buildings	Straight line basis - years	3	-
Plant and machinery	Straight line basis - years	12	-
Furniture and fixtures	Straight line basis - years	25	-
Motor vehicles	Straight line basis - years	25	-
Office equipment	Straight line basis - years	20	-
IT equipment	Straight line basis - years	20	-

#### Changes in estimates

The company reassesses the useful lives and residual values of items of company at the end of each reporting period, in line with the accounting policy and IAS 16 Property, plant and equipment. These assessments are based on historic analysis, benchmarking, and the latest available and reliable information.

### 5. Biological assets

	2023			2022		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Biological assets	7,148,445	-	7,148,445	7,369,180	-	7,369,180

#### Net biological assets

	2023	2022
Non-current assets	3,261,500	2,943,700
Current assets	3,886,945	4,425,480
<b>7,148,445</b>	<b>7,369,180</b>	

### 6. Intangible assets

	2023			2022		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software, other	556,632	(346,072)	210,560	402,982	(301,906)	101,076

# L'Union Estate Company Ltd

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Financial Statements for the year ended December 31, 2023

## Notes to the Financial Statements

Figures in Seychelles Rupee	2023	2022
<b>7. Trade and other receivables</b>		
<b>Financial instruments:</b>		
Trade receivables	2,001,264	1,043,388
<b>Total trade and other receivables</b>	<b>2,001,264</b>	<b>1,043,388</b>
<b>Split between non-current and current portions</b>		
Current assets	2,001,264	1,043,388
<b>Financial instrument and non-financial instrument components of trade and other receivables</b>		
At amortised cost	2,001,264	1,043,388
<b>Exposure to currency risk</b>		
The net carrying amounts, in Seychelles Rupee, of trade and other receivables, excluding non-financial instruments, are denominated in the following currencies. The amounts have been presented in Seychelles Rupee by converting the foreign currency amount at the closing rate at the reporting date.		
<b>Seychelles Rupee</b>	<b>Amount</b>	
Seychelles Rupee		2,001,264
		1,043,388
<b>8. Investments at fair value</b>		
Investments held by the company which are measured at fair value, excluding debt instruments measured at fair value through other comprehensive income are as follows:		
Fixed Deposit account Nouvobanq	5,000,000	4,000,000
Shares in Seychelles Commercial Bank	90,644	88,606
	<b>5,090,644</b>	<b>4,088,606</b>
<b>Designated at fair value through profit or loss:</b>		
Fixed Deposit Nouvobanq	5,000,000	4,000,000
<b>Equity investments at fair value through other comprehensive income:</b>		
Shares in Seychelles Commercial Bank	90,644	88,606
	<b>5,090,644</b>	<b>4,088,606</b>
<b>Split between non-current and current portions</b>		
Non-current assets	5,090,644	4,088,606

# L'Union Estate Company Ltd

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Financial Statements for the year ended December 31, 2023

## Notes to the Financial Statements

Figures in Seychelles Rupee

2023 2022

### 8. Investments at fair value (continued)

#### **Equity instruments at fair value through other comprehensive income**

The specific investments which are measured at fair value through other comprehensive income are as follows:

##### **Investments held at reporting date**

	2023	2023	2022	2022
	Fair value	Dividends received	Fair value	Dividends received
Shares in Seychelles Commercial Bank	90,644	-	88,606	-

### 9. Retirement benefits

#### **Defined benefit plan**

Employee benefits are all forms of consideration given in exchange for services rendered by employees or for the termination of employment. The classification, recognition and measurement of these employee benefits is as follows

##### a) Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. The company's short-term employee benefits comprise remuneration in the form of salaries, wages, bonuses, employee entitlement to leave pay and medical aid.

The undiscounted amount of all short-term employee benefits expected to be paid in exchange for service rendered are recognised as an expense or as part of the cost of an asset during the period in which the employee renders the related service. The company recognizes the expected cost of bonuses only when the company has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

##### b) Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Post-employment benefits comprise retirement benefits that are provided for company employees by the Seychelles Pension Fund (SPF), which is a defined contribution fund. Payments to the SPF scheme are recognised as an expense when they fall due, which is when the employee renders the service. The actuarial valuation determined that the retirement plan was in a sound financial position.

#### **Carrying value**

Fair value of reimbursement rights	(4,670,268)	(4,568,891)
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#### **Movements for the year**

Opening balance	4,568,891	4,157,250
Contributions by members	472,807	1,783,049
Exchange differences	-	(67,279)
Benefits paid	(371,430)	(1,304,129)
	<b>4,670,268</b>	<b>4,568,891</b>

**L'Union Estate Company Ltd**  
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 Financial Statements for the year ended December 31, 2023

**Notes to the Financial Statements**

Figures in Seychelles Rupee	2023	2022
<b>10. Inventories</b>		
Production supplies	637,301	396,341
<b>11. Current tax payable</b>		
Normal tax	(504,932)	(1,750,640)
<b>Net current tax receivable (payable)</b>		
Current liabilities	(504,932)	(1,750,640)
<b>12. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	10,446,564	7,328,184
<b>Exposure to currency risk</b>		
<b>Seychelles Rupee amount</b>		
Seychelles Rupee	10,446,564	7,328,184
<b>13. Share capital</b>		
<b>Authorised</b>		
80000 Ordinary shares of SCR100 each	8,000,000	8,000,000
Describe any changes in authorised share capital e.g. Conversion to net present value shares.		
<b>Issued</b>		
Ordinary ( 72,925 ordinary shares of SCR100)	7,292,500	7,292,500
<b>14. Other Reserves</b>		
Members' equity	158,467,630	147,173,537
<b>15. Trade and other payables</b>		
<b>Financial instruments:</b>		
Trade payables	2,620,010	1,843,133
Accrued audit fees	205,000	205,000
	2,825,010	2,048,133
<b>Financial instrument and non-financial instrument components of trade and other payables</b>		
At amortised cost	2,825,010	2,048,132

## Notes to the Financial Statements

Figures in Seychelles Rupee	2023	2022
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### 15. Trade and other payables (continued)

#### Refund liability

The refund liability relates to customers' right to return products within 30 days of purchase. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. The company uses its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method.

#### Exposure to currency risk

The net carrying amounts, in Seychelles Rupee, of trade and other payables, excluding non-financial instruments, are denominated in the following currencies. The amounts have been presented in Seychelles Rupee by converting the foreign currency amount at the closing rate at the reporting date.

Seychelles Rupee	Amount		
Seychelles Rupee		2,825,010	2,048,132

#### Exposure to liquidity risk

Refer to note Financial instruments and financial risk management for details of liquidity risk exposure and management.

#### Defaults and breaches

### 16. Revenue

Revenue from contracts with customers		
Sale of goods	11,547,028	15,250,498
Rendering of services	23,999,101	20,218,650
	<b>35,546,129</b>	<b>35,469,148</b>

Revenue other than from contracts with customers		
Rental Income	2,367,252	2,146,489
	<b>37,913,381</b>	<b>37,615,637</b>

## Notes to the Financial Statements

Figures in Seychelles Rupee	2023	2022
<b>16. Revenue (continued)</b>		
<b>Disaggregation of revenue from contracts with customers</b>		
The company disaggregates revenue from customers as follows:		
<b>Sale of goods</b>		
Sale of goods	1,832,292	-
Sale of goods - Farming	9,714,736	15,250,498
	<b>11,547,028</b>	<b>15,250,498</b>
<b>Rendering of services</b>		
Fees earned	23,999,101	20,218,650
<b>Other revenue</b>		
<b>Customer loyalty programmes</b>		
Total revenue from contracts with customers	<b>35,546,129</b>	<b>35,469,148</b>
<b>Timing of revenue recognition</b>		
<b>At a point in time</b>		
Sale of goods	35,546,129	35,469,148
<b>Over time</b>		
<b>17. Cost of sales</b>		
Sale of goods	8,866,951	7,666,628
Rendering of services	-	423,633
	<b>8,866,951</b>	<b>7,666,628</b>
<b>Sale of goods</b>		
Sale of goods	3,146,083	-
Sale of goods - Farming - Type 1	1,044,430	1,298,307
Sale of goods - Farming - Type 2	4,676,438	6,368,321
	<b>8,866,951</b>	<b>7,666,628</b>
<b>18. Other operating income</b>		
Other income	529,252	190,859
Other income 2	-	20,585
	<b>529,252</b>	<b>211,444</b>

# L'Union Estate Company Ltd

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## Notes to the Financial Statements

Figures in Seychelles Rupee

2023

2022

### 19. Other operating gains (losses)

#### Foreign exchange gains (losses)

Net foreign exchange gains (losses)

69,044

(12,467)

### 20. Operating profit (loss)

Operating profit for the year is stated after charging (crediting) the following, amongst others:

#### Auditor's remuneration - external

Audit fees

205,000

205,000

#### Remuneration, other than to employees

Consulting and professional services

277,495

201,357

#### Employee costs

Salaries, wages, bonuses and other benefits

9,259,960

7,583,192

Other short-term costs

411,960

1,162,523

Retirement benefit plans: defined benefit expense

301,866

320,098

**Total employee costs**

**9,973,786**

**9,065,813**

#### Depreciation and amortisation

Depreciation of property, plant and equipment

4,404,088

2,482,976

#### Expenses by nature

The total cost of sales, selling and distribution expenses, marketing expenses, general and administrative expenses, research and development expenses, maintenance expenses and other operating expenses are analysed by nature as follows:

Changes in inventories of finished goods and work in progress

8,866,951

8,090,261

Employee costs

9,973,786

9,065,813

Depreciation, amortisation and impairment

4,404,088

2,482,976

Other operating expenses

10,589,507

8,717,691

**33,834,332** **28,356,741**

### 21. Taxation

#### Major components of the tax expense

##### Current

Local income tax - current period

504,932

1,750,640

### 22. Employee costs

#### Employee costs

Basic

7,412,157

5,946,139

Bonus

30,851

44,267

Other payroll levies

1,816,952

1,592,786

Other short-term costs

411,960

1,162,523

Retirement benefit plans

301,866

320,098

**9,973,786** **9,065,813**

# L'Union Estate Company Ltd

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## Notes to the Financial Statements

Figures in Seychelles Rupee

2023

2022

### 23. Depreciation, amortisation and impairment losses

#### Depreciation

Property, plant and equipment

4,404,088

2,482,976

### 24. Tax paid

Balance at beginning of the year

(1,750,640)

-

Current tax recognised in profit or loss

(504,932)

(1,750,640)

Balance at end of the year

504,932

1,750,640

(1,750,640)

-

### 25. Related parties

#### Relationships

Chief Executive Officer

Derick Ally

#### Related party balances

**Remuneration to key management: Included in employee costs are the following amounts paid to key management personnel during the year which comprised of an annual basic salary, annual bonus, pension contribution and other benefits**

Chief Executive officer's salary

639,769

641,200

#### Compensation to directors

Directors fees

238,752

232,272

### 26. Comparative figures

In 2023, the entity implemented a new chart of accounts, necessitating the reclassification of certain comparative figures. Consequently, several 2022 accounts have been reclassified in the 2023 audited financial statement comparatives.

The reclassification effects include the following:

- (1) Biological assets have been segregated into current and non-current assets in compliance with IAS 41.
- (2) Agricultural cost of sales (Employee costs) have been reclassified as other operating expenses within the income statement for agricultural activities.
- (3) Depreciation and amortisation have been consolidated in the statement of cash flows.
- (4) Certain revenue items have been reclassified under the same revenue account but with different classifications.

### 27. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors are satisfied that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

### 28. Events after the reporting period

The board is not aware of any events after the reporting date that may affect the financial statements.

# L'Union Estate Company Ltd

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Financial Statements for the year ended December 31, 2023

## Detailed Income Statement

Figures in Seychelles Rupee	Note(s)	2023	2022
<b>Revenue</b>			
Sale of goods		1,832,292	-
Sale of goods in agricultural activities		9,714,736	15,250,498
Rendering of services		23,999,101	20,218,650
Rental income on investment property		2,367,252	2,146,489
	16	<b>37,913,381</b>	<b>37,615,637</b>
<b>Cost of sales</b>			
Purchases		(3,146,083)	(423,633)
Cost of sales for agricultural activities		(5,720,868)	(7,666,628)
	17	<b>(8,866,951)</b>	<b>(8,090,261)</b>
<b>Gross profit</b>		<b>29,046,430</b>	<b>29,525,376</b>
<b>Other operating income</b>			
Other income		529,252	190,859
Other income 3		-	20,585
	18	<b>529,252</b>	<b>211,444</b>
<b>Other operating gains (losses)</b>			
Foreign exchange gains (losses)		69,044	(12,467)
<b>Expenses (Refer to page 33)</b>		<b>(24,967,381)</b>	<b>(20,266,480)</b>
<b>Profit before taxation</b>		<b>4,677,345</b>	<b>9,457,873</b>
Taxation		(504,932)	(1,750,640)
<b>Total comprehensive income for the year</b>		<b>4,172,413</b>	<b>7,707,232</b>

# L'Union Estate Company Ltd

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## Detailed Income Statement

Figures in Seychelles Rupee	Note(s)	2023	2022
<b><u>Other operating expenses</u></b>			
Advertising		(70,160)	(156,199)
Auditor's remuneration - external audit	20	(205,000)	(205,000)
Bank charges		(226,615)	(118,215)
Cleaning		(46,625)	(4,597)
Consulting and professional fees - legal fees		(277,495)	(201,357)
Depreciation		(4,404,088)	(2,482,976)
Donations		(59,343)	(13,044)
Employee costs		(9,973,786)	(9,065,813)
Operating and Admin Expenses: TMT		(112,567)	-
Sundry expenses		(10,941)	(2,572)
Operating and Admin Expenses:Survey Fees & Expense		(20,500)	-
Operating and Admin Expenses:Staff Cost:Work Permit		(109,440)	(189,903)
Operating and Admin Expenses: Landscaping		(27,993)	-
Other farming expenses		(5,646,205)	(3,714,210)
Insurance		(173,844)	(36,325)
Motor vehicle expenses		(65,871)	(234,116)
Municipal expenses		(688,144)	(766,255)
Printing and stationery		(179,869)	(565,654)
Repairs and maintenance		(615,483)	(711,220)
Security		(820,590)	(99,446)
Staff welfare		(371,948)	(770,708)
Subscriptions		(52,660)	-
Telephone and fax		(246,676)	(222,811)
Transport and freight		(285,691)	(238,379)
Travel - local		(168,705)	(169,306)
Travel - overseas		(107,142)	(298,374)
		<b>(24,967,381)</b>	<b>(20,266,480)</b>

## **Manufacturing Statement**

Figures in Seychelles Rupee	Note(s)	2023	2022
<b><u>Raw materials consumed</u></b>			
Opening stock		396,341	-
Purchases		240,960	396,341
Closing stock		(637,301)	(396,341)
		-	-

# L'Union Estate Company Ltd

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## Income Statement for Agricultural Activities

Figures in Seychelles Rupee	Note(s)	2023	2022
<b>Revenue</b>			
Sale of goods - Farming - Type 1		9,714,736	15,250,498
<b>Cost of sales</b>			
Purchases		(5,720,868)	(7,666,628)
<b>Gross profit</b>		3,993,868	7,583,870
<b>Other operating expenses</b>			
Farm salaries Local		(3,640,689)	(3,714,210)
Farm salaries Expat		(2,005,516)	-
		(5,646,205)	(3,714,210)
<b>Operating (loss) profit</b>		(1,652,337)	3,869,660
<b>(Loss) profit before taxation from agricultural activities</b>		(1,652,337)	3,869,660

# L'Union Estate Company Ltd

(Registration number 969)

Financial Statements for the year ended December 31, 2023

## Tax Computation

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	SR
Net income per income statement	4,677,345
<b>Non-deductible/Non taxable items</b>	
Farm loss (exempt income)	(1,652,337)
Accounting depreciation	4,404,088
Depreciation allowance	(5,273,913)
Armotisation deduction	(30,730)
Non-deductible	194,940
	<hr/>
	(2,357,952)
Taxable income	<hr/> <u>2,319,393</u>
 Tax thereon @ 22%	 504,932
 <b>Tax liability</b>	 
Amount owing/(prepaid) at the beginning of year	1,750,640
Amount refunded/(paid) in respect of prior year	<hr/> (1,750,640)
Amount owing/(prepaid) in respect of prior year	<hr/> -
 <b>Tax owing/(prepaid) for the current year</b>	 
<b>Normal tax</b>	
Per calculation	<hr/> 504,932
Amount owing/(prepaid) at the end of year	<hr/> <u>504,932</u>