

1. Property Management Corporation (PMC)



1.1. Strategic Overview

1.1.1. Mandate

The mandate of PMC (Property Management Corporation) defined under the 2004 Act is to:

- Ensure the equitable provision of living accommodation for the people of Seychelles by sale, lease or rental of flats and houses in accordance with the Policy of the Government
- To manage and maintain buildings and other properties on behalf of the Government Of Seychelles
- To ensure the provision of utility services for the aforesaid rental flats and houses

1.1.2. Vision

Envision being a respectable and high-performing government agency fostering the creation of neighborly residential estate

1.1.3. Mission

To ensure equitable provision of living accommodation to the people of Seychelles by the sale and lease of flats and houses, and management of established housing estates in accordance with the policy of the government.

1.1.4. Strategic Priorities for 2025-2027

1. Introduction of the updated PMC software, which includes enhanced functionalities, particularly in the Debtors Section, scheduled for 2025.
2. Evaluating and overseeing the operations of the two sewage tankers to enhance productivity and reduce costs in 2025.
3. The newly implemented strategic plan for enhanced Corporate Governance from 2025 to 2029 aims to strengthen our strategic priorities while addressing and mitigating our weaknesses in the forthcoming periods.
4. Proposed enhancement in revenue Stream for PMC to the cabinet prior to the conclusion of 2024.

1.1.5. Key Challenges

1. PMC Act is about to undergo few changes in order to meet future strategic tasks.
2. Implementation on effective recovery procedures thereby maintains the collection trend.
3. Controlling on sky rocking of maintenance exp on STP, General Maintenance etc...
4. Feasibility spending & fund allocation to meet corporation's objectives

1.2. Outlook of Financial Strategy

1.2.1. Projected Financial Position of Property Management Corporation

SCR ('000)

Description	Actual Figures		Provisional	Forecast			
	2021	2022	2023	2024	2025	2026	
Assets							
Non-current assets							
Property and equipment	1,122	1,235	1,358	6,594	7,594	7,794	7,294
Investment properties	325,438	357,983	393,682	443,014	501,477	554,124	550,330
Work in Progress	145,902	160,492	154,454	144,195	113,077	78,990	63,192
Right of use asset	2,016	2,218	2,318	2,268	2,218	2,218	2,218
Finance lease receivables	613,931	552,537	552,537	602,537	622,662	673,988	708,217
Home saving scheme receivables	27,370	24,633	22,169	19,952	17,957	16,162	16,970
Total Non-current assets	1,115,779	1,099,098	1,126,518	1,218,560	1,264,985	1,333,276	1,348,222
Current assets							
Finance lease receivables	35,628	39,191	43,110	47,421	52,163	57,380	60,249
Inventories	173	173	173	173	173	173	173
Trade and other receivables	21,130	19,017	17,116	15,404	13,864	12,477	11,229
cash and cash equivalent	110361	123403	134950	86575	47802	13190	15000
Total Current assets	167,292	181,784	195,349	149,573	114,002	83,220	86,651
TOTAL	1,283,071	1,280,882	1,321,867	1,368,133	1,378,987	1,416,496	1,434,873
EQUITY AND LIABILITIES							
Reserve/(deficit)							
Capital reserve	66,179	72,797	80,077	88,085	96,893	106,582	111,565
Revenue surplus/(deficit)	5,568	5,993	5,083	-4,487	6,361	4,983	5,915
	71,747	78,790	85,160	83,598	103,254	111,565	117,481
LIABILITIES							
Non-current Liabilities							
Lease liabilities	2,016	2,218	2,218	2,218	2,218	2,218	2,218
Deferred revenue	812,755	831,766	891,539	962,007	973,582	1,021,119	1,066,591
Borrowings	250,218	225,196	202,676	182,409	164,168	147,751	118,201
Retirement benefit obligations	624	1,350	1,350	1,350	1,350	1,350	1,350
Total Non-Current Liabilities	1,065,613	1,060,530	1,097,783	1,147,984	1,141,318	1,172,438	1,188,360
Current Liabilities							
Deferred revenue	100,633	100,633	100,633	100,633	100,633	100,633	100,633
Borrowings	29,304	26,374	23,736	21,363	19,227	17,304	13,843
Trade and other payables	15,774	14,555	14,555	14,555	14,555	14,556	14,556
Total Current Liabilities	145,711	141,562	138,924	136,551	134,415	132,493	129,032
Total Liabilities	1,211,324	1,202,092	1,236,707	1,284,535	1,275,733	1,304,931	1,317,392
Total equity and liabilities	1,283,071	1,280,882	1,321,867	1,368,133	1,378,987	1,416,496	1,434,873

1.2.2. Projected Statement of Comprehensive Income of Property Management Corporation
SCR ('000)

Description	Actual Figures			Provisional	Forecast	Forecast		
	2020(Actual)	2021	2022	2023	2024	2025	2026	2027
Revenue	69,784,625	81,701,730	90,367,940	97,582,919	87,682,978	88,438,172	85,806,722	85,866,722
Operating expenses	(64,372,937)	(53,479,357)	(62,437,615)	(64,625,027)	(59,216,000)	(53,047,100)	(52,087,500)	(51,257,500)
Operating profit	5,411,688	28,222,373	27,930,325	32,957,892	28,466,978	35,391,072	33,719,222	34,609,222
Other income	25,311,653	98,500	1,910,680	2,183,301	4,380,000	12,349,000	10,461,000	11,313,000
Employee benefits	(9,800,783)	(11,328,465)	(11,379,504)	(18,588,973)	(19,733,985)	(21,588,766)	(20,706,610)	(21,506,610)
Others (Admin)	(9,100,000)	(11,424,148)	(12,468,310)	(11,468,310)	(17,600,283)	(19,790,196)	(18,490,196)	(18,500,196)
Net profit /Comprehensive income	11,822,558	5,568,260	5,993,191	5,083,910	(4,487,290)	6,361,110	4,983,416	5,915,416

1.2.3. Projected Cash flow Statement of Property Management Corporation

Description	Actual Figures			Provisional	Forecast		
	2021	2022	2023	2024	2025	2026	2027
Balances as at 31.12.	110m	123m	134m	87m	72m	22.5m	24.3m
PMC has signed & carried out Capital projects/reroofing close to 40 m during Year 2024 unlike the past periods.							

*Cash flow statement Not provided

1.2.4. Projected Capital Investment Plan of Property Management Corporation

Project Name	Project Description	Expected Outcome of the Project	Total Estimated Project Cost	Year of Project Commenced	Expected Date	Actual Figures			Provisional		Forecast			SCR ('000)			
						2021	2022	2023	2024	2025	2026	2027					
						Major Capital Investments											
Major renovation housing estates	PPE/ Inv in properties	205,000	Internal/Borrowing	2023-25	2024-26	25,000	20,000	40,000	30,000	30,000	30,000	30,000	CF risk				

*PMC is intended to invest on average 30m worth of Capital Investment on housing major renovations in 2024/2025/2026/2027 p.a respectively

1.3. Projected TAX, Divided, Debt Payments, Subventions, Grants and Contingencies

1.3.1. Tax Implications by the Operations of Property Management Corporation

*PMC is exempted from Business Tax

PMC is not allowed to register under VAT act & not subject to the claim of Input VAT.

PMC collects WHT at source from the contractors @ 1.5% and remit to SRC.

All the employees' remunerations with Cash benefits are liable for PIT/PAYE on PMC

1.3.2. Anticipated Dividend Declarations By Property Management Corporation

Nature of Dividend	SCR ('000)							
	Actual Figures			Provisional		Forecast		Anticipated Risks
	2020	2021	2022	2023/24	2025	2026	2027	
Dividends in lieu of Cash	-	-	-	-	-	-	7,500	7,500
TOTAL	-	-	-	-	-	-	7,500	7,500

*PMC intend to release /re-invest (Housing Projects) to Govt 15m in 2027/2028 on new housing projects.

1.3.3. Debt Payments Forecasts By Property Management Corporation

Lending Organization	Description	Purpose of Borrowings	Total Debt Amount (Capital)	SCR ('000)							
				Total Borrowings and Debt Servicing						Forecast	
				Actual Figures			Provisional		Forecast		
2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Loan 01 From SPF	Borrowings	Operational, major renovation on Housing projects	150,000	-	-	-	-	-	-	-	-
	Interest for the Year	-	-	-	-	-	-	-	-	-	-
	Repayment of Capital	-	-	-	-	-	-	-	-	-	-
	Balance carried forward	-	-	-	-	-	-	-	-	-	-
Loan 02 From NVA Bank	Borrowings	-	200,000	-	-	-	New Loan-MOF	-	-	40,000	-
	Interest for the Year	-	-	-	-	-	(Trotters building)	-	-	-	-
	Repayment of Capital	-	-	-	-	-	-	-	-	-	-
	Balance carried forward	-	-	-	-	-	-	-	-	-	-

*PMC has no immediate intention to go for a 3rd borrowing/new Loan in near future /during the year 2025. However, PMC intends to go for a government borrowing from MOF for the acquisition Trotters building as a permanent office to the corporation.

1.3.4. Anticipated Subventions and Grants By Property Management Corporation

PMC does not anticipate in receiving any subventions or grants.

1.3.5. Contingencies of Property Management Corporation

SCR ('000)

Nature of Contingencies	Funding Agency	Purpose	Total Liability Amount	Realized Guarantees							
				Actual Figures			Provisional		Forecast		
				2020	2021	2022	2023	2024	2025	2026	
Potential Payments Due to Legal Actions by 3 rd Parties	Case 01										3,000

1.3.6. Assumptions used for the Financial Projections of Property Management Corporation

All the above projection being carried out with the assumptions in par with past financial data and more realistic future projections under normal circumstances.

1.4. KPIs, Risk Management Strategy and Reporting Obligations

1.4.1. Key Performance Indicators of the Property Management Corporation

True or Key Performance Indicators	Description	Achievements of KPIs						
		Actual Figures			Provisional		Forecast	
		2021	2022	2023	2024	2025	2026	2027
GP Ratio	Gross Profit Ratio	35%	31%	34%	32%	48%	50%	49%
NP Ratio	Net profit Ratio	7%	7%	5%	(5%)Loss	8%	10%	8%
Current Ratio	CA/CL (2:1)	1.10	1.18	1.23	0.91	0.81	0.53	0.53

1.4.2. Risks and Resilience Plan of the Property Management Corporation

Risk Category		Potential Risks Identified			Risk Mitigation Strategies		
Strategic Risks		N/A					
Financial Risks		More Capital projects on major renovation expected 40m p.a			Proper cash flow planning & implementation of an effective recovery plans		
		Expected to fund on new housing projects worth 20 m over 3 years' time (Housing projects)			Proper fund allocation on CAPEX & CF planning		
Operational Risks		New operational ,administrative hassle can be expected –New Truck Unit			Steps being planned to recruit suitable right technicians/Professional to mitigate the risk		
Compliance and Regulatory Risks		N/A					
Environmental and Social Risks		N/A					
PESTEL		N/A					

1.4.3. List of External Reporting's by the Property Management Corporation

Name/Title of the Report	Recipients of the Report	Description of the purpose, content and inclusion of the report	Frequency and Timing of the Report
Monthly Financials	PEMC	Drafted Financials	Monthly
Annual Budget	PEMC	Projected Budget	Annually
Annual Financials	PEMC	Draft/Audited	Annually
Periodic reports on FS	OAG	As per the request of OAG	Qtr./bi-Annual/Annual

1.5. Stakeholder Engagement

1.5.1. Statement by CEO

I hereby reaffirm my unwavering commitment to PMC's mission and objectives. As CEO, I understand the pivotal role that clear strategic direction, performance benchmarks, and resource optimization play in our journey towards continued success. I am fully dedicated to aligning our efforts and resources to achieve the goals set by the Board of Directors.

Strategic Execution: We are steadfast in our dedication to executing the strategic directives set forth by the Board. We will prioritize the timely implementation of key initiatives, ensuring that each action plan is aligned with our long-term vision.

Opportunity Identification: We recognize the importance of identifying and seizing opportunities for enhancement. Our team will remain vigilant in scanning the external environment, anticipating industry trends, and proposing innovative solutions to capitalize on emerging opportunities.

Challenges as Catalysts for Growth: Challenges are an inevitable part of our journey. Rather than setbacks, we view them as catalysts for growth and continuous improvement. We commit to addressing prominent challenges head-on, fostering a culture of resilience, and learning from adversity.

Resource Optimization: Optimizing resource allocation is central to our strategy. We will rigorously evaluate our resource utilization, directing investments where they can yield maximal gains and enhance our competitiveness. Efficiency and sustainability will guide our resource management decisions.

Key Performance Indicators (KPIs): The attainment of KPIs is a testament to our effectiveness. We pledge to establish, track, and achieve these performance benchmarks diligently. Regular performance assessments will guide our decision-making and ensure accountability at all levels.

Our commitment extends beyond mere words; it is reflected in our actions and outcomes. Together, we will steer our organization toward greater heights, harnessing the collective talents, dedication, and innovation of our team.

I am deeply honored to lead this organization, and I look forward to working collaboratively with the Board, management team, and all stakeholders in achieving our shared objectives.

*Mr. Steve Mussard
Acting Chief Executive Officer*

1.5.2. Foreword by Chairperson

PMC plays a critical role in the Seychelles upstream housing industry, which is an integral part of our mandate. PMC is more than just a corporation; it is a testament to the determination and ingenuity of a small group of employees who strive to harness. The Board of Directors is committed to advancing the strategic priorities outlined in the Medium-Term Financial Strategy (MTFS) for 2025-2027. As the Chairperson, I will spearhead the following priorities, including formalizing the arrangement for new strategic plans and related concerns. I also pledge to attract new investment to Seychelles' upstream sector as the industry emerges from its slump, realizing that the company's revenue is not robust because it depends on money from govt or lenders. These are aligned with the Minister's performance target for the Board.

The Board remains committed to diversifying the economy by promoting PMC while being mindful of environmental and socio-economic implications. The future trajectory of PMC is contingent upon the outcome of exploration efforts and directives from the Government. In the event that PMC will expand swiftly to hire specialized skills. This aligns with our mission statement, aiming to have benefiting every Seychellois for this generation and beyond.

I encourage you to delve into the details of this report, which not only presents our financial outlook but also articulates our strategy for mitigating risks and seizing opportunities in the years ahead. By doing so, you will gain a deeper understanding of our dedication to responsible fiscal planning and stewardship as we are taking steps to ensure the sustainability and growth of PMC.

I would like to extend my appreciation to the Board of Directors, the Management Team and Staff, and all stakeholders for their ongoing support, contributions, and unwavering dedication to sound financial management to chart a financially secure and prosperous course for our organization

*Mr. Jude Commettant
Chairperson PMC*

1.5.3.Statement by the Responsible Minister

In my capacity as the Minister responsible for supervising PMC, I am firmly committed to advancing the strategic priorities outlined in the Medium-Term Financial Strategy (MTFS) for the period of 2025-2027.

Our foremost objective is to actively advocate for the inclusion of PMC in the National Development Strategy, emphasizing its critical role in enhancing economic diversification and energy security. Through extensive stakeholder engagement, educational initiatives, paving the way for its acceptance and integration into our national interests.

Additionally, we are resolute in our pursuit of enhancing the prospects of the corporation by refining existing and developing new leads and prospects, we aim to attract more new housing projects t, ensuring the sustainable growth of our upstream sector.

We are non-negotiable aspects of our strategic vision. We will actively work towards enacting stringent regulations that mitigate environmental impacts and protect the well-being of our workforce. Moreover, efficient data management strategies will be developed, ensuring the integrity and accessibility of information generated by upstream activities. These efforts will align with global industry standards, promoting seamless collaboration and enhancing our reputation.

Community and stakeholder engagement will remain a top priority, fostering transparent communication and addressing concerns related to our activities. A robust social media presence already being established to facilitate open dialogue and build public trust.

In conclusion, this strategic roadmap outlined within the MTFS underscores the seamless integration of government and national priorities within pmc. It reflects my steadfast commitment to the National Assembly and the Government, outlining clear expectations and policy directives. Together, we will drive corporation towards a future defined by sustainable growth, responsible practices, and enduring success for our beloved Seychelles.

*Mr. Billy Rangasamy
Minister for Lands and Housing*