

SEYCHELLES BUREAU OF STANDARDS

FINANCIAL STATEMENTS

FOR THE

YEAR ENDED DECEMBER 31, 2012

SEYCHELLES BUREAU OF STANDARDS

FOR THE YEAR ENDED DECEMBER 31, 2012

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Seychelles Bureau of Standards

Members' Report

The Members submit their report for the year ended December 31, 2012.

1. Review of activities

Main business and operations

The Seychelles Bureau of Standards was incorporated on July 1987 under the Seychelles Bureau of Standards Act 1987.

The operating results and state of affairs of the organization are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Review of Activities-Main business operations

The Seychelles Bureau of Standards is a regulatory body under the Ministry of investment, Natural Resources & Industry. Overseeing the strategic growth of the Bureau is a Board comprising of eight members appointed by the Minister of Finance on 31st March 2010 for a period of three years. The Board was headed by Dr. Rolph Payet whose term expired in March 2012 when he was appointed Minister.

Following the Ministry of Finance's Policy on the Reclassification and Standardization of Budget Dependent Public Bodies the bureau has been classified as a Category 2 Regulatory Body. This means that the Bureau is fully budget dependent and negotiates directly with the Ministry of Finance on its budget needs and all revenue and expenditures are reported separately in the budget and revenue is paid directly to the consolidated funds. The bureau will also be audited by the Auditor General in accordance with Article 158 of the Constitution.

The Ministry of Finance approved a subvention of SR 16,686,769.00 for the year 2012. A sum of SR 18,200.00 and SR 106,257.00 were debited from the budget by the Ministry to directly pay the Cleaning Cooperative and International Organisation respectively.

A total amount of SR 16,062,312.00 was received as subvention for the year 2012 to be disbursed on a quarterly basis. The projected income to be generated from the sales of services for the year was SR 3,905,000.00 however the total sales was SR 4,464,845.39 an increase of SR 559,845.39 above the projected figure.

The Fish Inspection & Quality Control Unit, Microbiological Laboratory, National Metrology Laboratory and the Construction Materials Laboratory were the only services that achieved their revenue target for the year.

In some cases where forecasted budget for expenditure in certain cost lines was insufficient due to various unforeseen factors virements were made in these cost lines.

In September 2012 the Ministry of Finance informed SBS that its budget will be reduced by a sum of SR 500,000.00 from "Personnel Emoluments - Account Code 22-08-7000".

For the year 2012, the Bureau received a total subvention of SR 16,062,312.00 and registered a total expenditure of SR 15,814,395.13

As on 31st December 2012, there was 55 staff employed by the Bureau.

3. Members

The following members who approved this financial statement were appointed as Board members on 4th June 2013:

Mr. Charles Morin – Chairman
Ms. Lucille de Comarmond – Member
Mrs. Ina Barbe – Member
Mr. Barry Assary – Member
Mr. Alain de Comarmond – Member
Dr. Jimmy Melanie – Member
Mr. Terry Biscornet - Member

4. Auditors

The auditors Jivan & Jivan have expressed their willingness to continue subject to the Board's decision.

The financial statement which have been prepared on the going concernbasis, were approved by the board on February 18, 2014 and were signed on its behalf by



Mme Amy Quatre
Chief Executive Officer



Charles Morin
Chairman

AUDITORS' REPORT

TO THE MEMBERS OF SEYCHELLES BUREAU OF STANDARDS

We have audited the attached financial statements of SEYCHELLES BUREAU OF STANDARDS as at December 31, 2012 for the year ended on that date at the request of the members of the organization. The financial statements included the statement of financial position, income and expenditure and explanatory notes.

Members' Responsibility for the financial statements

The members are responsible for the preparation and fair presentation of these financial statements in accordance with the generally accepted accounting practice followed in Seychelles, and in the manner required by the Seychelles Bureau of Standards Act, 1987 (Act 8 of 1987). 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 and making estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally applied in Seychelles. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members, as well as evaluating the overall presentation of the financial report.

Basis for Qualified Auditor's Opinion

We were unable to verify the opening balances of fixed assets as a detailed breakdown was not made available.

Qualified Auditor's Opinion

Subject to the possible material effect of the above qualification, in our opinion and to the best of our information and according to the explanations given to us, the attached statement of financial position and the income and expenditure account read together with the notes represent a true and fair view of the state of the affairs of the organization as at December 31, 2012.

for JIVAN & JIVAN,



Deepa Jivan

Place: Seychelles

Date: February 4, 2014

Seychelles Bureau of Standards
BALANCE SHEET AS AT DECEMBER 31, 2012
Financial statements are prepared in Seychelles Rupees

	NOTES	2012 SCR	2011 SCR
Fixed assets			
Fixed assets	6	27,939,597	27,939,597
Less: Accumulated depreciation		<u>(8,495,222)</u>	<u>(8,495,222)</u>
		19,444,375	19,444,375
Current assets			
Cash in hand		58,580	3,000
Treasury balance	3 (c)	33,649	1,730
Trade receivables	3 (b)	<u>479,762</u>	<u>254,518</u>
		571,991	259,248
Current liabilities			
		<u>-</u>	<u>-</u>
Net current assets			
		571,991	259,248
		<u>20,016,366</u>	<u>19,703,623</u>
Represented by			
Retained earnings		20,016,366	19,703,624
		<u>20,016,366</u>	<u>19,703,624</u>

for Seychelles Bureau of Standards



 Amy Quatre
 CEO



 Charles Morin

Place: Seychelles
 Date: February 4, 2014


SEYCHELLES BUREAU OF STANDARDS
STATEMENT OF ACCUMULATED SURPLUS AS AT DECEMBER 31, 2012
Financial statements are prepared in Seychelles Rupees

	NOTES	2012 SCR	2011 SCR
Surplus for the year		4,729,919	4,155,141
Surplus of subvention balance written back	3 (a)	(247,917)	(3,781)
Surplus of allocation towards gratuity written back	3 (d)	(16,767)	-
Testing fees remitted to consolidated fund	3 (b)	(4,152,497)	(4,087,119)
		<u>312,738</u>	<u>64,241</u>
Prior period adjustment	5	5	(134,170)
Accumulated surplus as at 1 January		19,703,624	19,773,553
Accumulated surplus as at 31 December		20,016,366	19,703,624

for Seychelles Bureau of Standards



Amy Quatre
 Chief Executive Officer



Charles Morin

Place: Seychelles
 Date: February 4, 2014


Seychelles Bureau of Standards
DETAILED INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2012

Financial statements are prepared in Seychelles Rupees

	NOTE	2012 SCR	2011 SCR
INCOME			
Testing Fees	4	4,465,235	4,151,359
Subvention from Government	3 (a)	16,062,312	14,166,605
Allocation towards gratuity	3 (d)	58,333	-
TOTAL INCOME		20,585,881	18,317,964
Expenses			
Advertisement & marketing expenses		296,522	560,307
Cleaning & maintenance expenses		86,845	35,468
Consultancy fees		145,900	229,555
Consumables & Laboratory chemicals		3,244,360	3,510,735
Employee costs		6,402,182	5,029,014
Entertainment		57,109	96,666
Fuel, Oil & gas		174,144	175,989
Honarium fees & expenses		83,700	60,500
Insurance		132,336	139,365
License & permits		13,535	15,773
Office equipment & furniture		148,273	141,861
Postage		5,915	6,972
Printing, stationery and office supplies		334,700	222,164
Repairs and maintenance		1,340,458	1,040,138
Security Expenses		63,139	64,367
Software expenses		225,730	164,031
Subscriptions & membership		737,418	719,820
Subsistence allowances		358,975	268,000
Telephone & fax		395,674	541,782
Training Costs		189,503	40,520
Transportation and freight		21,100	14,705
Travel-local		11,122	26,331
Travel-overseas		83,282	67,390
Utilities		1,304,040	991,372
		15,855,962	14,162,824
Surplus for the year		4,729,919	4,155,141

for Seychelles Bureau of Standards


 Amy Quatre
 CEO


 Charles Morin

Place: Seychelles
 Date: February 4, 2014

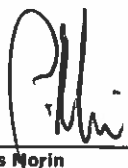
Seychelles Bureau of Standards
Notes to the financial statements for the year ended December 31, 2012
Figures in Seychelles Rupees

1(b) Fixed Assets

Particulars	Land & Buildings	Computer & Accessories	Equipment	Furniture & Fixtures	Vehicles	Total
Cost						
At January 1, 2012	16,203,851	795,818	7,378,608	1,719,926	1,841,394	27,939,597
Additions	-	-	-	-	-	-
Surplus on revaluation	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At December 31, 2012	16,203,851	795,818	7,378,608	1,719,926	1,841,394	27,939,597
Depreciation						
At January 1, 2012	-	-	6,037,863	1,377,015	1,080,344	8,495,222
Charge for the year	-	-	-	-	-	-
Surplus on revaluation	-	-	-	-	-	-
On disposals	-	-	-	-	-	-
At December 31, 2012	-	-	6,037,863	1,377,015	1,080,344	8,495,222
Net book value						
At December 31, 2012	16,203,851	795,818	1,340,745	342,911	761,050	19,444,375
At December 31, 2011	16,203,851	795,818	1,340,745	342,911	761,050	19,444,375

for Seychelles Bureau of Standards


 Amy Quatre
 CEO


 Charles Morin

Place: Seychelles
 Date: February 4, 2014

Seychelles Bureau of Standards
FIXED ASSETS SCHEDULE
Figures in Seychelles Rupees

YEAR	ASSET DESCRIPTION	COST			RATE (%)	MONTHS USED DURING YEAR	DEPRECIATION			NET BOOK VALUE 2012
		COST AS AT JANUARY 1st 2012	ADDITIONS	DELETIONS / DISPOSALS			TOTAL	ACCUMULATED DEPRECIATION AS ON JANUARY 1, 2012	FOR THE YEAR 2012 (DISPOSALS)	
LAND & BUILDINGS										
	Buildings	16,203,851	-	-	16,203,851	-	-	-	-	16,203,851
		16,203,851	-	-	16,203,851	-	-	-	-	16,203,851
COMPUTER & ACCESSORIES										
	IT Equipment	795,818	-	-	795,818	-	-	-	-	795,818
		795,818	-	-	795,818	-	-	-	-	795,818
EQUIPMENT										
	Plant & Machinery-Paint Machinery	6,773,694	-	-	6,773,694	-	-	-	-	735,831
	Office equipment	343,078	-	-	343,078	-	-	-	6,037,863	343,078
	Other property, plant & equipment	233,036	-	-	233,036	-	-	-	-	233,036
	Aircon	28,800	-	-	28,800	-	-	-	-	28,800
		7,378,608	-	-	7,378,608	-	-	-	6,037,863	1,340,745
FURNITURE & FIXTURES										
	Furniture & Fixtures	1,719,926	-	-	1,719,926	-	-	-	-	342,911
		1,719,926	-	-	1,719,926	-	-	-	1,377,015	342,911
Motor Vehicle										
	Motor Vehicle	1,841,394	-	-	1,841,394	-	-	-	-	761,050
		1,841,394	-	-	1,841,394	-	-	-	1,080,344	761,050
	Total	27,939,597	-	-	27,939,597	-	-	-	8,495,322	19,444,275

**SEYCHELLES BUREAU OF STANDARDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

Financial statements are prepared in Seychelles Rupees

1 Principal Activities

The Seychelles Bureau of Standards (SBS) was established under Seychelles Bureau of Standards Act, 1987 to provide standardisation in relation to commodities, processes and practices.

2 Presentation of Financial Statements

The financial statements have been prepared in accordance with the generally accepted accounting practice followed in Seychelles.

The financial statements are prepared on the historical cost basis. The principal accounting policies applied in the preparation of these financial statements are set out below.

3 Change in Reclassification Policy

In 2010, there was a revision in the reclassification policy whereby SBS falling under a public body of category 2 would be wholly budget dependent and all revenue generated by it would be paid directly to the consolidated fund.

a. TREASURY - SUBVENTION

	2012 SCR	2011 SCR
Subvention approved by Government for 2012	16,686,769	15,223,000
Less:		
Allocation towards cleaning cooperative	(18,200)	(202,410)
Contribution to International Organisation	(106,257)	-
Expenditure paid through subvention	(15,814,395)	(14,162,824)
Reduction / Forfeiture of subvention	(500,000)	(853,875)
Variance	-	(110)
Surplus of subvention written back	<u>247,917</u>	<u>3,781</u>

b. TREASURY - TESTING FEES

	2012 SCR	2011 SCR
Total testing fees invoiced	<u>4,465,235</u>	<u>4,151,359</u>
	4,465,235	4,151,359
Testing fees receivable as at 31 December 2012	<u>479,762</u>	<u>254,518</u>
	479,762	254,518
Funds received and remitted to the consolidated fund	<u>4,152,497</u>	<u>4,087,119</u>
	4,152,497	4,087,119

c. TREASURY - SUSPENSE ACCOUNT

	2012 SCR	2011 SCR
Balance carried forward from previous years	1,730	38,005
Less: Training and other expenses	-	(244,684)
Add: Reimbursements of training and other expenses	-	208,414
Add: Refunds and returned cheques	31,914	-
Variance	5	(5)
Treasury balance carried forward to 2012	<u>33,649</u>	<u>1,730</u>

d. ALLOCATION TOWARDS GRATUITY

	2012 SCR	2011 SCR
Amount allocated during the year	58,333	-
Less: Payment of gratuity for 2012	(41,567)	-
Surplus written back	<u>16,767</u>	<u>-</u>

4 Testing fees and other income

Testing fees includes income from the various laboratories - food microbiology, environmental, food, chemical, chemical analysis, gas cylinder testing, construction material, national metrology, legal, metrology, standardisation, QMS certification, QMS training, CISTID services and fish inspection. And also includes claim for sickness, maternity and injury reimbursement.

5 Prior period adjustment

Opening balances of current assets and current liabilities in the previous year audited financial statement which could not be identified were written off.

6 Fixed assets and depreciation

Fixed assets are stated at their cost less depreciation. Depreciation of fixed assets is calculated to write off their costs using the accelerated depreciation over their estimated useful lives.

In 2012, it was decided that the fixed assets be revalued to accurately reflect in the financial statements and that no depreciation be charged until the true value had been arrived at.