SEYCHELLES FISHERIES AUTHORITY

Directors' Report & Audited Financial Statement

For the year ended December 31, 2025

SEYCHELLES FISHERIES AUTHORITY

AUDITED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2025

SEYCHELLES FISHERIES AUTHORITY

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SEYCHELLES FISHERIES AUTHORITY

CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Mr. Radley Weber (Chairman) Mr. Aubrey Harris (Vice-Chair) Mr. Beatty Hoarau Mr. Roy Clarisse Mr. Franky Laporte Mr. Joseph Tirant Mr. Marc Gonthier Mr. Antoine Barbe
CHIEF EXECUTIVE OFFICER		Dr. Jan Robinson
SECRETARY	:	Ms. Tassiana Rosalie Azer Corporate
REGISTERED OFFICE	:	P.O. Box 449, Fishing Port, Mahé, Seychelles
AUDITORS	:	SKS Chartered Accountants Providence, Oceanic Motors Building Second Floor, Room No. F2-1 Mahé, Seychelles

DIRECTORS' REPORT

The Board of Directors is pleased to submit its report together with the audited financial statements of the SEYCHELLES FISHERIES AUTHORITY ("the Authority") for the year ended December 31, 2025.

PRINCIPAL ACTIVITIES

The Authority is a parastatal organization which functions as the executive arm of the Government of Seychelles for fisheries and related matters. There has been no significant change in the nature of these activities during the financial year under review.

RESULTS

	2025	2024
	SR	SR
Surplus/(Deficit) for the year	**78,900,290**	(9,414,757)

DIVIDENDS

An Interim dividend of SR 35 million was declared and paid during the year (2024: SR 25 million). The Shareholder requested a futher dividend of SR 10 million for the financial year under review. The Board of Directors approved the request of SR 10 million for that financial year. (2024: SR Nil).

PROPERTY, PLANT AND EQUIPMENT

Movements of SR. 12m to property, plant and equipment during the year comprised buildings, office and research equipment, motor vehicles and ice plants (2024: SR. 29m).

Property, plant and equipment are stated at cost less accumulated depreciation. Due to certain discrepancies inherited from the prior years and a delay in revaluation of properties, Directors are not in a position to confirm whether the carrying amount of property, plant and equipment at the balance sheet date approximates its fair value.

DIRECTORS AND DIRECTORS' INTEREST

The Directors of the Authority appointed by the President of Seychelles since the date of the last report and the date of this report are as stated in the corporate information.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Board of Directors is responsible for policy, control and the overall management of the affairs of the Authority including the operations of the Authority and making investment decisions.

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with requirements of the Seychelles Fisheries Authority Act, 2024, Public Finance Management Act 2012 and the Public Enterprise Monitoring Commission ('PEMC') Act, 2013 and as amended to Public Enterprise Act, 2023.

The PEMC Act, 2013 and as amended to Public Enterprise Act, 2023 requires the Authority to state whether its financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS'). The Board of Directors recognizes the challenges faced by the management and of the financial affairs of SFA during the year under review. These challenges are attributed primarily during the migration of the Chart of Accounts as of 1st January 2019, from the Treasury Department to Finance Department of SFA when SFA became an autonomous institution. There were a number of outstanding legacy issues that the Finance Department of the Authority has been trying to rectify. As a consequence of audits and reconciling the accounts, the vast majority of these items have been identified and appropriate action taken to clean up the books of the Authority.
The main item that remains to be addressed is the fixed assets and the associated accounts namely depreciation, amortisation and deferred grants, for which work has already started.
As part of the process towards IFRS compliance, the Authority has started upgrading the accounting system in 2024, revamping the Chart of Accounts in 2024 and sent staff members of the Finance Department to South Africa in January 2025 for foundation training.
Consequently, the financial statements have been prepared in accordance with Generally Accepted Accounting Standards in Seychelles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies that fall within the accounting policies adopted by the Authority; and making accounting estimates that are reasonable in the circumstances. The Board of Directors has the general responsibility of safeguarding the assets, both owned by the Authority and those that are held in trust and used by the Authority.

The Directors consider they have met their aforesaid responsibilities.

GOING CONCERN

The Directors believe that the Authority 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 Authority is in a sound financial position to meet its foreseeable cash requirements. The Directors are not aware of any new material changes that may adversely impact the Authority. 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 Authority's ability to continue as a going concern.

AUDITORS

The retiring auditors, Messrs. SKS Chartered Accountants, being eligible offer themselves for re-appointment.

BOARD APPROVAL

Mr. Radley Weber **Chairman**	Mr. Aubrey Harris **Vice-Chair**	Mr. Beatty Hoarau **Director**	Mr. Roy Clarisse **Director**
Mr. Franky Laporte **Director**	Mr. Joseph Tirant **Director**	Mr. Marc Gonthier **Director**	Mr. Antoine Barbe **Director**

Dated: May 29, 2026

Mahé, Seychelles

CHARTERED ACCOUNTANTS

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SEYCHELLES FISHERIES AUTHORITY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

This report is made solely to the members of SEYCHELLES FISHERIES AUTHORITY (hereafter referred to as the "Authority"), 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 Authority's members those matters which we are required to state to them in an auditors' 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 Authority or the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the audit of the Financial Statements

We have audited the financial statements of SEYCHELLES FISHERIES AUTHORITY set out on pages 4 to 30 which comprise the Statement of Financial Position as at December 31, 2025, 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.

Qualified Opinion

In our opinion, except for the financial effect, if any, as might have been determined to be necessary in respect of matters (i) to (iv) discussed under Basis for Qualified Opinion paragraph, the financial statements set out on pages 4 to 30 give a true and fair view of the financial position of the Authority at December 31, 2025 and of its financial performance and its cash flows for the year then ended in accordance with requirements of the Seychelles Fisheries Authority Act, 2024, the Public Enterprise Monitoring Commission ('PEMC') Act, 2013 and as amended to Public Enterprise Act, 2023 and Generally Accepted Accounting Standards in Seychelles.

Basis for Qualified Opinion (Cont'd)

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 Authority 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.

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Basis for Qualified Opinion

(i) **Property, Plant and Equipment**

(a) The Authority does maintain a fixed assets register and the Authority is recording its current acquisition and disposal of fixed assets. However, opening balances of cost and depreciation of Property, plant and equipment reported in the financial statements does not reconcile with records maintained by the Authority and these challenges are attributed primarily during the migration of the Chart of Accounts as of 1st January 2019, from the Treasury Department of the Ministry of Finance to the Finance Department of Authority when the SFA became an autonomous institution.

(b) No impairment exercise was carried out by the Authority during the financial year under review.

(c) Prior to the year 2024, Useful lives of assets acquired from Grants are not as per certification of project division in certain cases and depreciation on such assets is not matched with the amortisation credited to the Statement of Profit and loss to nullify the impact of the depreciation charge.

(d) An independent complete fixed assets valuation exercise is due to be carried out.

Due to matters stated in paras (a) to (d), we could not conclude whether the balance of Property, Plant and Equipment stated in these financial statements is free from material misstatements.

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Basis for Qualified Opinion (Cont'd)

(ii) **Trade and other receivables**

Trade and other receivables include a total amount of SR 13.4m for Value Added Tax (VAT) under claim of VAT input on certain expenses. This balance has been accumulating over several periods. The Management is of the opinion that the balance is fully recoverable and has submitted a comprehensive VAT claim with the Seychelles Revenue Commission (SRC). On March 11, 2026 the SRC refunded SR 3,748,422.93 to the Authority for VAT claims. The Authority is continuously liaising with the SRC to recover the full VAT claims receivable.

The Authority has been recognising provisions for credit impairment in bulk over the past periods instead of providing them as and when they are actually due to be made. The Authority does not have effective policies and procedures to fall in line with the requirement of IFRS 9 in future.

(iii) **Deferred grants**

Balance in Deferred grants should represent unamortised balance of depreciation due to be charged on assets acquired through various Grants and complete details of movements in such grants should be available for our verification. The records maintained by the Authority does not demonstrate the matching of depreciation charged on such assets with the credit of amortisation to the Statement of profit or loss to balance each grant.

(iv) **Depreciation charge of SR 20,630,243 and amortisation from deferred grants of SR 13,030,097**

Prior to the year 2024, Rates of Depreciation applied to Property, plant and equipment acquired from Grants do not match with the Amortisation of Grants to reverse the impact of depreciation charged. Since they are not consistently applied, this would create a mismatch between the net book value of Property, plant and equipment and amortisaton of Deferred Grants systematically.

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Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The Board of Directors is responsible for keeping proper accounting records and for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions of the Seychelles Fisheries Authority Act, 2024, Public Finance Management Act 2012 and the Public Enterprise Monitoring Commission ('PEMC') Act, 2013 and as amended to Public Enterprise Act, 2023 and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and ensure that the financial statements give a true and fair view of the Authority's affairs. In preparing the financial statements, the Board is also responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Those charged with governance are responsible for overseeing the Authority'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.

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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 Authority'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 Authority'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 Authority 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (CONT'D)

Report on Other Legal Regulatory Requirements

Public Enterprise Monitoring Commission ('PEMC') Act, 2013 and as amended to Public Enterprise Act, 2023

We have no relationship with, or interests, in the Authority 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.

Except for the matters discussed in the Basis for Qualified opinion set out on pages 3 to 3 (c) of this audit report, in our opinion, proper accounting records have been kept by the Authority as far as it appears from our examination of those records.

SKS

Chartered Accountants

CHARTERED ACCOUNTANTS REGISTERED AUDITORS SKS

SKS CHARTERED ACCOUNTANTS

Dated: May 29, 2026

Mahé, Seychelles

STATEMENT OF FINANCIAL POSITION - AS AT DECEMBER 31, 2025

	Notes	2025 SR	2024 SR
ASSETS			
Non current assets			
Property, plant and equipment	5	**237,634,589**	246,066,146
Capital work in progress	6	**39,904,018**	34,412,214
Investments	7	**54,986**	54,986
Fisheries Development Fund	8	**63,624,000**	64,262,743
		341,217,593	344,796,089
Current assets			
Inventories	9	**677,710**	428,546
Trade and other receivables	10	**31,084,859**	35,439,087
Cash and cash equivalents	11	**450,735,893**	364,386,891
		482,498,462	400,254,524
Total assets		**823,716,055**	745,050,613
EQUITY AND LIABILITIES			
Equity and reserves			
Assigned capital	12	**1,122,800**	1,122,800
Retained surplus		**321,415,143**	287,514,853
		322,537,943	288,637,653
Non-current liabilities			
Deferred grants	13	**202,861,689**	211,197,403
Credits held for future projects	14	**88,821,564**	73,668,313
Funds held under Fisheries Development Fund	8	**63,624,000**	64,262,743
Employee benefit obligations provision	15	**26,556,716**	21,385,986
		381,863,969	370,514,445
Current liabilities			
Other payables, accruals and provisions	16	**119,314,143**	85,898,515
Other liabilities		**-**	-
Tax provision	17	**-**	-
		119,314,143	85,898,515
Total liabilities		**501,178,112**	456,412,960
Total equity and liabilities		**823,716,055**	745,050,613

These financial statements have been approved for issue by the Board of Directors on May 29, 2026

Mr. Radley Weber **Chairman**	Mr. Aubrey Harris **Vice-Chair**	Mr. Beatty Hoarau **Director**	Mr. Roy Clarisse **Director**
Mr. Franky Laporte **Director**	Mr. Joseph Tirant **Director**	Mr. Marc Gonthier **Director**	Mr. Antoine Barbe **Director**

The notes on pages 8 to 30 form an integral part of these financial statements
Auditors' report on page 3 and 3(e).

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2025

	Notes	2025	2024
		SR	SR
Revenue	18	287,841,270	221,105,061
Other income	19	7,298,841	6,753,048
Grant utilised		28,701,286	23,745,631
		323,841,397	251,603,740
Employee costs	20	(107,063,775)	(96,847,713)
Operating and other expenses	21	(67,151,904)	(71,191,703)
Research and development costs	22	(8,775,090)	(4,813,297)
Monitoring control, surveillance, and enforcement costs	23	(10,431,522)	(10,368,605)
Fisheries facilities development	24	(58,782,665)	(67,942,586)
Foreign exchange gain/(loss)		14,863,995	525,168
Surplus before depreciation and amortisation		86,500,436	965,004
Amortisation of deferred grants	13	13,030,097	12,482,550
Depreciation	5	(20,630,243)	(22,862,311)
Surplus before taxation		78,900,290	(9,414,757)
Taxation		-	-
Surplus/(Deficit) for the year		78,900,290	(9,414,757)

The notes on pages 8 to 30 form an integral part of these financial statements
Auditors' report on page 3 and 3(e).

STATEMENT OF CHANGES IN EQUITY - FOR THE YEAR ENDED DECEMBER 31, 2025

	Assigned capital	Retained surplus	Total
	SR	SR	SR
At January 1, 2024	1,122,800	321,929,610	323,052,410
Surplus for the year	-	(9,414,757)	(9,414,757)
Dividends	-	(25,000,000)	(25,000,000)
At December 31, 2024	1,122,800	287,514,853	288,637,653

	Assigned capital	**Retained surplus**	**Total**
	SR	**SR**	**SR**
At January 1, 2025	**1,122,800**	**287,514,853**	**288,637,653**
Surplus/(Deficit) for the year	**-**	**78,900,290**	**78,900,290**
Dividends	**-**	**(45,000,000)**	**(45,000,000)**
At December 31, 2025	**1,122,800**	**321,415,143**	**322,537,943**

The notes on pages 8 to 30 form an integral part of these financial statements
Auditors' report on page 3 and 3(e).

STATEMENT OF CASH FLOWS - FOR THE YEAR ENDED DECEMBER 31, 2025

	Notes	2025	2024
		SR	SR
OPERATING ACTIVITIES			
Surplus/(Deficit) for the year		**78,900,290**	(9,414,757)
Adjustments for:			
Depreciation of property, plant and equipment	5	**20,630,243**	22,862,311
Amortisation	13	**(13,030,097)**	(12,482,550)
Movement in credit impairment provision	10	**(2,060,801)**	5,094,416
Movement in employee benefit obligations provision	15	**10,012,687**	6,026,761
Operating profit before working capital changes		**94,452,322**	12,086,181
Changes in working capital:			
Inventories	9	**(249,164)**	358,291
Trade and other receivables	10	**6,415,029**	(13,213,415)
Other liabilities		**-**	(1,580,117)
Other payables and accruals	16	**33,415,628**	62,352,197
		134,033,815	60,003,137
Taxation paid	17	**-**	-
Net cash inflow from operating activities		**134,033,815**	60,003,137
INVESTING ACTIVITIES			
Movements to property, plant and equipment	5	**(12,198,686)**	(29,302,318)
Movements in capital work in progress	6	**(5,491,804)**	10,733,961
Net cash outflow from investing activities		**(17,690,490)**	(18,568,357)
FINANCING ACTIVITIES			
Grants received	13	**4,694,383**	1,154,814
Grants adjustment for prior period	13	**-**	-
Movement in credits held for future projects	14	**15,153,251**	18,718,117
Employee benefits paid during the year	15	**(4,841,957)**	(3,958,802)
Dividends paid		**(45,000,000)**	(25,000,000)
Net cash outflow from financing activities		**(29,994,323)**	(9,085,871)
Net change in cash and cash equivalents		**86,349,002**	32,348,909
Movement in cash and cash equivalents			
At January 1,	11	**364,386,891**	332,037,982
Movement during the year		**86,349,002**	32,348,909
At December 31,	11	**450,735,893**	364,386,891

The notes on pages 8 to 30 form an integral part of these financial statements
Auditors' report on page 3 and 3(e).

1. GENERAL

Seychelles Fisheries Authority is incorporated by statute (Seychelles Fisheries Authority Act, 2024) with the aim of developing the industry to its fullest potential and to safeguard the resource base for sustainable development.

These financial statements will be submitted for consideration and approval at the forthcoming Annual General Meeting of Board of Directors of the Authority.

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES

A summary of the significant accounting policies, which have been applied consistently, are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the Authority have been prepared in accordance with requirements of the Seychelles Fisheries Authority Act, 2024 and Generally Accepted Accounting Standards in Seychelles. Where necessary comparative figures have been amended to conform with change in presentation in current year. The financial statements are prepared under the historical cost convention.

(a) Accounting convention

The financial statements of the Authority have been prepared in accordance with Generally Accepted Accounting Standards in Seychelles and comply with the requirements of the Seychelles Fisheries Authority Act, 2024, Public Financial Management Act, 2012 and Public Finance Management Regulations 2014. The PEMC Act 2013 and as amended to Public Enterprise Act, 2023 requires that every public enterprise should prepare its financial statements in accordance with International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Standards Interpretations Committee (the "Committee"). The Board of Directors recognizes the constraints moving towards IFRS. Consequently, the financial statements have been prepared in accordance with Generally Accepted Accounting Standards in Seychelles.

(b) Reporting and functional currency

The reporting and functional currency of the Authority is Seychelles Rupee ("SR"), as most of the transactions are incurred in Seychelles Rupees.

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *Continued*

2.2 Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value recognised at the date of acquisition. Initial cost of property, plant and equipment comprises its purchase price and any attributable costs of bringing the asset to its working condition for its intended use. Such cost also includes the cost of replacing components of the property, plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost can be reliably measured.

Properties in the course of construction for operation purposes are carried at cost less any recognised impairment loss. Cost includes professional fees for qualifying assets and capitalised only if the project is viable and the Authority would pursue it further. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Costs incurred for major maintenance are recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are charged to the statement of profit or loss.

Depreciation of property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual values over their expected useful lives as follows:

Leasehold buildings	50 years
Furniture and office equipment	3 to 10 years
Motor vehicles	4 years
Computer equipment	5 years
Ice plant	10 years
Boats	10 years

An item of property, plant and equipment and any significant part that was initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or following disposal.

Gains or losses arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *Continued*

2.3 Investments

Investments classified as non-current are carried at cost, less amounts written off to recognize other than temporary declines in the values of the investments.

2.4 Inventories

Inventories comprising fuel and equipment, are stated at the lower of cost (determined on a first in first out basis) and net realisable value. Net realisable value is the estimated selling price in ordinary course of business and applicable variable selling expenses. Net realisable value is determined after review of individual items of inventories by management for any required impairment. Marine chandlery received as part of foreign aid are stated at values per the aid agreement.

Provisions are made for obsolete inventories based on Management's appraisal.

2.5 Grants and credit for future projects

Grants are recognized at the fair value in statement of profit or loss where there is reasonable assurance that the grant will be received, and the Authority has complied with their attached conditions. Grants received where the authority has yet to comply with the attached conditions are recognized as deferred income and released to income when all attached conditions have been complied with.

Subventions and grants are recognized in the income statement as follows:

- Grant towards acquisition of a property, plant and equipment are amortized over estimated useful lives of assets.
- Grant for recurrent expenditure is credited to revenue on an accrual basis.
- Grants from donors for development and other expenditure is offset against approved costs.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, at banks and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, against which the bank overdrafts, if any, are deducted. Overdrafts are shown within borrowings under current liabilities on the Statement of Financial Position.

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *Continued*

2.7 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Authority will not be able to collect all amounts due according to the original terms of receivables.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognised in the statement of profit or loss. The carrying amount of trade and other receivables approximate their fair value.

2.8 Deferred Grants

Grants from Government, International Organisations and third parties are recognised where there is reasonable assurance that the grant will be received and on compliance with all the attached conditions thereof. Grants are classified as current and non-current based on their expected utilisation pattern.

When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Where the grant relates to an asset, it is recognised as deferred income in the Statement of Financial Position until it is complete for intended use and then recognised in the statement of profit or loss as Grants Income.

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *Continued*

2.9 Employee benefits obligations

Provision is made for the end of service benefits due to employees in accordance with current applicable Labour Laws for their periods of service up to the reporting date. The provision for the end of service benefits is calculated annually based on their current basic remuneration.

Defined benefit plans

A defined benefit plan is a post-employment benefit other than a defined contribution plan. The Corporation currently operates an unfunded scheme for employees' end of service benefits that follows relevant local regulations and is based on periods of cumulative service and levels of employees' final basic salaries. The liability for staff terminal benefits is determined as the liability that would arise if employment of all staff was to be terminated at reporting date. Provision for post-employment benefits with respect to long service compensation commences and recognized as soon as the employees meet the eligibility criteria specified under the Seychelles Employment Act with respect to completion of 5 years of continuous employment.

At the end of each reporting period, accumulated post-employment benefits are measured in line with the applicable regulations for completeness. Shortfall, if any, is provided by a charge to the statement of profit or loss. Further provision is required for past services in the year if there is an increase in basic salary since the effect of the increased salary would impact the existing provision. Provision is reversed to the statement of profit or loss when an employee defaults on the eligibility criteria at the time or before termination of his employment. The liability recognized in the statement of financial position is the present value of the defined obligation at the reporting date.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Authority pays fixed contributions to the Seychelles Pension Fund and the Authority has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit or loss in the periods during which services are rendered by employees.

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *Continued*

2.10 Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether claimed by the supplier or not.

Monies received in advance for goods or services to be provided subsequent to the year-end are recognised as advances from customers in current liabilities.

The carrying amounts of trade and other payables approximate their amortised cost.

2.11 Provisions

Provisions are recognised when the Authority has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Authority expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss net of any reimbursement.

2.12 Current and deferred taxation

Business tax expense comprises current and deferred tax. Current tax is recognised in profit or loss. Current tax is the expected tax payable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current tax is the amount of tax payable on certain specific incomes (net of related expenses) derived by the Authority during a financial year and certain incomes and expenses being exempt for tax purposes. Tax charge is computed based on the guidelines provided by the Revenue Authorities since the Business Tax Act, 2009 does not clearly set out regulations relating to certain activities carried out by the Authority. No provision is made in these financial statements for deferred tax.

2.13 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position when the Authority has a legally enforceable right to set off the recognised amounts and the Authority intends either to settle on a net basis, or to realise the asset and liability simultaneously.

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *Continued*

2.14 Foreign currencies

Transactions in foreign currencies are translated to Seychelles Rupees at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to Seychelles Rupees at the exchange rate at that date. Foreign currency gains or losses on monetary items are the differences between the amortised cost in Seychelles Rupees at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on the translation are recognised in the statement of profit or loss.

2.15 Contingent liabilities

A contingent liability is disclosed when the Authority has a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Authority; or when the Authority has a present legal or constructive obligation, that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *Continued*

2.16 Revenue recognition

Revenue is recognised when the performance obligation is being satisfied. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

(i) Subvention

Subvention is recognized as it accrued on monthly basis.

(ii) Rental income

Rental income is recognized on accrual basis unless collectability is in doubt.

(iii) Other income

Other income is recognized on the accrual basis. Net gains and losses on the disposal of property, plant & equipment, after deducting from proceeds on disposals, the carrying amount of the assets and related selling expenses.

(iv) Government grants

Grants that are received for compensation of expenses or losses already incurred, or for the purpose of giving immediate financial support to the Authority with no future related costs, are recognised in the statement of profit or loss in the period in which reasonable assurance is established that the entity will comply with the conditions attached to the Grant and that the Grant will be received.

Grants that compensate the Authority for expenses to be incurred are initially recognised in the statement of financial position as a deferred income. Subsequent to initial recognition, such grants are recognised in the statement of profit or loss as Grants Income.

2.17 Assigned Capital

The Authority received contributions from the Government of Seychelles for certain assets on inception, there have been no further subsequent movements in this balance and have been classified as Assigned Capital representing contribution other than cash from the owner of the Authority.

3. RISK MANAGEMENT

3.1 Financial risk management objectives and policies

The activities of the Authority expose it to different financial risks, market risks (including currency and fair value interest risk), credit and liquidity risk. The Board of Directors have the overall responsibility for the establishment, overseeing and monitoring of the Authority's risk management framework and are assisted by the senior management. Senior management is responsible for designing, developing, and monitoring the Authority's risk management policies, which are approved by the Board of Directors.

The Authority's risk management policies are established to identify and analyse the risks faced by the Authority, focusing on the unpredictability of financial markets, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Authority's activities and its role in the Republic of Seychelles. The Authority, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The following are the Authority's exposures to each of the above risks, the Authority's objectives, policies, and processes for measuring and managing risk, and the Authority's management of capital. Further quantitative disclosures are included throughout these financial statements.

(a) **Foreign currency risk**

Foreign currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates and can arise on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Authority is exposed to currency risk arising from future commercial transactions and liabilities that are denominated in currencies other than the functional currency. The currencies in which these transactions are primarily denominated are Euro ("EUR") and United States Dollar ("USD"). The Authority aims to aggregate a net position for each currency. Foreign currency risk is not hedged.

(b) **Credit risk**

The Authority's credit risk arises when a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Authority's receivables from trade and other receivables. The Authority establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets and the current economic environment.

4. SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

The preparation of the Authority's financial statements requires management to make estimates, judgments and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the process of applying the Authority's accounting policies, management has made the following estimates and judgments, which have the most significant effect on the amounts recognised in the financial statements:

4.1 *Impairment of assets*

Decline in the value of property, plant and equipment could have a significant effect on the amounts recognised in the financial statements. Management assesses the possible impairment of property, plant and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important that could trigger an impairment review include:

(i) Significant change in the useful life which would be expected from the passage of time or normal use.

(ii) Evidence that the performance of the plant and equipment could have a negative impact on the operating results, hence the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself.

4. SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS *Continued*

4.2 *Depreciation policies*

Property, plant and equipment are depreciated to their residual values over their estimated useful lives. The residual value of an asset is the estimated net amount that the Authority would currently obtain from its disposal, if the asset was already of the age, and in condition expected at the end of its useful life. The Board of Directors therefore make estimates based on historical experience and use their best judgment to assess the useful lives of assets and to forecast their expected values at the end of their expected useful lives.

4.3 *Estimated useful lives of property, plant and equipment*

Estimated useful lives and residual values of property, plant and equipment are assigned based on the intended use of the respective assets and their economic lives. Subsequently, if there are changes in circumstances, such as technological advances or prospective utilisation of the assets concerned that could result in the actual useful lives or residual values differing from initial estimates, the estimated useful lives and residual values need to be adjusted in line with the current circumstances. The Board of Directors review the residual values and useful lives of major items of property, plant and equipment and determine necessary adjustments.

4.4 *Limitation of sensitivity analysis*

Sensitivity analysis demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Authority's assets and liabilities are actively managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Authority's views of possible near-term market changes that cannot be predicted with any certainty.

5. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Office and research equipment	Ice plants	Boats and motor vehicles	TOTAL
	SR	SR	SR	SR	SR
COST					
At January 1, 2024	265,637,856	89,901,605	70,549,475	26,326,623	452,415,559
(a) * Net movement for the year 2023					828,272
* Net movement for the year 2024					29,302,318
Balance at December 31, 2024	**265,637,856**	**89,901,605**	**70,549,475**	**26,326,623**	**482,546,149**
(a) * **Net movement for the year**					**12,198,686**
Balance at December 31, 2025	**265,637,856**	**89,901,605**	**70,549,475**	**26,326,623**	**494,744,835**
ACCUMULATED DEPRECIATION					
At January 1, 2024	48,864,363	56,477,269	59,896,538	21,165,394	186,403,564
(a) * Net movement for the year 2023					27,214,128
* Net movement for the year 2024					22,862,311
Balance at December 31, 2024	**48,864,363**	**56,477,269**	**59,896,538**	**21,165,394**	**236,480,003**
(a) * **Net movement for the year**					**20,630,243**
Balance at December 31, 2025	**48,864,363**	**56,477,269**	**59,896,538**	**21,165,394**	**257,110,246**
NET BOOK VALUE					
At December 31, 2025	**216,773,493**	**33,424,336**	**10,652,937**	**5,161,229**	**237,634,589**
At December 31, 2024	216,773,493	33,424,336	10,652,937	5,161,229	246,066,146

(a) Note that prior to the financial year 2024, the Authority was unable to provide proper Fixed Assets Register reconciling the addition movements, disposal movements and depreciation movements of Property, plant and equipment with the closing balances of signed Audited Financial Statements 2022 & 2023. Due to the this situation and the lack of segmentation of the opening balances brought forward for the financial years 2024 & 2025, the closing balances of Cost and Accumulated Depreciation for the financial year 2025 could not be segmented into classes of assets. Segmentation began in 2025, the exercise is expected to be completed in 2026.

6. CAPITAL WORK IN PROGRESS

	2025	2024
	SR	SR
At January 1	34,412,214	45,146,175
Adjustment In the Account	(633,442)	-
Expenditure during the period	8,880,257	12,650,459
Capitalised during the year	(2,755,011)	(23,384,420)
At December 31	39,904,018	34,412,214

7. INVESTMENTS

	2025	2024
Financial assets at amortised cost:	SR	SR
Ordinary shares (unquoted) in:		
Indian Ocean Marine Limited	29,986	29,986
Praslin Ocean Farm Limited	25,000	25,000
At December 31	54,986	54,986

8. FISHERIES DEVELOPMENT FUND

The Fisheries Development Fund is a revolving fund, and its purpose is to finance the development of the economy of local fishing industry in Seychelles. The loan portfolio is funded by the SEYCHELLES FISHERIES AUTHORITY and the loan portfolio is administered by the Development Bank of Seychelles. These loans are granted over 1 to 10 years and bear interest at rate of 3% per annum.

Based on the signed audited financial statements of the Fund obtained from the Fund Administrator Development Bank of Seychelles, the Authority's financial statements were adjusted to align with the draft audited financial statements.

	2025	2024
	SR	SR
Movements in the Fund reported under non-current assets:		
Balance held with Development Bank of Seychelles	28,332,662	26,154,649
Loans and receivables	33,647,982	38,313,298
Receivable from Development Bank of Seychelles	1,895,589	52,228
Payables and accruals	(188,170)	(190,339)
EU retention fee payable	(64,063)	(67,093)
	63,624,000	64,262,743
Analysed as under:		
Funds under management	66,213,891	66,213,891
Revenue deficit	(2,589,891)	(1,951,148)
	63,624,000	64,262,743

8. FISHERIES DEVELOPMENT FUND (CONT'D)

	2025	2024
	SR	SR
LOANS AND RECEIVABLES		
Loans and receivables	49,817,864	52,677,828
Less: interest in suspense	(4,441,509)	(4,441,509)
Less: allowance for credit impairment	(11,728,373)	(9,923,021)
	33,647,982	38,313,298

	2025	2024
	SR	SR
Allowance for credit impairment		
At January 1,	9,923,021	10,163,852
Charge/(Credit) for the year	1,805,352	(240,831)
At December 31,	11,728,373	9,923,021

9. INVENTORIES

	2025	2024
	SR	SR
At cost:		
Fuel	436,803	218,568
Stationery & consumables	240,907	209,978
	677,710	428,546

10. TRADE AND OTHER RECEIVABLES

	2025	2024
	SR	SR
Gross trade receivables	40,785,856	46,720,736
Less: provision for credit impairment (note (a))	(12,980,064)	(15,040,865)
Net trade receivables	27,805,792	31,679,871
Prepayments	-	-
Due from Government of Seychelles	-	-
Other receivables	3,279,067	3,759,216
	31,084,859	35,439,087

(a) As at December 31, 2025, trade receivables other than those for which provision for credit impairment was made in these financial statements were not fully impaired.

11. CASH AND CASH EQUIVALENTS

	2025	2024
	SR	SR
Cash on hand	98,000	144,649
Bank balances	383,032,856	303,971,705
Bank balances with CBS	67,605,037	60,270,537
	450,735,893	364,386,891

12. ASSIGNED CAPITAL

	2025	2024
	SR	SR
Assets from government on inception	1,122,800	1,122,800

The Authority received contributions from the Government of Seychelles for certain assets at its inception to which there were no further movements to this which was classified as Assigned Capital representing contribution other than cash from the owner of the Authority.

13. DEFERRED GRANTS

	2025	2024
	SR	SR
Deferred Grants for Property, plant and equipment		
At the beginning of the year	211,197,403	222,525,139
Received from others	-	-
Movements in account	4,694,383	1,154,814
	215,891,786	223,679,953
Less: Amortisation for the year	(13,030,097)	(12,482,550)
Adjustment for prior year	-	-
At the end of the year	202,861,689	211,197,403
Analysed as:		
European Union	123,312,598	127,488,318
Japanese Corporation	77,519,137	81,821,232
African Development Bank	1,242,919	1,337,004
Government and other projects	787,035	550,849
	202,861,689	211,197,403

14. CREDITS HELD FOR FUTURE PROJECTS

	2025	2024
	SR	SR
Source of funding for future projects		
European Union	65,978,302	58,363,614
ALDFG project	54,944	54,944
TNC - TUNA fisheries project	59,171	59,171
Far Fish project	177,385	447,429
Future Oceans 5 project	-	56,887
Seyccat Octopus project	430	17,291
Other projects	22,551,332	14,668,977
	88,821,564	73,668,313

European Union

The Authority is responsible for managing the fishing licenses agreement between the European Union and the Government of Seychelles and overseeing the compliance of conditions stipulated in the agreement. Funds received were utilized to support the development of sustainable fisheries policy and fisheries infrastructure. The European Union is also the main source of finance for major projects such Onshore facilities which were completed during the year.

Japanese Corporation

The Japanese Government awarded a grant to the Government of Seychelles consisting mainly of main Providence fishing quay, equipment, and fishing gear. The Authority is responsible for managing the equipment, and disposal of the fishing gear and for the management of the proceeds in accordance with the conditions of the grant. At the end of 2014, the unutilized credits were still being held by the Ministry of Finance.

Other projects

Multiple minor grants were received in the year. Funds received were utilized for consultancy services and other miscellaneous expenditure.

15. EMPLOYEE BENEFIT OBLIGATION PROVISION

	2025	2024
	SR	SR
Movements during the year:		
At January 1,	**21,385,986**	19,318,027
Provision made for the year (note 20)	**10,012,687**	6,026,761
Paid during the year	**(4,841,957)**	(3,958,802)
At December 31,	**26,556,716**	21,385,986

This represents provision for employee benefit obligations arising on account of gratuity based on the regulations applicable to parastatal organisations and length of service severance compensation based on the applicable regulations of Seychelles Employment Act, 1999 (as amended).

16. OTHER PAYABLES, ACCRUALS AND PROVISIONS

	2025	2024
	SR	SR
License fees received in advance	**72,104,892**	45,226,690
Annual leave provision	**3,688,830**	4,464,619
Accrued expenses and other payables	**43,589,459**	35,917,447
Provision for movement to Headquarters	**-**	-
VAT payable	**(69,038)**	289,759
	119,314,143	85,898,515

17. TAX PROVISION

	2025	2024
	SR	SR
(a) Tax Liability		
At January 1,	-	-
Prior year taxes paid	-	-
Reversal of excess provision made in prior years	-	-
Tax expense (note (b))	-	-
At December 31,	-	-
(b) Tax Charge		
Current tax based on the profit for the year (notes c, d and e)	-	-
Corporate social responsibility tax (note (e))	-	-
Reversal of excess provision made in prior year	-	-
	-	-

17. TAX PROVISION *Continued*

(c) Tax rates

Based on taxable income:	2025	2024
On first SR. 1 million of taxable income	15%	15%
On excess of SR. 1 million of taxable income	25%	25%

(d) Basis and application of tax

Based on the applicable regulations of Business Tax Act, 2009 (as amended), not all revenues of the Authority are taxable. The Authority obtained specific guidelines from the Revenue Authorities who confirmed that the following revenue streams are taxable and other revenue streams are exempt from Business Tax:

(i) Taxable revenue streams comprised sale of ice, fuel, lubricants, and other related activities, net repairs, income from leasing properties and rental income derived from container and gears storage.

(ii) Expenses incurred by the Authority directly to earn the above specific incomes are allowable to be set off against those specific incomes to arrive at the taxable profits.

(iii) Depreciation is allowable on assets that have a useful life exceeding one year and are used, available for use or held wholly or partly to derive taxable business income.

(iv) Incomes of the Authority that are taxable and included in turnover are subject to Value Added Tax (VAT). Input VAT is also allowed on the expenses attributable specific to those expenses subject to applicability of VAT on the category of such expenses, as applicable.

Applicable rates of tax are applied on the taxable income without considering exempt incomes and expenses in the tax computation.

The Authority needs to obtain guidance from Seychelles Revenue Commission whenever there is a new source of revenue received to ensure complete compliance of the applicable regulations.

18. REVENUE

	2025	2024
	SR	SR
Income for ice operations	5,250,428	4,986,309
Income from sea cucumber fishery	1,684,916	1,320,638
Net and container fees	5,324,745	4,128,118
Seaman Fishing Protocol	1,517,008	2,712,382
Registration & license fee (local)	906,550	883,650
Registration & license fee (foreign)	113,646,111	56,730,006
Sectoral support program	37,675,250	36,999,750
VMS management and communication fee	202,625	314,797
Rental	7,443,767	4,389,949
Sale of fuel	31,601,512	36,271,260
Fuel incentive received	21,894,564	28,110,154
Additional catch surcharge	57,657,633	37,585,400
Sales of Engine oils and Utilities	234,948	-
Observer income	-	3,287,782
IPD income	1,161,563	826,621
IRD income	1,563,300	2,366,458
Compliance fee	-	-
Aquaculture License fees	2,500	50,000
Aquaculture production levy fee	-	60,000
Lobster Licenses	-	-
Misc. Fisheries Income	68,850	81,787
Aquaculture concession	5,000	-
	287,841,270	221,105,061

19. OTHER INCOME

	2025	2024
	SR	SR
Sundry income	-	-
Dividend income	205,714	102,857
Interest income	7,169,882	5,463,797
Divers, farmers and fishermen registration fee	-	-
Sales of oil and lubricants	-	-
Profit & (Loss) on Disposal of Assets	(120,400)	220,830
Misc. Non-Fisheries Income	43,645	965,564
Sale of coral fills	-	-
Penalty fee for illegal fishing	-	-
	7,298,841	6,753,048

20. EMPLOYEE COSTS

	2025	2024
	SR	SR
Salaries and wages	95,292,138	89,190,499
Committee allowance	520,350	349,790
Board Members' emoluments (note (a))	1,238,600	1,280,663
Provision for employee benefit obligation (note 15)	10,012,687	6,026,761
	107,063,775	96,847,713

(a) **Board Members' emoluments:**

Radley Weber	Chairperson (Current)	165,400	165,400
AZER CORPORATE LIMITED	Board secretary (Current)	165,000	160,000
Antoine Barbe	Board member	127,000	137,583
Roy Clarisse	Board member	127,000	163,480
Aubrey Harris	Board member	146,200	146,200
Beatty Hoarau	Board member	127,000	127,000
Marc Gonthier	Board member	127,000	127,000
Joseph Tirant	Board member	127,000	127,000
Franky Laporte	Board member	127,000	127,000
		1,238,600	1,280,663

(b) Salaries and wages comprise of gross salaries, wages, allowances, leave salary, employer pension contribution, staff insurance and other staff welfare.

(c) The Authority is required to deduct personal income tax from all emoluments paid to the employees at applicable rates and comply with the provisions of Income and Non-Monetary Benefit Act, 2010 (as amended).

21. OPERATING AND OTHER EXPENSES

	2025	2024
	SR	SR
Auditor's remuneration	275,000	275,000
Advertising and sales promotion	2,045,360	1,579,795
Provision for credit impairment	(2,060,800)	5,094,415
Bad debts written off	419,357	73,430
Contracted services	2,944,922	3,622,773
Electricity and water charges	14,203,920	20,597,670
Fuel and local conveyance	781,275	931,598
Indian ocean tuna commission expenses	1,775,671	2,245,875
Insurance and license	1,340,958	598,277
Prior Years Adjustment	2,499,119	(3,665,160)
Printing, stationery and postage	1,761,837	1,595,950
Customs taxes and other penalties	4,432,420	1,621,456
Rental expenses	4,976,135	4,012,907
Repairs and maintenance	3,636,174	5,424,368
Security expenses	6,118,707	7,225,793
Training expenses	7,092,258	4,414,297
Travelling expenses	6,196,823	3,051,683
Telephone and internet	2,478,150	5,849,718
Vehicle expenses	508,682	841,858
Bank charges	471,243	300,712
Office cleaning expenses	172,726	116,498
Conferences, seminars and workshops	319,815	3,154,602
Other Communication Exps	3,454,893	-
Fines and Penalties	276,314	-
Sundry and other expenses	1,030,945	2,228,188
	67,151,904	71,191,703

22. RESEARCH AND DEVELOPMENT COSTS

	2025	2024
	SR	SR
Aquaculture Master Plan project	3,825,872	2,310,757
Research boat expenses - repairs and maintenance	1,725,700	1,811,247
Utilities	-	-
Sundry research projects	3,223,518	691,293
	8,775,090	4,813,297

23. MONITORING CONTROL, SURVEILLANCE AND ENFORCEMENT COSTS

	2025	2024
	SR	SR
Satellite communication costs	7,717,015	9,078,404
Patrol expense	2,714,507	1,290,201
	10,431,522	10,368,605

24. FISHERIES FACILITIES DEVELOPMENT

	2025	2024
	SR	SR
Fuel expenses (note (a))	52,675,865	61,236,872
Fishing boat owner association - coastal fishery development	-	-
Publication and awareness	-	-
Workshop and conferences	-	1,640
Fisherman Association	105,000	157,924
Seamen salary adjustment	-	-
Renovation and maintenance of fishing facilities	952,082	3,338,937
Utilities	-	-
Other fisheries support expense	5,049,718	3,207,213
Other support expense - Industrial Estates Authority	-	-
	58,782,665	67,942,586

(a) As part of promoting artisanal fishing, the Government of Seychelles, through the Authority, subsidizes this activity through refund of tax component from the cost of fuel utilized by the fisherman.

25. CAPITAL COMMITMENTS

	2025	2024
	SR	SR
At December 31,	30,403,229	35,395,631

26. CONTINGENT LIABILITIES

There were contingent liabilities of SR 1.4m as at December 31, 2025 (2024: SR 5.9m).

27. EVENTS AFTER THE REPORTING DATE

On 28 February 2026 a significant military escalation commenced in the Middle East. A damage to infrastructure in multiple countries occurred and have prompted emergency sessions of international bodies and widespread diplomatic engagement aimed at de-escalation. The situation has also disrupted commercial aviation and energy transportation through key regional routes. The full economic and geopolitical impacts are ongoing and cannot yet be quantified. As at the date of authorising these financial statements for issue, the conflicts continue to evolve as military activity proceeds and additional sanctions are imposed.