



# OFFICIAL GAZETTE

## REPUBLIC OF SEYCHELLES

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#### GENERAL NOTICES

Gazette Notices No. 479 of 2022 - 483 of 2022 are published by Order.

#### GAZETTE SUPPLEMENT

Gazette	Description	Price
29	National Awards Bill, 2022. (Bill No. 9 of 2022)	68.00

#### GENERAL NOTICES

No. 479 of 2022

##### NOTICE

ACCESS TO INFORMATION ACT, 2018

*(Act No. 4 of 2018)*

In exercise of the powers conferred by section 7(1) of The Access to Information Act, 2018 (Act 4 of 2018) the head of the **Seychelles Squash Association** hereby designates **Ms. Trisha Quatre** as the Information Officer for **Seychelles Squash Association** replacing **Ms. Daria Alphonse**.

*Dated this: 30<sup>th</sup> March, 2022.*

**Mr. Ridvan Pierre Prosper**  
**Chairperson Seychelles Squash Association**  
**Seychelles Squash Association**

##### Contact Details of Information Officer

Telephone: **2573545**

Email: [tr11.tq@gmail.com](mailto:tr11.tq@gmail.com) / [sezsquash@gmail.com](mailto:sezsquash@gmail.com)

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No. 480 of 2022

##### NOTICE

ACCESS TO INFORMATION ACT, 2018

*(Act No. 4 of 2018)*

In exercise of the powers conferred by section 7(1) of The Access to Information Act, 2018 (Act 4 of 2018) the head of the **Agency for National Human Resource Development**

hereby designates **Mrs. Barbara Kilindo** as the Information Officer for **Agency for National Human Resource Development** replacing **Terence Crea**.

*Dated this: 30<sup>th</sup> April, 2022.*

**Nadia Lauricourt**  
**Chief Executive Officer**  
**Agency for National Human Resource Development**

**Contact Details of Information Officer**

Telephone: **2722422 / 4303222**

Email: [psa@anhrd.gov.sc](mailto:psa@anhrd.gov.sc)

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No. 481 of 2022

**JUDICIAL SALE**

Warning is hereby given that on the **26<sup>th</sup> May, 2022 at 2pm** at Ile Du Port, Mahe, Seychelles shall take place the **sale and adjudication**, before the Supreme Court of Seychelles of land situated at La Louise, Mahe Seychelles registered as parcel **V1421** together with all plantations, dependencies and appurtenances thereto generally whatsoever. The property is seized against Tracy Boniface and Kevin Boniface at the request of the **Housing Finance Company Limited**.

All parties claiming a right to take inscription of legal mortgage upon the said property are warned that they must do before the Transcription of the Judgment of Adjudication, failing which they shall be debarred of such right.

Dated this 04th day of May, 2022.

**S. RAJASUNDARAM**  
ATTORNEY IN CHARGE OF THE SALE  
1ST FLOOR MICHEL'S BUILDING (first floor)  
QUINCY STREET, VICTORIA, MAHE  
SEYCHELLES  
Tel: + 248 4226281  
E mail: [kuravadi@seychelles.net](mailto:kuravadi@seychelles.net)

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No. 482 of 2022

**NOTICE**

Notice is hereby given in pursuance of Section 96 of the Civil Status Act (Cap. 34) that the Chief Officer of the Civil Status has granted the under noted applications made under section 94 of Cap. 34.

Ms Julianne Monique Benson authorized to change her son's name from Caleb Joseph Marie to Caleb Joseph Benson.

Ms Marie-Claire Allisop authorized to change her name from Marie Claire Allisop to Marie Claire Alissop.

N. Flore  
For: Chief Officer of the Civil Status

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Tel: +248 4 612 612  
Fax: +248 4 612 300  
Email: [bdoseychelles@bdo.sc](mailto:bdoseychelles@bdo.sc)

The Creole Spirit  
Quincy Street  
Victoria, Mahe  
Seychelles  
P.O. Box 18

## **SEYCHELLES INTERNATIONAL MERCANTILE BANKING CORPORATION LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

#### **Report on the audit of the Financial Statements**

##### **Opinion**

We have audited the financial statements of **SEYCHELLES INTERNATIONAL MERCANTILE BANKING CORPORATION LIMITED** (hereafter referred to as "the Bank") set out on pages 4 to 68 which comprise the Statement of Financial Position as at December 31, 2021, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements on pages 4 to 68 give a true and fair view of the financial position of the Bank as at December 31, 2021 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Seychelles Companies Act, 1972.

##### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Seychelles, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

##### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

##### **Allowance for Expected Credit Losses (ECL)**

###### **Key Audit Matter**

Determining expected credit losses ('ECL') involves Management's judgement and is subject to significant uncertainties, which have varied considerably as a result of Covid-19 pandemic.



## SEYCHELLES INTERNATIONAL MERCANTILE BANKING CORPORATION LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (CONT'D)

#### Key Audit Matters (Cont'd)

#### Allowance for Expected Credit Losses (ECL) (Cont'd)

##### Key Audit Matter (Cont'd)

Inherently judgemental modelling was used to estimate ECL which involves determining Probabilities of Default (“PD”), Loss Given Default (“LGD”), Exposures at Default (“EAD”) and defining the criteria for increases in significant credit risk. The impact of COVID-19 on the economy has increased significantly the level of uncertainties. It remains unclear when the Global economy will fully recover from the COVID-19 pandemic. Reports of new waves and variants of the virus in many parts of the World are being followed up with further lockdown measures, which are adversely impacted economic activities and in many cases livelihood.

The Bank faced significant challenges to adapt its IFRS 9 modelling as compared to previous period so as to adequately fit the new Normal. In addition to the ECL framework, the Bank placed significant reliance on Management’s overlay given the environment of increased uncertainty and vulnerability as well as limited view of credit risks in its portfolio.

In applying the post model adjustments, the Bank used a portfolio segmentation approach on its various sectors of exposures in addition to a multiplier effect to overlay the modelled Expected Credit Loss. The multiplier was based on the Bank’s perception of risk by sector ranging from 1-8 according to the sectors resilience to COVID-19. *(Refer to note 4.1(b)).*

At December 31, 2021, the Bank reported total credit impairment of **SR 89.6m** (2020: SR 213.2m) out of which **SR 87.0m** (2020: SR 203.1m) was in respect of drawn loans and advances which represent an ECL cover ratio of 3.8% (2020: 7.6%).

#### How our audit addressed the key audit matter

With the assistance of our technical team we carried out the following tests to ensure reasonableness in the circumstances of the Bank’s ECL modelling and overlay:

##### ECL modelling framework

- Evaluated the appropriateness of the Bank’s IFRS 9 impairment methodologies;
- Reperformed and inspected model code for the calculation of certain components of the ECL model (including the staging criteria);
- Evaluated whether the changes were appropriate by assessing the updated IFRS 9 model methodology;
- Checked the reasonableness of the Bank’s considerations on the ECL impact of the current economic environment due to COVID-19;
- Sample-tested key inputs, data and assumptions impacting ECL calculations to assess the reasonableness of economic forecasts, weights, and model assumptions applied;
- We assessed whether the disclosures were appropriate addressed the uncertainties which existed when determining the ECL including sensitivity analysis done. In addition, we assessed whether the disclosure of the key judgements and assumptions made was sufficiently clear. *(Refer to note 4.1).*



## SEYCHELLES INTERNATIONAL MERCANTILE BANKING CORPORATION LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (CONT'D)

#### Key Audit Matters (Cont'd)

##### Allowance for Expected Credit Losses (ECL) (Cont'd)

##### How our audit addressed the key audit matter (Cont'd)

##### Management overlay

- We assessed the post-model overlay which were applied by the Bank as a response to ECL model framework shortfall due to COVID-19 related uncertainties;
- Scrutinised post model adjustments, considering the size and complexity of Management's adjustments with a focus on COVID-19 related ones, in order to assess the reasonableness of the adjustments by challenging key assumptions, inspecting the calculation methodology and tracing a sample of the data used back to their source;
- We assessed the critical accounting estimates and judgements proposed by Management;
- We also considered the completeness and appropriateness of these adjustments by reviewing the estimates, judgements, methodologies and governance applied;
- We also reviewed the assessment made by the Bank's Risk Management Committee (RMC) to ensure justification for the Management overlay.

#### Responsibilities of Directors and Those Charged with Governance 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 in compliance with the Companies Act, 1972, the Financial Institutions Act 2004, as amended and the Regulations and Directives of the Central Bank of Seychelles, and for such internal control as the Directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Bank'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 Bank or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Bank's financial reporting process.

#### 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 ISAs 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.



**SEYCHELLES INTERNATIONAL MERCANTILE BANKING CORPORATION LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (CONT'D)**

**Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)**

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism 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 Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.
- Conclude on the appropriateness of 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 Bank'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 Bank 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on Other Legal and Regulatory Requirements**

***Companies Act, 1972***

We have no relationship with, or interests in, the Bank, other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Bank as far as it appears from our examination of those records.



**SEYCHELLES INTERNATIONAL MERCANTILE BANKING CORPORATION LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (CONT'D)**

**Report on Other Legal and Regulatory Requirements (Cont'd)**

***Financial Institutions Act 2004, as amended and Regulations and Directives of the Central Bank of Seychelles***

The Financial Institutions Act 2004, as amended and Regulations and Directives of the Central Bank of Seychelles requires that in carrying out our audit, we consider and report to you the following matters. We confirm that:

- In our opinion, the financial statements have been prepared on a basis consistent with that of the preceding year and are complete, fair and properly drawn up and comply with the Financial Institutions Act 2004, as amended and Regulations and Directives of the Central Bank of Seychelles.
- The explanations or information called for or given to us by Management and employees of the Bank were satisfactory.
- The Bank did not carry out any fiduciary duties during the year under review.

**Other matters**

This report is made solely to the members of **SEYCHELLES INTERNATIONAL MERCANTILE BANKING CORPORATION LIMITED** as a body, in terms of our engagement to conduct the audit on their behalf. Our audit work has been undertaken so that we might state to the Bank's members those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Bank or the Bank's members as a body, for our audit work, for this report, or for the opinions we have formed.

Dated: 28 APR 2022  
Victoria, Seychelles

  
BDO ASSOCIATES  
Chartered Accountants

## SEYCHELLES INTERNATIONAL MERCANTILE BANKING CORPORATION LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2021

	Notes	2021 SR' 000	2020 SR' 000
<b>ASSETS</b>			
Cash and bank balances	5	4,820,745	5,882,705
Loans and advances	6	2,175,148	2,467,422
Investment in financial assets	7	2,613,705	2,128,781
Property and equipment	8	187,627	195,352
Intangible assets	9	5,913	9,989
Right-of-use assets	10(b)	25,369	30,105
Retirement benefit assets	11(a)	8,105	14,996
Deferred tax assets	12(b)	18,653	58,053
Other assets	13	38,271	40,356
<b>Total Assets</b>		<b><u>9,893,536</u></b>	<b><u>10,827,759</u></b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>LIABILITIES</b>			
Customers deposits	14	8,571,425	9,734,884
Borrowings	15	89,406	28,022
Retirement benefit obligation	11(a)	12,191	12,561
Current tax liabilities	16(a)	16,658	18,562
Other liabilities	17	58,743	94,789
<b>Total Liabilities</b>		<b><u>8,748,423</u></b>	<b><u>9,888,818</u></b>
<b>EQUITY</b>			
Share capital	18	100,000	100,000
Statutory reserve	19	100,000	100,000
Fair value reserve	20	207,325	295,220
Actuarial gains	20	1,214	5,919
Retained earnings		736,574	437,802
<b>Total Equity</b>		<b><u>1,145,113</u></b>	<b><u>938,941</u></b>
<b>Total Liabilities and Equity</b>		<b><u>9,893,536</u></b>	<b><u>10,827,759</u></b>
<b>CONTINGENT LIABILITIES</b>			
Guarantees, bills of collection, letters of credit, and other obligations on account of customers		486,887	593,291
Loan commitments	30(a)	521,102	412,106



## SEYCHELLES INTERNATIONAL MERCANTILE BANKING CORPORATION LIMITED

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2021

	Notes	2021 SR' 000	2020 SR' 000
Interest income	21	297,391	278,756
Interest expense	22	(40,570)	(45,371)
Net interest income		256,821	233,385
Fees and commission income	23	88,124	65,453
Fees and commission expense		(68,059)	(41,047)
Net fee and commission income		20,065	24,406
Net interest, fee and commission income		276,886	257,791
Net trading income	24	151,731	157,818
Other operating income	25	3,227	2,295
Exceptional income - collateral realised	26	-	144,960
Total operating income		431,844	562,864
Non-interest expense			
Other operating expenses	27	(90,752)	(94,498)
Depreciation of property and equipment	8	(12,416)	(12,268)
Amortisation of intangibles	9	(4,076)	(3,905)
Depreciation of right-of-use	10(b)	(4,105)	(2,607)
Total operating expenses		(111,349)	(113,278)
Operating profit before impairment		320,495	449,586
Expected credit loss credit/(charge)	29	123,586	(180,870)
Profit before tax		444,081	268,716
Tax expenses	16(b)	(145,309)	(51,341)
Profit for the year		298,772	217,375
Other Comprehensive Income			
Items that will be reclassified to Statement of Profit or Loss			
Reserve on property foreclosed	26	-	(124,600)
Items that will not be reclassified to Statement of Profit or Loss			
Remeasurement of retirement benefit obligations (RBO)	11(c)	(7,023)	12,890
Deferred tax effect on remeasurement of RBO	12(b)	2,318	(4,254)
Net change in fair value of financial assets at FVTOCI	7(a)(ii)	(87,895)	128,704
Other Comprehensive Income net of tax for the year		(92,600)	12,740
Total Comprehensive Income for the year		206,172	230,115