

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

2021

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2021
CONSOLIDATED
ANNUAL FINANCIAL
STATEMENTS

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REPORT OF THE BOARD AUDIT AND RISK COMMITTEE

I am pleased to present you with the report of the ACSA Audit and Risk Committee (Committee) for the financial year ended 31 March 2021. We share below key information about the role and functions of the Committee. The Committee is responsible for overseeing:

- Quality and integrity of the Company's integrated planning and reporting including its financial statements and sustainability issues;
- Overseeing the appointment, remuneration, independence and performance of the external auditor and the integrity of the audit process including the approval of non-audit services;
- Effectiveness of the Group's internal audit function, internal financial controls and systems of internal control and risk management;
- Business continuity management;
- Compliance; and
- Governance and assurance processes within the Group.

The Committee considered the strategic risks and their impact on achieving the Group's strategy and assessed the adequacy of controls and the combined assurance delivered over the identified risks. The Committee monitored the effectiveness of the internal control environment through the review of reports from Internal Audit, management and the external auditor, and ensured the quality of financial reporting through the review of the financial statements submitted to the Committee.

In response to irregular expenditure, the Committee noted the significant decline in irregular expenditure from R1.2 billion to R633 million, which is a reduction of 46% compared to the previous year. This positive contribution was as a result of interventions proposed by management in the previous year and filling of critical positions.

Post-year-end events

COVID-19 continues to pose a significant risk on the operations of the Group given the possibility of the fourth COVID-19 wave, lockdowns and the slow vaccination rate and uncoordinated lockdowns from various countries affecting flights in and out of the country. The Committee has reviewed compliance to covenant requirements as set out by lenders to ensure compliance thereto. The Committee also reviewed the revised Financial Plan of the Group to ensure that the Group is solvent given the fluidity of the COVID-19 impact.

The Committee acknowledges that for the Group to be profitable, some revenue-generating enhancement strategies and cost-cutting measures would have to be implemented on a continuous basis.

Statutory duties

The Committee is constituted as a statutory committee of ACSA SOC Limited in line with the Public Finance Management Act 1 of 1999 as amended (PFMA) and Companies Act 71 of 2008 as amended and is accountable to the Board and ACSA's shareholders. It is a Committee of the Board in respect of all other duties the Board assigns to it and has been delegated powers to perform its functions in accordance with the PFMA and National Treasury Regulations of the PFMA and the Companies Act. The Committee also acts as the Audit Committee for the Group's wholly owned subsidiaries. The Committee has fulfilled its statutory duties as required by Section 94(7) of the Companies Act and National Treasury Regulation 3.1.10 of the Public Finance Management Act.

Significant financial statement reporting issues

Assumptions and estimates or judgements are a significant part of the financial reporting process and are valued carefully by the Committee ahead of the finalisation of the Group's financial statements. The Committee reviewed the main judgements and assumptions made by management, and the conclusions drawn from the available information and evidence. The Committee encouraged rigorous discussion on control, accounting and disclosure matters. In addition to these main areas of focus, it also covered matters relating to corporate planning, budgeting, taxation and legal.

Composition and meetings

The Committee members are Independent Non-executive Directors: Pascal Mokupo (Chairman), Dudu Hlatshwayo, Yershen Pillay, Nosizwe-Nokwe Macamo, Ntombifuthi Zikalala Mvelase and Graeme Victor. Dudu Hlatshwayo was appointed on 19 November 2020. Members have adequate knowledge and skills to carry out their duties. The deep and varied experience of the members give perspective and insight to the Committee's deliberations and decisions. Further details of the experience of the members can be found in their biographies on pages 10 and 11 of the Governance and Remuneration Report.

The Committee has met all legal and regulatory requirements from a composition and independence perspective

The Committee met 12 times during the financial year, with attendance as per the table below. The purpose of the seven special meetings was to consider the request for financial assistance for JIA Piazza Park (Pty) Ltd, a subsidiary of the Company; requests for financial assistance for MIAL and GRU in the form of performance guarantees; the amended engagement letter for external audit; progress report on external audit; draft annual financial statements for submission to the external auditor; unaudited annual performance report; amended 2020/21–2022/23 Corporate Plan, audited annual financial statements and year-end related matters; the Hedging strategy and tax implication for the sale proceeds of shares in MIAL; and the 2021/22–2023/24 Corporate Plan.

The Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Audit Executive, Auditor General's Office representatives, Group Executive: Governance and Assurance and other subject experts attended Committee meetings. At each meeting, management, internal auditors and external auditors are afforded an opportunity to have separate meetings with the Committee. The Committee Chairman reports to the Board on Committee activities and matters discussed at each meeting and provides recommended resolutions from the Committee.

Attendance of Committee meetings

Member	30 Apr 2020	14 Jul 2020	24 Jul 2020	29 Jul 2020	30 Jul 2020	17 Aug 2020	23 Sep 2020	30 Oct 2020	12 Nov 2020	01 Dec 2020	28 Jan 2021	29 Apr 2021
		(S)	(S)	(S)		(S)	(S)		(S)	(S)		
Pascal Mokupo (Chairman)	P	P	P	P	P	P	P	P	P	P	P	P
Ntombifuthi Zikalala Mvelase	P	A	P	P	P	P	P	P	P	P	P	P
Nosizwe Nokwe-Macamo	P	P	P	P	P	P	P	P	P	P	P	P
Yershen Pillay	P	P	P	A	A	P	P	P	P	P	P	P
Graeme Victor	P	P	P	P	P	P	P	P	P	P	P	P
Dudu Hlatshwayo*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	P	P	P

* Appointed to the Committee on the 19th November 2020

Role

The Committee is an essential part of the Group's Governance Framework to which the Board has delegated responsibilities. The Committee operated under Terms of Reference that were reviewed by the Committee and approved by the Board.

Committee performance

The performance of the Committee is reviewed as part of the review of the Board and its Committees. The Committee reflected on its performance at the end of the financial year through an internal self-assessment. The Committee performed comparatively better than the previous financial year. The members confirmed they are satisfied the Committee is an efficient committee of the Board and it executes its mandate appropriately. The Committee is perceived as having a culture of free, frank and open discussion, and is productive and well managed.

Role of the Chairman

The role of the Chairman of the Committee requires regular interactions with the heads of Internal Audit, Risk Management, Finance and external audit in order to understand the Group's operations and risks facing the business. These interactions are an essential part of the role of the Chairman as they provide an additional layer of assurance to gain comfort that the control functions are aligned in terms of their understanding of the risks facing the Group and mitigation thereof.

The Committee reports that it has discharged its responsibilities relating to the matters below.

Financial statements

The Committee has received quarterly performance reports from Group Finance at each quarterly meeting that included financial reports and reports on irregular expenditure. The Committee has considered the domestic medium-term note programme, the JSE Report on Proactive Monitoring of Financial Statements, reports on taxation, supply chain management and legal matters. The Committee reviewed the effectiveness of ACSA's system of internal control over financial reporting.

REPORT OF THE BOARD AUDIT AND RISK COMMITTEE

The Committee's primary responsibility in relation to the Group's financial reporting is to review with both management and the external auditor, the appropriateness and accuracy of the annual financial statements. In this process, among other matters, the Committee has considered the appropriateness of accounting policies and practices and any areas of judgement, and significant issues that have been discussed with the external auditor; the clarity of disclosures and compliance with financial reporting standards and other relevant financial and governance reporting requirements.

One of the key roles of the Committee is to review the going concern assumption as presented by management and, if appropriate, make the necessary recommendation to the Board in this regard. While the liquidity and solvency of the Group is closely monitored on a regular basis by management, the Committee and Board expressly consider the assumptions underlying the going concern of the Group as part of approval of the annual financial statements.

For the year ended 31 March 2021, the Committee recommended to the Board that, based on its knowledge of the Group, it is appropriate for the financial statements to be prepared on a going concern basis.

The Committee has considered the Group's annual financial statements for the year ended 31 March 2021 and has concluded that they present a reliable and fair view of the financial position in compliance with the PFMA, Companies Act and IFRS. The Committee has also considered that the annual report and financial statements are understandable and provide necessary information for shareholders to assess the Group's financial position, performance and prospects.

The combined Group's annual financial statements have been recommended by the Committee to the Board for approval.

External audit

The Auditor General South Africa is the external auditor for the Group. The Committee is responsible for oversight of the external auditor. The Committee considered the re-appointment of the external auditor before making a recommendation to the Board and shareholders in terms of the Companies Act.

The Committee approved the external audit strategy and external audit fees, thus confirming the key audit risks were appropriate. The approved audit strategy was affected by the COVID-19 pandemic owing to the national lockdown, and the audit scope was subsequently adjusted. To protect lives, which is of paramount importance, some scoped audits were conducted virtually. The dates for submission of the financial statements and finalisation of the audit process were extended by the external auditor in consultation with the Committee, as a consequence of COVID-19.

The Committee reviewed the findings and recommendations of the external auditor as reported in the 2019/20 Management Letter and considered the audit response plan to the findings.

The Committee has considered the independence and evaluated the effectiveness of the auditor through completion of a questionnaire which, among other things, assessed the audit team and audit approach, auditor's understanding of the risks facing the Company and the response to these in the audit plan, performance and delivery against the audit plan, professional scepticism, and comments provided by the auditor on the systems of internal control. The Committee is satisfied with the independence and effectiveness of the external auditor.

There were no non-audit services provided by the external auditor.

Internal Audit

The Committee has considered the independence and evaluated the effectiveness of the Internal Auditor through completion of a questionnaire which, amongst other things, assessed the audit team and audit approach, communication with the Committee, support provided to the Committee, reliance on internal audit, insight by adding value and independence and objectivity. The Committee is satisfied with the independence and effectiveness of the internal auditor.

The Committee has:

- Approved the three years Internal Audit Rolling Plan.
- Approved the Internal Audit Charter.
- Received reports from Internal Audit on significant issues relating to the processes for controlling the Group's activities, recommended improvements to those issues and management's responses thereto.
- Reviewed the co-operation and co-ordination between the Internal Audit and external audit functions and ensured co-ordination between the Internal Audit work plan with the external auditors' strategy to avoid unnecessary duplication of work.
- Ensured that the Chief Audit Executive has unrestricted access to the Chairman of the Committee.
- Approved the Forensic Investigations Framework.
- Evaluated the effectiveness of the Internal Audit function. The assessment considered, among others, internal audit strategy,

stakeholder management, leadership, competencies of the internal audit team, culture, risk assessment, execution and reporting. The Committee is satisfied with the effectiveness of internal audit. The evaluation has confirmed that the Internal Audit function has complied with its responsibilities in terms of the requirements of the PFMA, National Treasury Regulations, King IV and the Committee's Terms of Reference.

Chief Financial Officer and finance function

The Committee considered the experience and expertise of the Chief Financial Officer. The Committee considered, among other things, the Chief Financial Officer's qualifications, experience, leadership, technical expertise and professional relationships. The Committee is satisfied that the experience and expertise of the Chief Financial Officer are appropriate.

The Committee also considered the expertise, resources and experience of the Group's finance function. The Committee considered, among others, performance, integrity and professionalism, competencies, risk management, effective communication, risk management and planning, financial reporting and management, and culture of the finance function. The Committee is satisfied that the finance function has the appropriate expertise, resources and experience.

Internal control, compliance, business continuity and governance

The Committee is responsible for reviewing the effectiveness of systems for internal control, financial reporting and for considering the major findings of internal investigations into control weaknesses, fraud or misconduct, and management's responses. The Committee has received regular reports on these matters.

The Committee has reviewed reports on the compliance dashboard, compliance profile and legal and regulatory compliance reports. The reviewed Compliance Policy has been considered by the Committee and recommended to the Board for approval.

The Committee has received reports on the implementation of the Business Continuity Programme. This programme was put to the test in our airports during the national lockdown period.

The Committee considered the report on implementation principles and recommendations from the King IV Report.

Having reviewed information provided by management, Internal Audit and the external auditor, the Committee is of the view that internal controls have been effective in all material aspects during the year under review.

Risk management

The Committee has considered the Enterprise Risk Management Framework, the Reviewed Enterprise Risk Management Policy and Risk and Appetite Tolerance Framework.

The Committee has considered the Strategic Risk Register that was subsequently approved by the Board. The Committee approved the Risk Management Plan with mitigation actions and has monitored progress made on the implementation of the Enterprise Risk Management Plan at its meetings. Updates on the treatment plans for the identified strategic risks were considered. The Group is well on its way to improving the risk culture with the aim of reaching a risk intelligence status in support of the Group's Vision 2025.

We are satisfied the Group has implemented an effective enterprise risk management policy framework, which has enhanced the Group's ability to achieve its strategy.

Combined assurance

The Committee has monitored the effectiveness of combined assurance and progress against the 2019/20 Combined Assurance Plan. The Plan for the 2020/21 financial year and the updated Combined Assurance Framework was considered by the Committee. A Combined Assurance Steering Committee overseen by Internal Audit has been established to increase effective collaboration across the lines of defence, allow for focus on risks that matter most and enhance the control environment. The Committee has reviewed the outcome of assurance activities and ensured gaps in assurance and findings are addressed.

Corporate plan

The 2021–2024 Corporate Plan for the Group was considered, paying due attention to the revenue projection, expenditure reduction, borrowings and key performance indicators, and recommended to the Board for approval.

REPORT OF THE BOARD AUDIT AND RISK COMMITTEE

Integrated reporting

The Committee guides the integrated reporting process and includes reporting on sustainability matters, having regard to all factors and risks, including any significant legal and tax matters and any concerns identified that may impact on the integrity of the integrated report or could have a material impact on the financial statements. Quarterly integrated reports were considered in all quarterly meetings.

The Committee has considered the governance and financial information that will be included in the Annual Integrated Report when published.

The Committee has reviewed the disclosure of sustainability issues in the quarterly and Annual Integrated Report to ensure the information is reliable and does not conflict with the financial information.

The Committee relies on management, external auditor, Internal Audit, Group compliance and the hotline reports to highlight any concerns, complaints or allegations relating to internal financial controls, the content of the financial statements and potential violations of the law.

We are of the view that information in the integrated report provides a balanced view and we have recommended the Annual Integrated Report to the Board for approval.

Looking ahead

The Committee is aware of the challenges regarding COVID-19 on the operations of the Group, partial lockdowns and the devastating impact the pandemic has on the economy and individuals. The Committee will monitor the implementation of the revised financial plan to ensure the Group remains sustainable and thrives in the years ahead.

Conclusion

As a Committee, we are satisfied we have complied with our statutory responsibilities and Terms of Reference. With regard to all material risks and factors that may impact on the integrity of the annual financial statements and following appropriate review, we recommended the Group Annual Financial Statements of ACSA SOC Limited for the year ended 31 March 2021 to the Board for approval.



Pascal Mokupo
Chairman of the Audit and Risk Committee
14 September 2021

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The Directors are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the Consolidated Annual Financial Statements and related financial information included in this report. It is their responsibility to ensure the Consolidated Annual Financial Statements fairly present the state of affairs of the Group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the Consolidated Annual Financial Statements.

The Directors acknowledge they are ultimately responsible for the system of internal financial control as the Directors deem it necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management. To enable the Directors to meet these responsibilities, the Board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner.

The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that is above reproach in all reasonable circumstances. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

The Directors have reviewed the Group's cash flow forecast for the year to 31 March 2021 and, in light of this review and the current financial position, they are satisfied the Group has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Group's Consolidated Annual Financial Statements. Their report is presented on pages 10 to 15.

The Directors are satisfied that they have executed their responsibilities.

The Consolidated Annual Financial Statements set out on pages 18 to 79, which have been prepared on the going concern basis, were approved by the Board on 14 September 2021 and were signed on its behalf by:



Dr S Nogxina
Chairman

14 September 2021

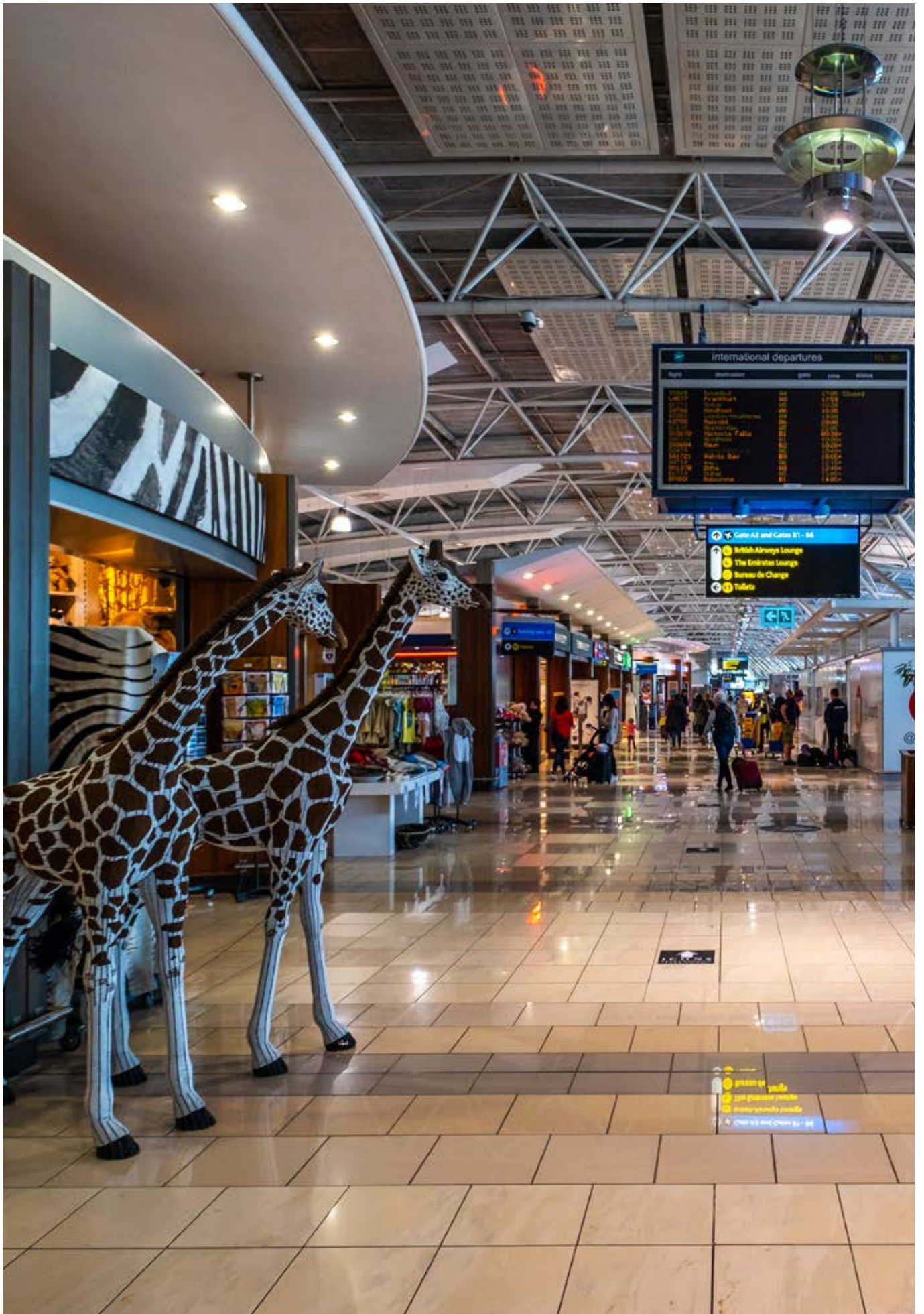
COMPANY SECRETARY'S CERTIFICATION

Declaration by the Company Secretary in respect of Section 88(2) (e) of the Companies Act No. 71 of 2008

I hereby certify that in terms of Section 88(2)(e) of the Companies Act, No.71 of 2008, as amended, to the best of my knowledge, the Group has lodged with the Companies and Intellectual Property Commission all such returns and notices as are required of a state-owned company in terms of this Act and that all such returns and notices are true and correct and up to date.



Fefekazi Sefara
Company Secretary
14 September 2021



international departures

Flight	Destination	Gate	Time	Status
Qatar	Doha	17B	17:00	Boarding
Emirates	Dubai	17C	17:00	Boarding
South African	Johannesburg	17D	17:00	Boarding
British Airways	London Heathrow	17E	17:00	Boarding
Virgin Atlantic	London Gatwick	17F	17:00	Boarding
Qatar	Doha	17G	17:00	Boarding
Emirates	Dubai	17H	17:00	Boarding
South African	Johannesburg	17I	17:00	Boarding
British Airways	London Heathrow	17J	17:00	Boarding
Virgin Atlantic	London Gatwick	17K	17:00	Boarding
Qatar	Doha	17L	17:00	Boarding
Emirates	Dubai	17M	17:00	Boarding
South African	Johannesburg	17N	17:00	Boarding
British Airways	London Heathrow	17O	17:00	Boarding
Virgin Atlantic	London Gatwick	17P	17:00	Boarding
Qatar	Doha	17Q	17:00	Boarding
Emirates	Dubai	17R	17:00	Boarding
South African	Johannesburg	17S	17:00	Boarding
British Airways	London Heathrow	17T	17:00	Boarding
Virgin Atlantic	London Gatwick	17U	17:00	Boarding
Qatar	Doha	17V	17:00	Boarding
Emirates	Dubai	17W	17:00	Boarding
South African	Johannesburg	17X	17:00	Boarding
British Airways	London Heathrow	17Y	17:00	Boarding
Virgin Atlantic	London Gatwick	17Z	17:00	Boarding

- Gate A3 and Concourse B1 - B4
- British Airways Lounge
 - The Emirates Lounge
 - Bureau de Change
 - Toilets

- پاساژ بريتيش اير ويز
- لوژي ايميراتس
- بورو دي چينج
- تويليٽس

Report on the audit of the consolidated and separate financial statements

Opinion

1. I have audited the consolidated and separate financial statements of the Airports Company South Africa SOC Limited and its subsidiaries (the group) set out on pages 18 to 79, which comprise the consolidated and separate statement of financial position as at 31 March 2021, the consolidated and separate statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, as well as notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the group as at 31 March 2021, and their financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Public Management Act of South Africa Act 1 of 1999 (PFMA) and the Companies Act 71 of 2008 (the Companies Act).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the consolidated and separate financial statements section of my report.
4. I am independent of the group in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

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

Key audit matter

How the matter was addressed in the audit

Investment property valuation

The carrying value of investment properties for the Group amounted to R7 573 million (2019-20: R7 752 million) (company R7 242 million; 2019-20: R7 448 million) and the fair value adjustment recorded in the statement of comprehensive income for the year in respect of investment properties was R216 million loss (2019-20: R721 million gain) (company R244 million loss; 2019-20: R810 million gain).

The valuation of the investment properties involves the use of an expert who is required to make significant assumptions and use significant judgements in determining the fair value of the investment properties. Due to the significance of the account balance on the financial statements and the subjectivity of the assumptions and judgements, I consider the valuation of the investment properties to be a key audit matter.

Independent valuers are used to determine the fair values for all of the properties held in these categories annually.

The inputs with the most significant impact on these valuations are disclosed in note B.1.

I assessed the design and the operating effectiveness of internal controls relating to investment properties and I have developed an understanding of the relevant business processes relating to investment properties.

I placed reliance on the management's expert. Before I placed reliance on management's expert, I satisfied myself with their independence, objectivity and competency, in line with the requirements of ISA 620.

I engaged an auditor's expert to perform a peer review on the work performed by management's expert.

Before I placed reliance on the work of the auditor's expert, I satisfied myself with their independence, objectivity and competency, in line with the requirements of ISA 620.

Furthermore I ensured that there were no scope limitations imposed on their work.

Before reliance could be placed on management experts, I performed the following procedures:

- I assessed the assumptions, methods and models used by the management expert and confirmed that they are consistent with the requirements of IFRS, as the fair value determination was done in accordance with IFRS 13 and IAS 40.
- I confirmed the appropriateness of judgements used by the management expert where they made use of market inputs which are consistent with the requirements of IFRS 13 and valuation norms.
- I also confirmed that the assumptions, methods and models used by the expert are consistent with those of management and the company's accounting policy for investment property.

The auditor's expert confirmed that the assumptions made by the management expert were reasonable, that the methodology used by the expert are consistent with industry norms and with the applicable financial reporting framework (IFRS), and that the fair value determined is reasonable.

Based on the procedures performed, I am satisfied that the revaluation of investment property is appropriate, reasonable and appropriately disclosed in the annual financial statements.

Expected credit losses on trade and other receivables

The Group measures the loss allowance for trade and other receivables by applying the simplified approach prescribed by IFRS 9.

As at 31 March 2021 the carrying value of trade and other receivables amounted to R959 million (2019-20: R1 021 million) (company: R923 million; 2019-20: R1 001 million) and the expected credit losses (ECL) of trade and other receivables amounted to R381 million (2019-20: R463 million) (company: R328 million; 2019-20: R450 million).

The ECL model involves the use of significant judgements which include, among others, historical trends, history of collection of trade and other receivables, and forward-looking information, which includes macroeconomic factors.

The COVID-19 pandemic caused a significant reduction in air travel and this has created some uncertainty on the ability of debtors of the company to be able to repay the debts.

The assessment and calculation of ECL require management to make significant estimations and use significant judgements. Due to the subjectivity of the estimations and judgement, I consider the ECL of trade and other receivables to be a key audit matter.

Refer to notes 2.1 and D.1 to the consolidated financial statements for accounting policies and the relevant detailed disclosures, respectively.

I assessed the design and the operating effectiveness of internal controls relating to ECL on trade and other receivables and I have developed an understanding of the relevant business processes relating to ECL on trade and other receivables.

I engaged an auditor's expert to review the application and implementation of IFRS 9 and IFRS 7 and the related disclosures. Before I placed reliance on the auditor's expert, I satisfied myself with their independence, objectivity and competency, in line with the requirements of ISA 620. Furthermore, I ensured that there were no scope limitations imposed on their work.

The audit procedures included the assessment of the appropriateness and reasonableness of the ECL for trade and other receivables. These audit procedures included:

- assessing the design and testing the operating effectiveness of controls related to trade and other receivables
- verifying whether the ECL model developed by management is consistent with the requirements of IFRS 9
- evaluating the appropriateness and reasonableness of key assumptions and judgements, such as the default rate, by comparing these to historical data, taking into account the covid-19 impact
- testing the accuracy and completeness of underlying data used in the model and the arithmetical accuracy of the computation of ECL
- testing key assumptions and judgments, such as those used to calculate the likelihood of default by comparing to historical data
- evaluating the appropriateness of forward-looking factors (macroeconomic factors) used to determine ECL
- assessing the appropriateness of disclosures to ensure that they are consistent with the requirements of IFRS 9.

Based on the above procedures performed, I was satisfied that the ECL on trade and other receivables are reasonable, in line with my expectation and appropriately disclosed.

Key audit matter

How the matter was addressed in the audit

Key judgements applied in the going concern assessment

The global impact of the COVID-19 pandemic has resulted in an unprecedented increased level of economic uncertainty. This uncertainty has an impact on the outlook of the future cash flows of the Group.

The directors have considered in note G.12 whether developments subsequent to the reporting date have any implications on the adoption of the going concern assumption through evaluating the impact on the capital and liquidity position of the company and the Group.

As stated in note G.12, the directors have concluded that the going concern basis of accounting is appropriate and, in reaching their conclusions, they have taken into consideration all of the latest information, including new assumptions and judgements about the forward-looking economic scenario.

The COVID-19 pandemic had a huge impact on air travel, both locally and internationally. Thus the assessment of the ability of the company to continue operations in the foreseeable future required management to make certain key assumptions and judgements as to when operations would be expected to return to pre-covid-19 levels, revenue projections, cash flow forecasts and future funding.

Due to the uncertainties surrounding the time period that will be taken for the operations to return to pre- COVID-19 levels and the subjectivity of the assumptions and judgements, I consider the going concern assessment to be a key audit matter for the company and the group.

As part of my risk assessment, I assessed the going concern risk of the Company and the Group as significant due to the continued impact of the COVID-19 pandemic on the aviation industry and, more specifically, the revenue and profitability of the Company and the Group. I considered the impact of the COVID-19 pandemic on the Company and the Group when assessing the future cash flow and judgements applied in reaching the going concern conclusion.

In evaluating the Directors' judgements, I was guided by the criteria as set out in ISA 570 (revised), in determining whether there are any material uncertainties that may cast doubt on the ability of the Company and the Group to continue as a going concern, and I performed the following procedures:

- I tested the design and implementation of controls around the going concern assessment and the judgements applied.
- I assessed the impact of the COVID-19 pandemic, and the various lockdowns implemented in the various jurisdiction in which the Company and the Group operates to curb the spread of the virus, on the operations and revenue of the Company and the Group.

I gained an understanding of the actions taken by management and the Directors to mitigate the impact of the COVID-19 pandemic and lockdown to date on the operations of the Company and the Group.

- I reviewed the Directors' cash flow forecasts for the next 12 months and critically challenged the key inputs into these forecasts, including:
 - the value and availability of financing facilities
 - the reasonability of the projected monthly revenue and monthly cash collections
 - the reasonability of cost-saving initiatives being proposed
 - the reasonability of cash outflows to meet debt obligations and fixed costs of operations
 - assessing current debt covenants and the impact of any potential breaches
 - challenging the reasonableness of the scenarios identified and key assumptions used by management in determining the impact of the COVID-19 pandemic on going concern
 - confirming the reasonableness of available funding that was secured through banking facilities and other sources
 - considering the impact of any guarantees that have been provided by the Group
 - assessing the related disclosure relating to going concern in the consolidated financial statements.

Based on the procedures performed, I concur with the directors' judgement applied to conclude on the Group's ability to continue as a going concern. I consider the disclosures in note G.12 to the consolidated financial statements to be appropriate.

Responsibilities of the accounting authority for the financial statements

7. The Board of Directors, which constitutes the accounting authority, is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS and the requirements of the PFMA and the Companies Act, and for such internal control as the accounting authority determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.
8. In preparing the consolidated and separate financial statements, the accounting authority is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the consolidated and separate financial statements

9. My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.
10. A further description of my responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

11. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
12. My procedures address the usefulness and reliability of the reported performance information, which must be based on the public entity's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the public entity enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
13. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objective presented in the public entity's annual performance report for the year ended 31 March 2021:

Objectives	Pages in the annual performance report
Objective 1 – financial sustainability	80 - 81

14. I performed procedures to determine whether the reported performance information was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
15. I did not identify any material findings on the usefulness and reliability of the reported performance information for this objective:
 - Objective 1 – financial sustainability.

Report on the audit of compliance with legislation

Introduction and scope

16. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the public entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance
17. The material findings on compliance with specific matters in key legislation are as follows:

Expenditure management

18. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R273 million, as disclosed in note G.13 to the annual financial statements, as required by section 51(1)(b)(ii) of the PFMA. The majority of the irregular expenditure disclosed in the financial statements was caused by non-compliance with supply chain management prescripts or legislation that led to irregular expenditure.
19. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R72 million, as disclosed in note G.14 to the annual financial statements, as required by section 51(1)(b)(ii) of the PFMA. The majority of the fruitless and wasteful expenditure was as a result of interest and penalties imposed by the South African Revenue Service (Sars) amounting to R71 million, emanating from an audit conducted on the 2017 tax assessment.

Other information

20. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report, which includes the directors' report, the audit committee's report and the company secretary's certificate, as required by the Companies Act. The other information does not include the consolidated and separate financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported in this auditor's report.

- 21. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
- 22. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements and the selected objective presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
- 23. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

- 24. I considered internal control relevant to my audit of the consolidated and separate financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.
- 25. Ineffective processes to prevent the incurrence of irregular and fruitless and wasteful expenditure.
- 26. Ineffective processes to monitor compliance with legislation.

Other reports

- 27. I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the public entity's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
- 28. There are various investigations being conducted on procurement and contract management and other non-compliance matters identified by internal audit. At the date of this report, the internal investigations were still ongoing.

Auditor-General

15 September 2021



**A U D I T O R - G E N E R A L
S O U T H A F R I C A**

Auditing to build public confidence

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the consolidated and separate financial statements and the procedures performed on reported performance information for selected objectives and on the public entity's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the consolidated and separate financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the consolidated and separate 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 my 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 public entity's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors, which constitutes the accounting authority
 - conclude on the appropriateness of the accounting authority's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Airports Company South Africa SOC Limited and its subsidiaries to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
 - obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

Communication with those charged with governance

3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.
5. From the matters communicated to those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements for the current period and are therefore key audit matters. I describe these matters in this auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in this auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.

General information

The Directors have pleasure in submitting their report on the Consolidated Annual Financial Statements of Airports Company South Africa SOC Limited for the year ended 31 March 2021.

The Company was established in terms of the Airports Company Act, No.44 of 1993 as amended.

Nature of business

The principal activities of the Company are the acquisition, establishment, development, provision, maintenance, management, control and operation of airports or part of any airport or any facilities or services that are normally performed at an airport.

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

Directors and changes to the Board

The full profiles of the Company's Directors are contained in the Governance and Remuneration Report, on pages 10 to 11. The Minister of Finance extended the terms of office of the following directors with effect from 1 September 2021: P Mokupo, I Phenyane, Y Pillay, N Nokwe-Macamo and N Zikalala Mvelase.

Review of operations

Revenue for the Group amounted to R2.2 billion (March 2020: R7.1 billion), including non-aeronautical revenue of R1.3 billion (March 2020: R3.4 billion).

Loss before income tax for the Group amounted to R3.6 billion (March 2020: R1.7 billion profit). The loss for the year was R2.6 billion (March 2020: R1.3 billion profit)

Dividends

Due to losses incurred, no dividends were declared in the current financial year.

Capital expenditure

During the current year, R770 million (March 2020: R1.3 billion) was spent on capital relating to improvements, expansions and replacements by the Group. (Refer to notes B1, B2 and G1 for more details).

Share capital

There were no changes to the authorised and issued share capital of the Company and the Group during the financial period.

Going concern

The Consolidated Annual Financial Statements have been prepared on the basis of accounting policies applicable to a going concern.

The COVID-19 pandemic continues to have significant, adverse effects on the global and South African economic markets, and in particular the aviation industry in which the Group operates. Travel bans were introduced in mid-March 2020, towards the end of the Group's financial year. Although the effects of the pandemic may cast doubt over the Group's ability to continue operating as a going concern in the long term, as at the date of this report, the Directors believe funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business in the foreseeable future.

The immediate impact of the pandemic and the Group's response have been disclosed in note G.12 of the Consolidated Annual Financial Statements.

Subsidiaries, joint ventures and associates

Airports Company South Africa SOC Ltd is the ultimate parent company of the Group.

The Group disposed of its 10% stake in Mumbai International Airport Limited during the current financial year for an amount of INR6.14 billion (USD84 million; approximately R1.2 billion) net of transaction costs. Further details are disclosed in note B.3 of these financial statements.

The Group has a 100% interest in ACSA Global Ltd, a management company incorporated in Mauritius. ACSA Global Ltd is registered in Mauritius with a financial year end of 31 March. The investment has been accounted for as a subsidiary.

Airports Company South Africa SOC Ltd holds a 100% interest in JIA Piazza Park (Pty) Ltd with a financial year end of 31 March. The investment has been accounted for as a subsidiary.

Airports Company South Africa SOC Ltd holds a 100% interest in Precinct 2a (Pty) Ltd with a financial year end of 31 March. The investment has been accounted for as a subsidiary.

The Group has a 50% interest in Airport Logistics Property Holdings (Pty) Ltd with a financial year end of 30 June, which is a joint venture between the Company and Bidvest Group Ltd. The investment has been accounted for as a joint venture using the equity accounting method.

Airports Company South Africa SOC Ltd has a 40% interest in the La Mercy JV Property Investments (Pty) Ltd, a property holding, development and letting company with a financial year end of 31 March. The investment has been accounted for as an associate using the equity accounting method.

Airports Company South Africa SOC Ltd holds a 20% interest in Aeroporto de Guarulhos Participações S.A. (GRUPAR), registered in Brazil with a financial year-end of 31 December. The investment has been accounted for as an associate using the equity accounting method.

Airports Company South Africa SOC Ltd holds 100% of Sakhisizwe Community Programme NPC, a special purpose entity (SPE) created and controlled by Airports Company South Africa to administer a government grant received from the Department of Transport.

Details of the assets, liabilities, revenues and expenses of the subsidiaries, joint ventures and associates that are included in the consolidated statement of comprehensive income and the consolidated statement of financial position are set out in notes E1, E2 and E3 of the Consolidated Annual Financial Statements.

Interests of Directors and Officers

No contracts were entered into in which Directors and Officers of the Company had an interest and affect the business of the Group. The Directors had no interest in any third party or company responsible for managing any of the business activities of the Group. The emoluments of Directors are determined by the Board Remuneration Committee. (Directors' emoluments can be found in note G11).

Information required in terms of the Public Finance Management Act

In terms of the materiality framework agreed with the shareholder and as per S55(2) (b) (i) & (ii) of the PFMA, any losses as a result of criminal conduct or irregular or fruitless and wasteful expenditure that individually (or in aggregate) exceed R60 million for the Group, must be disclosed separately, including any criminal or disciplinary steps taken as a consequence of such losses or irregular or fruitless and wasteful expenditure.

Group cumulative fruitless and wasteful expenditure amounted to R77 million (31 March 2020: R113 million). The fruitless and wasteful expenditure relates mainly to penalties and interest resulting from South African Revenue Services re-assessments of prior years.

Group cumulative irregular expenditure is R633 million (31 March 2020: R1.2 billion).

The irregular expenditure incidents relate to contravention of the supply chain management policy and the Preferential Procurement Policy Framework Act (PPPFA) and regulations.

Management has controls in place to monitor and report on this type of expenditure on a regular basis. This information is considered and presented to the Executive Committee (exco) and the Audit and Risk Committee for review on a quarterly basis.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

Figures in R'000	Note	Group			Company		
		Mar 2021	Restated 1 Apr 2020	Restated 1 Apr 2019	Mar 2021	Restated 1 Apr 2020	Restated 1 Apr 2019
Assets							
Non-Current Assets							
Property, plant and equipment	B.2	18 638 288	19 216 854	19 033 006	18 592 998	19 165 786	18 981 421
Investment property	B.1	7 572 976	7 752 136	7 026 668	7 241 713	7 448 453	6 634 588
Intangible assets	G.1	78 677	97 608	95 560	78 654	97 522	95 404
Investments in joint ventures	E.2	193 690	192 324	190 669	-	-	-
Investments in associates	E.3	226 717	226 600	225 563	38 173	38 173	1 188 840
Other non-current assets	D.5	464 489	282 307	238 402	465 413	283 605	240 448
Investments	G.4	-	-	-	42 286	41 258	607 380
		27 174 837	27 767 829	26 809 868	26 459 237	27 074 797	27 748 081
Current Assets							
Inventories		1 027	1 575	1 577	-	-	-
Current tax receivable		238 600	616 806	340 143	229 697	616 657	334 850
Trade and other receivables	D.1	958 946	1 021 126	866 678	923 466	1 000 586	850 513
Investments	G.4	861 116	745 314	769 368	1 788 334	1 616 007	1 074 394
Cash and cash equivalents	D.2	2 332 444	989 995	1 123 643	1 027 423	904 361	1 065 603
		4 392 133	3 374 816	3 101 409	3 968 920	4 137 611	3 325 360
Non-current assets held for sale	B.3	13 282	983 155	785 570	13 282	13 394	-
Total Assets		31 580 252	32 125 800	30 696 847	30 441 439	31 225 802	31 073 441
Equity and Liabilities							
Equity							
Share capital – ordinary	G.5	500 000	500 000	500 000	500 000	500 000	500 000
Share premium	G.5	250 000	250 000	250 000	250 000	250 000	250 000
Treasury share reserve		(44 024)	(44 024)	(44 024)	-	-	-
Other reserves	G.6	459 758	277 033	143 752	204 343	206 972	203 411
Retained income		19 580 763	22 141 302	20 817 243	18 194 655	21 073 559	20 914 172
		20 746 497	23 124 311	21 666 971	19 148 998	22 030 531	21 867 583
Liabilities							
Non-Current Liabilities							
Derivative financial instruments	C.3	1 171	2 122	2 041	1 171	2 122	2 041
Retirement benefit obligation	G.3	29 376	26 222	29 904	29 376	26 222	29 904
Deferred income	G.7	47 067	50 124	54 352	47 067	50 124	54 352
Deferred tax liability	G.2	295 205	1 550 525	1 295 980	780 424	1 773 225	1 496 968
Interest-bearing borrowings	C.1	8 261 909	5 580 559	5 760 519	8 261 910	5 580 560	5 760 520
		8 634 728	7 209 552	7 142 796	9 119 948	7 432 253	7 343 785
Current Liabilities							
Derivative financial instruments	C.3	2 488	2 596	1 711	2 488	2 596	1 711
Current tax payable		478	340	462	-	-	-
Trade and other payables	D.3	1 104 858	924 626	875 569	1 081 709	899 059	854 821
Deferred income	G.7	3 058	4 357	3 935	3 058	4 357	3 935
Provisions	G.8	28 624	31 629	150 746	27 286	30 116	148 449
Interest-bearing borrowings	C.1	1 059 521	824 452	854 657	1 057 952	822 953	853 157
Lease liabilities	C.4	-	3 937	-	-	3 937	-
		2 199 027	1 791 937	1 887 080	2 172 493	1 763 018	1 862 073
Total Liabilities		10 833 755	9 001 489	9 029 876	11 292 441	9 195 271	9 205 858
Total Equity and Liabilities		31 580 252	32 125 800	30 696 847	30 441 439	31 225 802	31 073 441

STATEMENT OF COMPREHENSIVE INCOME AS AT 31 MARCH 2021

Figures in R'000	Note	Group		Company	
		Mar 2021	Restated Mar 2020	Mar 2021	Restated Mar 2020
Revenue	A.1	2 151 926	7 123 559	2 039 074	6 949 124
Other income	A.2	5 564	212 116	6 444	156 958
Employee costs	A.3	(1 881 970)	(1 821 412)	(1 869 931)	(1 787 579)
Operating expenses	A.4	(1 950 080)	(2 627 172)	(1 866 949)	(2 535 730)
Impairment of trade and other receivables	D.1	(120 354)	(270 458)	(80 232)	(269 868)
(Loss)/earnings before interest, tax, depreciation and amortisation		(1 794 914)	2 616 633	(1 771 594)	2 512 905
Fair value (losses)/gains on investment properties	B.1	(216 313)	721 259	(243 893)	809 655
Depreciation, amortisation and impairments	B.2&G.1	(1 318 943)	(1 077 443)	(1 313 336)	(1 071 550)
Income from/(impairment of) equity accounted investments	E.3&E.2	1 482	2 693	-	(1 150 667)
Gain on disposal of assets held for sale	B.3	260 803	-	-	-
Finance income	C.2	100 886	141 588	164 601	203 763
Finance costs	C.2	(662 125)	(660 761)	(661 896)	(660 602)
Gains on remeasurement and disposal of financial instruments	C.2	28 857	33 909	13 073	33 909
(Loss)/profit before taxation		(3 600 267)	1 777 878	(3 813 045)	677 416
Taxation	G.9	1 039 728	(397 802)	934 141	(461 333)
(Loss)/profit for the year		(2 560 539)	1 380 076	(2 878 904)	216 080
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Actuarial (losses)/gains	G.6	(3 651)	4 945	(3 651)	4 945
Deferred tax relating to items that will not be reclassified	G.6	1 022	(1 385)	1 022	(1 385)
Total items that will not be reclassified to profit or loss		(2 629)	3 560	(2 629)	3 560
Items that may be reclassified to profit or loss:					
Exchange differences on translating foreign operations	G.6	213 182	179 818	-	-
Deferred tax relating to foreign currency translation differences	G.6	(27 828)	(50 097)	-	-
Total items that may be reclassified to profit or loss		185 354	129 721	-	-
Other comprehensive income for the year net of taxation		182 725	133 281	(2 629)	3 560
Total comprehensive (loss)/income for the year		(2 377 814)	1 513 357	(2 881 533)	219 640
Earnings per share					
Basic (loss)/earnings per share	G.10	(518,32)	279,35	(575,78)	43,22

STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2021

Group						
Figures in R'000	Share capital	Share premium	Treasury share reserve	Other reserves	Retained income	Total equity
Balance at 01 April 2019 – previously stated	500 000	250 000	(44 024)	143 752	20 734 046	21 583 774
Adjustments-prior period error G.16	-	-	-	-	83 197	83 197
Balance at 01 April 2019 – restated	500 000	250 000	(44 024)	143 752	20 817 243	21 666 971
Profit for the year	-	-	-	-	1 380 076	1 380 076
Other comprehensive income:						
Actuarial gains on defined benefit post-retirement medical aid liability, net of tax	-	-	-	3 560	-	3 560
Foreign currency translation differences, net of tax	-	-	-	129 721	-	129 721
Dividends declared	-	-	-	-	(56 017)	(56 017)
Total other comprehensive income	-	-	-	133 281	(56 017)	77 264
Balance at 1 April 2020 – previously stated	500 000	250 000	(44 024)	277 033	21 873 038	22 856 047
Adjustments – prior period error G.16	-	-	-	-	268 264	268 264
Balance at 1 April 2020 - restated	500 000	250 000	(44 024)	277 033	22 141 302	23 124 311
Loss for the year	-	-	-	-	(2 560 539)	(2 560 539)
Other comprehensive income:						
Actuarial losses on defined benefit post-retirement medical aid liability, net of tax	-	-	-	(2 629)	-	(2 629)
Foreign currency translation differences, net of tax	-	-	-	185 354	-	185 354
Total other comprehensive income	-	-	-	182 725	-	182 725
Balance at 31 March 2021	500 000	250 000	(44 024)	459 759	19 580 763	20 746 497
Note	G.5	G.5	G.10	G.6		

STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2021

Company					
Figures in R'000	Share capital	Share premium	Other reserves	Retained income	Total equity
Balance at 01 April 2019 – previously stated	500 000	250 000	203 411	20 831 007	21 784 418
Adjustments – prior period error G.16	-	-	-	83 165	83 165
Balance at 01 April 2019 – restated	500 000	250 000	203 411	20 914 172	21 867 583
Profit for the year	-	-	-	216 080	216 080
Other comprehensive income:					
Actuarial gain on defined benefit post-retirement medical aid liability, net of tax	-	-	3 560	-	3 560
Dividends declared	-	-	-	(56 693)	(56 693)
Total other comprehensive income	-	-	3 560	(56 693)	(53 133)
Balance at 1 April 2020 – previously stated	500 000	250 000	206 972	20 805 327	21 762 299
Adjustment-prior period error G.16	-	-	-	268 232	268 232
Balance at 1 April 2020 – restated	500 000	250 000	206 972	21 073 559	22 030 531
Loss for the year	-	-	-	(2 878 904)	(2 878 904)
Other comprehensive income:					
Actuarial loss on defined benefit post-retirement medical aid liability, net of tax	-	-	(2 629)	-	(2 629)
Total other comprehensive income	-	-	(2 629)	-	(2 629)
Balance at 31 March 2021	500 000	250 000	204 343	18 194 655	19 148 998
Note	G.5	G.5	G.6		

STATEMENT OF CASH FLOWS AS AT 31 MARCH 2021

Figures in R'000	Note(s)	Group		Company	
		Mar 2021	Mar 2020	Mar 2021	Mar 2020
Cash flows from operating activities					
Cash (used in)/generated from operations	D.4	(1 544 357)	2 503 036	(1 635 592)	2 323 709
Interest received		100 884	141 588	164 600	203 763
Tax received (paid)	D.5	127 188	(475 640)	265 945	(475 640)
Net cash (outflow)/ inflow from operating activities		(1316 285)	2 168 984	(1 205 047)	2 051 832
Cash flows from investing activities					
Purchase of property, plant and equipment	B.2	(706 489)	(1 284 370)	(701 256)	(1 278 987)
Sale of property, plant and equipment		692	1 186	830	1 021
Purchase of investment property	B.1	(37 697)	(5 485)	(37 697)	(5 485)
Purchase of intangible assets	G.1	(30 939)	(42 014)	(30 939)	(41 996)
Loans to group companies advanced		-	-	(57 554)	84 322
Transfers to in income funds	G.4	(115 801)	(24 054)	(115 801)	(24 054)
Proceeds from disposal of asset held for sale		1 278 372	-	-	-
Net cash inflow/(outflow) from investing activities		388 138	(1 354 737)	(942 417)	(1 265 179)
Cash flows from financing activities					
Repayment of derivatives	C.3	(3 034)	(1 765)	(3 034)	(1 766)
Interest-bearing borrowings repaid	C.1	(296 355)	(296 355)	(296 355)	(296 355)
Proceeds from issue of preference shares	C.1	2 324 750	-	2 324 750	-
Dividends paid		-	(56 017)	-	(56 016)
Interest-bearing borrowings raised	C.1	810 000	-	810 000	-
Interest paid		(560 828)	(574 014)	(560 898)	(574 014)
Cash payment of lease liabilities	C.4	(3 937)	(19 744)	(3 937)	(19 744)
Net cash inflow/(outflow) from financing activities		2 270 596	(947 895)	2 270 526	(947 895)
Net increase/(decrease) in cash and cash equivalents		1 342 449	(133 648)	123 062	(161 242)
Cash and cash equivalents at the beginning of the year		989 995	1 123 643	904 361	1 065 603
Cash and cash equivalents at the end of the year	D.2	2 332 444	989 995	1 027 423	904 361

1. Basis of preparation and accounting policies

1.1 Accounting policies

The most significant accounting policies appear in the relevant notes in the Consolidated Annual Financial Statements. The remainder of the accounting policies not relating to a specific note are dealt with herewith. All accounting policies are consistent with the previous period, except where new standards were applied in the current year.

1.2 Statement of compliance and basis of preparation

The separate and Consolidated Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations issued by the International Accounting Standards Board (IASB), as well as the requirements of the South African Companies Act of 2008 and the Public Finance Management Act No.1 of 1999, as amended.

The financial statements have been prepared on the historical cost basis, except for investment property and certain financial instruments that are carried at fair value.

1.3 Basis of consolidation

The Group controls and consolidates an entity where it has power over the entity's relevant activities; is exposed to variable returns from its involvement with the investee; and has the ability to affect the returns through its power over the entity, including structured entities.

1.4 Judgements and estimates

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Fair value of investment property: valuation techniques used to determine fair value using observable inputs – note B.1.
- Accounting for investments in associates: whether the Group has significant influence over an investee – note E.3.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 March 2021 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Probability of collection of consideration due as revenue, and rental concessions granted to customers – note A.1.
- Useful lives and residual values of assets – notes B.2 and G.1.
- Measurement of expected credit loss allowance (ECL) for trade receivables: key assumptions in determining the weighted-average loss rate note D.1.
- Impact of COVID 19 pandemic: Group's risks and exposures at 31 March 2021, ability to continue as a going concern, future cashflows for impairment testing purposes and adjusting vs non-adjusting (but disclosable) events after reporting date, up to date of publishing of financial statements - notes F and G.12.
- Recognition and measurement of current and deferred tax assets, liabilities and expenses: uncertain tax positions notes G.2 and G.9.
- Measurement of defined benefit obligations: key actuarial assumptions – note G.3.
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – notes G.8 and G.15.

1.5 Changes in accounting policies and disclosures

The accounting policies are consistent with those adopted in the prior period and the accounting policies set out below have been applied consistently to all periods presented in these financial statements, by all entities within the Group, except where new standards were applied in the current year.

Basis of preparation and accounting policies (continued)

1.6 Functional and presentation currency

These financial statements are presented in South African Rand, which is the Company's functional currency. All financial information presented in Rand has been rounded to the nearest thousand unless otherwise indicated.

1.7 Foreign currency

1.7.1 Foreign operations

The assets and liabilities of foreign operations, including fair value adjustments arising on acquisition, are translated to South African Rand at closing rate. The income and expenses of foreign operations are translated at the dates of the transactions using an average rate.

Differences arising upon the translation of the foreign operation into South African Rand are recognised directly in other comprehensive income as part of the foreign currency translation reserve account.

When a foreign operation is disposed of partially or in its entirety such that control, joint control or significance is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

1.7.2 Foreign currency transactions and balances

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities are retranslated at year-end at the closing rate (exchange rate at year-end). Non-monetary assets and liabilities are measured at historical cost and are not retranslated at year-end, while non-monetary assets and liabilities measured at fair value are retranslated at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on translation are recognised in profit and loss. Refer to note F.2. (price risk) for the significant exchange rates that applied throughout the period.

1.8 Impairment of non-financial assets

The carrying amounts of property and equipment, and intangible assets are reviewed at each reporting date to determine whether there is an indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Assets are grouped together into the smallest groups of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit).

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

2. New standards and interpretations

2.1 Standards and interpretations effective for the first time in the current year

The standards and interpretations applicable to the Group came into effect for the first time in the current financial year. None of them had a material impact on the Group. The relevant accounting policies have been updated in these financial statements where necessary.

IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

2. New standards and interpretations (continued)

Definition of material: The amendments clarify and align the definition of 'material' and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS Standards.

The Group has considered and applied the amended definition in the preparation of these financial statements.

2.2 Standards and interpretations not yet effective

There are a number of new standards and amendments that will be effective only after the 2021 financial year-end and early adoption is permitted. Management has not opted to early adopt any of the standards and interpretations in preparing these Consolidated Annual Financial Statements. A full assessment of the impact of these standards and interpretations has not been done.

Standard/interpretation	Key requirements	Effective date
IFRS 16 leases	<p>COVID-19-related rent concessions: Amendment providing lessees with an exemption from assessing whether a COVID-19-related rent concession (a rent concession that reduces lease payments due on or before 30 June 2021) is a lease modification.</p> <p>Management anticipates that the application of these amendments may have an impact on the Group's Consolidated Annual Financial Statements in future periods.</p>	1 June 2020
IAS 1 Presentation of financial statements	<ol style="list-style-type: none"> Classification of liabilities as current or non-current: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current. Disclosure of accounting policies: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies. Additional guidance is added to the standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material. <p>Management anticipates that the application of these amendments may have an impact on the Group's Consolidated Annual Financial Statements in future periods.</p>	1 January 2023
IAS 16 Property, plant and equipment	<p>Property, plant and equipment: Proceeds before intended use: The amendments prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.</p> <p>Management anticipates that the application of these amendments may have an impact on the Group's Consolidated Annual Financial Statements in future periods.</p>	1 January 2022
IAS 37 Provisions, contingent liabilities and contingent assets	<p>Onerous contracts – Cost of fulfilling a contract: The amendments specify which costs should be included in an entity's assessment of whether a contract will be loss-making.</p> <p>Management anticipates that the application of these amendments may have an impact on the Group's Consolidated Annual Financial Statements in future periods.</p>	1 January 2022

3. Segmental information

The Group's reported segments are based on reports reviewed by the Executive Committee (exco) to make strategic decisions.

Five reportable segments were identified:

- O.R. Tambo International
- Cape Town International
- King Shaka International
- Regional Airports
- Corporate and other, which comprises the results of subsidiaries, joint ventures and associates of the Group.

The Regional Airports segment comprises the smaller airports in South Africa that are managed by the Group:

- Bram Fischer International Airport
- East London Airport
- Port Elizabeth International Airport
- George Airport
- Kimberley Airport
- Upington International Airport

Management has considered the following factors to identify the reportable segments including the basis of the organisation:

- The size of the airports (international vs domestic)
- The nature of operations (airport operations, property, hotel operations, administration)
- The type of services (airport operations, property, hotel operations, administration)

The results of each reportable segment's operations are provided in the segmental analysis. Management assesses the performance of the operating segments as a measure of earnings before interest, taxation, depreciation and amortisation expense (EBITDA).

The Group calculates EBITDA as follows:

Profit/(loss) before tax; add/finance costs; less finance income
 Add depreciation, amortisation and impairment
 Add losses from equity accounted investments
 Add/subtract fair value losses/gains on investment properties

Items not allocated to segments

Current and deferred tax liabilities, derivative financial instruments and interest-bearing liabilities have not been allocated to operating segments as these are managed centrally.

Similarly, finance income and costs are not allocated to operating segments as they are driven largely by the corporate segment, which manages the cash requirements of the Company. Corporate overhead expenses are not allocated to the reportable segments.

3. Segmental information (continued)

Figures in R'000	O.R. Tambo International		Cape Town International		King Shaka International		Regional Airports		Corporate and Other ¹		Eliminations ²		Total	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020
	Revenue from external customers													
- Aeronautical	479 952	2 280 342	176 095	861 263	86 925	376 101	67 439	225 718	-	-	-	-	810 411	3 743 424
- Non-aeronautical	857 356	1 992 186	197 808	732 097	102 475	304 221	74 981	166 707	110 662	241 543	(1 767)	(56 619)	1 341 515	3 380 135
Total revenue	1 337 308	4 272 528	373 903	1 593 360	189 400	680 322	142 420	392 425	110 662	241 543	(1 767)	(56 619)	2 151 926	7 123 559
EBITDA/(LBITDA)	214 855	3 073 254	(117 692)	970 884	(223 251)	238 905	(171 994)	71 298	(1 436 834)	(1 682 488)	(59 998)	(55 220)	(1 794 914)	2 616 633
- Fair value (losses)/gains on investment properties	(348 195)	288 509	29 482	492 079	50 517	(10 675)	24 303	39 741	(2 800)	3 346	30 380	(91 741)	(216 313)	721 259
Depreciation,	(523 556)	(567 987)	(304 890)	(216 556)	(226 642)	(270 439)	(125 826)	(173 842)	(197 248)	92 183	59 199	59 196	(1 318 943)	(1 077 443)
amortisation and impairments														
Income from equity accounted investments	-	-	-	-	-	-	-	-	1 482	2 693	-	-	1 482	2 693
Segment (loss)/profit before tax	(615 535)	2 801 633	(375 219)	1 251 530	(391 246)	(40 246)	(341 221)	(60 338)	(2 087 066)	(2 257 184)	210 020	82 483	(3 600 267)	1 777 878
Reportable total assets*	7 884 965	10 856 330	4 398 043	6 417 373	6 091 896	6 807 698	2 293 812	5 906 199	8 378 998	4 081 497	2 293 812	(2 560 402)	31 341 526	31 508 695
Reportable total liabilities	(249 058)	(184 041)	(135 214)	(152 879)	(99 764)	(100 985)	(42 051)	(37 601)	(2 796 056)	(2 620 164)	2 109 189	2 054 744	(1 212 954)	(1 040 926)

* Negative assets balances occur as a result of bank balances that had not automatically transferred from the airports to the corporate account at the reporting date.

¹ 'Other' comprises the results of the subsidiaries, joint ventures and associates in the Group.

² Eliminations relate to intergroup transactions and balances between the entities within the Group.

No revenues have been derived from transactions with other operating segments within ACSA (inter-segment revenue).

Major customers

Included in revenue is an amount of R275 million from one significant customer (2020: R748 billion). There are no other customers who represent more than 10% of revenue for both 2021 and 2020.

A. Managing EBITDA

A.1 Revenue

The Group and Company earn revenue from aeronautical and non-aeronautical goods and services.

Aeronautical revenue

Aeronautical revenue relates to the following services and is recognised in accordance with IFRS 15.

Type of revenue	Determination
Landing fees	Using regulated tariffs for aircraft landings based on the maximum take-off weight of landing aircrafts for each landing.
Passenger service charges	Using regulated tariffs for each departing passenger at an airport of departure.
Aircraft parking	On regulated tariffs for each aircraft parked for over four hours, based on the maximum take-off weight of aircraft parking per 24-hour period.

The Group accounts for contracts with customers for each revenue stream when all five steps for revenue recognition in accordance with IFRS 15 have been addressed. These steps have been outlined as follows:

- The contract has been approved by the parties to the contract; the contracts are implied based on aviation business practices.
- Each party's rights in relation to the goods or services to be transferred can be identified; the Company has the right to restrict access to the facilities it provides to customers should they not pay as stipulated by agreed terms for the services.
- The payment terms for the goods or services to be transferred can be identified (see below).
- The contract has commercial substance; the contracts affect the Company's cashflows and risk as transactions are entered into to earn a profit.
- It is probable that the consideration to which the entity is entitled to in exchange for the goods or services will be collected; the Company considers the customer's ability and intention to pay the amount of consideration based on prior business mutual dealings.

The Company satisfies its performance obligations in relation to its revenue streams at a point in time, as follows:

- Landing fees, upon landing of an aircraft at the Company's airports
- Passenger service fees, upon departure by a passenger from the Company's airports
- Aircraft parking, upon parking by an aircraft at the Company's airports

Payment terms

Revenue is due within 30 days of satisfaction of a performance obligation.

There are no warranties, returns and any related obligations in relation to the Company's revenue streams. Revenue is measured at the transaction price allocated to that performance obligation.

Non-aeronautical revenue

Non-aeronautical revenue relates to lease income and other revenue.

Revenue from leasing activities is recognised in accordance with IFRS 16 on a straight-line basis over the lease term. Other revenue is recognised in accordance with IFRS 15 as detailed above.

Type of revenue	Advertising	Retail	Parking	Car hire	Property rental	Other
Determination	Based on the higher of a minimum guaranteed rental and/or a percentage of turnover.	Based on the higher of a minimum guaranteed rental ¹ and/or a percentage of turnover.	Time-based tariffs.	Rental is based on the higher of a minimum guaranteed rental and/or a percentage of turnover.	Based on medium and long-term rental agreements with tenants.	Recognised based on type of permit as well as the access that the permit grants or services provided.
Examples	Rental of advertising space to concessionaires.	Rental of retail space to concessionaires.	Providing short and long-term parking facilities.	Concession fees and the rental of space and kiosks to car hire companies	Rentals of office space, air lounges, aviation fuel depots, warehousing, logistics facilities, hotels and filling stations.	Permits and airport management services e.g. vehicle access, cellphone permit, fire arm access, camera access, consulting services and groundhandling services.

A.1 Revenue (continued)

Owing to the impact of lockdowns on the Group's operations, during the current financial year, rental relief was granted by the Group on a customer-by-customer basis, mainly in the property and retail portfolios.

The concessions provided were as follows:

- Waiver of rental
- Reduced guaranteed minimum rental
- Waiver of guaranteed minimum rental.

The specific relief measures granted varied based on negotiation of each customer's contractual terms and applied for specific months.

The relief concessions are not considered to be lease modifications, which are defined in IFRS 16 as changes in the scope of or original consideration for a lease, which was not part of the original terms and conditions.

The travel restrictions, travel bans, and lock downs imposed as a result of the pandemic were beyond the control of both the customers and the Group and constituted a force majeure event as defined in the lease contracts. Therefore, the granting of concessions by the Group because of those events although not specifically listed, fell within the scope of the original contracts with the customers (as a force majeure event) and were not lease modifications.

The impact of the relief measures was a reduction in revenue of R1.4 billion (Mar 2020: R0).

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Revenue from contracts with customers				
Aeronautical				
Landing fees	367 584	1 302 076	367 584	1 302 076
Passenger service charges	413 560	2 386 637	413 560	2 386 637
Aircraft parking	29 267	54 711	29 267	54 711
	810 411	3 743 424	810 411	3 743 424
Non-aeronautical				
Hotel operations	42 940	162 287	-	-
Other ¹	56 972	91 798	37 706	74 517
	99 912	254 085	37 706	74 517
Total revenue from contracts with customers	910 323	3 997 509	848 117	3 817 941
Other revenue - Leases				
Non-aeronautical				
Advertising	40 671	203 967	40 671	203 967
Retail	309 710	1 235 401	309 710	1 235 401
Parking	162 611	575 129	162 611	575 129
Car hire	72 465	290 538	72 465	290 538
Property rental	656 146	821 015	605 500	826 148
Total other revenue	1 241 603	3 126 050	1 190 957	6 949 124
Total revenue	2 151 926	7 123 559	2 039 074	10 767 065
Aeronautical	810 411	3 743 424	810 411	3 743 424
Non-aeronautical	1 341 515	3 380 135	1 228 663	3 205 700
	2 151 926	7 123 559	2 039 074	6 949 124

¹ Other includes permits and airports management services.

A.1 Revenue (continued)

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Revenue relating to variable lease payments on operating leases				
Advertising	31 827	3 521	31 827	3 521
Retail	23 850	178 167	23 850	178 167
Parking	585	1 053	585	1 053
Car hire	57 375	34 090	57 375	34 090
Property rental	1 313	122 820	1 313	122 820
	114 950	339 651	114 950	339 651
Revenue relating to fixed lease payments for operating leases				
Advertising	8 844	200 411	8 844	200 411
Retail	285 860	1 055 680	285 860	1 055 680
Parking	162 026	574 076	162 026	574 076
Car hire	15 090	252 729	15 090	252 729
Property rental	654 833	694 029	604 187	696 873
	1 126 653	2 776 925	1 076 007	2 779 769

The Group earns all its lease revenue from operating leases.

At the reporting date, the Group had contracts with tenants for the following future minimum cash lease payments in respect of advertising, retail and property leases.

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Net minimum future cash lease payments on operating leases	4 243 585	4 112 001	4 235 976	4 104 628
Within one year	1 742 267	1 688 243	1 734 658	1 680 870
Between one to two years	1 334 895	1 293 503	1 334 895	1 293 503
Between two to five years	422 773	409 664	422 773	409 664
After five years	743 650	720 591	743 650	720 591

A.2 Other income

Other income is any income that accrued to the Group from activities that is not part of the normal operations and is recognised as earned.

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Bad debts recovered	-	37 428	-	-
Net profit on disposal of assets	(885)	17 691	-	-
Other ³	6 449	156 997	6 444	156 958
	5 564	212 116	6 444	156 958

³Other includes training income and rates refunds.

A.3 Employee costs

Accounting policy

Employee costs are recognised as an operating expense in the period during which services are rendered by the employees.

Type of benefit	Policy
Defined contribution plans	Obligations for contributions to defined contribution pension plans and medical aid schemes are recognised as an employee benefit expense in profit and loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.
Defined benefit plans	<p>The Group operates a number of defined benefit retirement and medical aid plans. Employer companies contribute to the cost of benefits taking account of the recommendations of the actuaries.</p> <p>Net interest income/ (expense) is determined on the defined benefit asset/(liability) by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit asset/(liability).</p> <p>Other expenses related to the defined benefit plans are also recognised in operating expenses. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in employee costs. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. Past service cost is recognised as an expense at the earlier of plan amendment curtailment, and recognition of related restructuring or termination benefits.</p>
Short-term benefits	<p>Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.</p> <p>A liability is recognised for the amount expected to be paid under short-term cash bonus or incentive scheme plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.</p>

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Basic	1 661 302	1 564 246	1 650 324	1 534 011
Performance bonus	-	36 122	-	36 122
Medical aid – Company contributions	99 226	96 230	98 207	94 843
Pension benefits	121 442	124 814	121 400	122 603
	1 881 970	1 821 412	1 869 931	1 787 579

A.4 Operating expenses

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Repairs and maintenance	272 488	456 639	269 359	452 434
Security	423 113	510 644	421 513	509 012
Electricity and water	165 879	193 177	157 557	183 985
Auditors remuneration	18 876	17 132	17 815	15 690
Operating lease expense*	27 106	11 354	26 576	11 091
Information systems expenses	259 136	288 520	259 136	288 520
Rates and taxes	273 911	273 611	266 235	264 536
Cleaning	81 424	167 609	80 286	166 225
Marketing	18 213	89 086	15 614	82 178
Managerial, technical and other fees	122 445	166 155	89 023	160 720
Travel	(759)	52 277	(966)	51 749
Insurance	49 038	37 721	48 765	37 529
Administration	90 561	123 128	85 683	93 905
Training	4 987	35 688	3 289	34 357
Foreign currency losses	10 444	-	74	-
Consumables	27 535	32 754	27 355	32 382
Socio-economic and enterprise development	12 831	42 857	12 831	42 857
Telephone and fax	11 509	10 621	11 458	10 553
Recruitment expenses	3 515	8 176	3 515	8 176
Legal expenses	50 158	49 718	50 158	49 718
Other expenses	5 764	22 532	1	2 405
Bank charges	3 905	9 555	3 810	9 418
Service standards monitoring	1 833	6 869	1 833	6 869
Membership fees	5 819	5 724	5 819	5 724
Loss on sale of assets	10 477	5 576	10 338	5 648
(Gains)/losses on property and equipment	(128)	10 049	(128)	10 049
	1 950 080	2 627 172	1 866 949	2 535 730

* Accounting policy; low value assets; Company and Group as a lessee.

Accounting policy

Low value assets payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payment are recognised as an operating lease liability. This liability is not discounted.

The company leases office printers and these are classified as low value assets. IFRS 16 paragraph 6 has been applied to measure these assets.

	Mar 2021	Mar 2020
Low value assets	8 745	4 372

The low value assets amounts above do not include the values of land and buildings leased at the Corporate Office, which were recognised on a straight-line basis due to the short-term nature of that lease.

B. Assets

B.1 Investment property

Accounting policy

Investment property comprises a number of commercial properties that are leased to third parties. Investment property is carried at fair value, determined annually using the income capitalisation approach by an accredited independent valuer. Changes in fair values are recorded in profit and loss. The fair value obtained by the valuer is adjusted for lease receivables of R208 million (Mar 2020: R97 million)

Significant judgment, estimate and source of estimation uncertainty

Fair values are determined using the income capitalisation technique, which uses transactions observable in the market at the reporting date. The Group and Company use their judgement to select the appropriate method and makes assumptions relating to market yields, escalation rates and key valuation inputs that are mainly based on conditions existing at each reporting date.

Reconciliation of investment property

Group		
Figures in R'000	Mar 2021	Mar 2020
Restated balance at beginning of year	7 752 136	7 026 668
Improvements/additions	14 997	5 485
Write-offs	(532)	(1 275)
Change in fair value		
Recognised in profit for the year	(216 313)	721 259
Transfers from property, plant and equipment	22 688	-
Balance at end of year	7 572 976	7 752 136
Company		
Figures in R'000	Mar 2021	Mar 2020
Restated balance at beginning of year	7 448 453	6 634 588
Improvements/additions	14 997	5 485
Write-offs	(532)	(1 275)
Change in fair value		
Recognised in profit for the year	(243 893)	809 655
Transfers from property, plant and equipment	22 688	-
Balance at end of year	7 241 713	7 448 453

The Group's investment properties are unencumbered, and there are no restrictions on their realisability.

The valuation technique was changed from a market related rental technique in 2019 to the income capitalisation approach in 2020. The market rental technique estimates a property's fair value with reference to market data for similar properties, whilst the income capitalisation approach makes use of actual lease contractual terms and revenue streams. The change was made as the income capitalisation approach is more in line with international best practice. The change in estimate of R385 million comprises R385 million of the R721 gain for the year ended 31 March 2020. The change in valuation technique is considered a change in estimate in terms of IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

The amount of rental income from investment properties recognised in profit for the period was as follows:

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Rental payments received	656 146	821 015	605 500	826 148
Included in revenue (note A.1)	656 146	821 015	605 500	826 148

Operating expenses directly incurred in relation to investment properties amounted to R6 million in the current financial year.

B.1 Investment property (continued)

Fair values

The following main inputs have been used in determining the fair values of investment properties:

	Group and Company	
	Mar 2021	Mar 2020
Market yield of comparable industrial properties (%)	8 - 11.75	8.15 - 11.9
Market yield of comparable commercial properties (%)	8.25 - 11.35	8.30 - 11.40
Discount rate: Industrial properties (%)	11.25 - 15.75	11.4 - 15.90
Discount rate: Commercial properties (%)	11.25 - 15.35	11.30 - 15.40
Average escalation of lease rentals(%)	6 - 8	7 - 9
Average duration of lease(years)	2 - 4	3 - 5
Average capitalisation rate: business and commercial properties portfolio (%)	9.98	10.26
Average vacancy provision: business and commercial properties portfolio (%)	1.47	1.5
Average capitalisation rate: industrial properties portfolio (%)	9.13	9.19
Average vacancy provision: industrial properties portfolio (%)	1.59	1.7

Fair value hierarchy

The fair values of these investment properties are determined using valuation techniques that use inputs directly or indirectly observable. They are therefore classified as Level 3 on the fair value hierarchy.

The COVID-19 outbreak has significantly affected the South African economy, the aviation industry, and the property industry. The virus and the resultant uncertain economic outlook for the period of (and post) the lockdown is expected to have an adverse effect on the operations of the Group's tenants; the viability of their businesses and their ability to meet their rental obligations. This uncertainty is factored into the valuation of our investment property portfolio, specifically in the discount rate, capitalisation rate and vacancy provisions, all of which are significant inputs into the fair value determination. Given the current uncertainty, additional changes in significant unobservable inputs and the estimated impact thereof have been included in the current year.

The estimated impact of a change in the following unobservable inputs would result in a change in the independent valuers' valuation as follows:

	Group and Company	
	Mar 2021	Mar 2020
Decrease of 50 basis points in the discount rate	480	56
Increase of 50 basis points in the discount rate	(473)	(55)
Decrease of 50 basis points in the exit capitalisation rate	319	335
Increase of 50 basis points in the exit capitalisation rate	(291)	(304)
Decrease of 50 basis points in the capitalisation rate	490	533
Increase of 50 basis points in the capitalisation rate	(443)	(480)
Decrease of 100 basis points in the market rental growth rate	(160)	(161)
Increase of 100 basis points in the market rental growth rate	163	163
Decrease of 100 basis points in the property expenditure growth	106	110
Increase of 100 basis points in the property expenditure growth	(106)	(110)

The effective date of the valuation of the investment properties was 31 March 2021. All independent valuers are registered in terms of section 19 of the Property Valuers Professional Act, Act No 47 of 2000. The valuers were as follows:

Appraisal Corporation CC

- Saul du Toit - Professional valuer, appraiser. Registered as a Professional Valuer with the SA Council for the Property Valuers Profession (Reg. No. 2631). Fellow of SA Institute of Valuers (SAIV); Chartered Surveyor, Member of RICS. Member of South African Right of Way Association.

B.1 Investment property (continued)

- Jenny Falck -Professional valuer, appraiser. Registered as a Professional Valuer with the SA Council for the Property Valuers Profession (SACPVP) (Reg. No.3696). Chartered Surveyor and Civil Commercial Mediator, Member of RICS. Fellow of the SAIV and past Chairperson of the Southern Branch of the SAIV.
- Manie Steinman - Registered as a Professional Valuer with the SA Council for the Property Valuers Profession (SACPVP) (Reg. No.3156). Member of the SAIV.
- Robyn Jackson - Registered as a Professional Valuer with the SA Council for the Property Valuers Profession (SACPVP) (Reg. No.7677). Member of the SAIV.

B.2 Property, plant and equipment

Accounting policy

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses.

Gains and losses on disposal are recognised within profit or loss. The costs of day-to-day maintenance are recognised in profit and loss. Depreciation is recognised on a straight-line basis to reduce the assets to their residual values over their estimated useful lives. Land is not depreciated..

A summary of the estimated useful lives of different asset groups is as follows:

Category	Useful lives
Office furniture and fittings	1 to 25 years
Computer equipment	1 to 29 years
Equipment	1 to 50 years
Motor Vehicles	1 to 50 years
Pavements	1 to 60 years
Buildings	1 to 54 years

Right-of-use assets

Right-of-use assets are initially measured at cost. This comprises the initial amount of the lease liability adjusted for any lease payments – made at or before the commencement date – plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the end-of-lease term, unless the lease transfers ownership of the underlying asset to the Group by the end-of-lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case, the right-of-use asset will depreciate over the useful life of the underlying asset and is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Impairment

The carrying amounts of property and equipment, and intangible assets are reviewed at each reporting date to determine whether there is an indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to determine recoverable amounts for individual assets, assets are aggregated into the smallest groups of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit).

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit and loss. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (group of units) on a pro rata basis.

B.2 Property, plant and equipment (continued)

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of comprehensive income.

For testing property, plant and equipment for impairment in the current year, the Group's recoverable amounts were determined based on value-in-use calculations using cash flow forecasts approved by management covering an eight-year period, adjusted for the Group's view of the impact of COVID-19 on the results. Cash flows beyond the eight-year period were extrapolated using long-term terminal growth rates.

The key assumptions used in determining the value in use include a risk adjusted pre-tax discount rate of 9.54%, gross margins consistent with historical trends, growth rates based on management's expectations for market development and a long-term terminal growth rate of 2.9%. The long-term terminal growth rate does not exceed the rate applicable to markets in which the Group operate. Any reasonably possible change to the assumptions will not lead to an impairment charge. The discount rate is the company's weighted average cost of capital, determined with reference to the post tax cost of debt of 6.4% and the cost of equity of 11.0%, based on market values, and a 31.3% of debt to 68.7% equity split.

In the prior financial year, the recoverable amount and resultant impairment loss were determined with reference to both fair values less costs to sell and value in use based on asset class.

For motor vehicles, the fair value less cost to sell – based on the most recent arm's length transaction for identical assets – was used (Level 2 on the fair value hierarchy).

For buildings, equipment and pavements, the values in use of the assets were used and determined to be zero as these assets were no longer in a condition for use.

Derecognition

The gain or loss arising from the derecognition of an item of property and equipment is included in profit or loss when the item is derecognised.

The gain or loss arising is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Change in estimate

During the year, the estimated useful lives of the assets were revised. The effect of the revised useful lives affected property, plant and equipment and intangible assets. The effect of the changes in the current financial year was a decrease in depreciation expenses of R158 million.

As a result, the expected useful lives of the intangible assets and property, plant and equipment increased.

Assuming the assets are held until the end of their estimated useful lives, depreciation in future years in relation to these assets will be increased/(decreased) by the following amounts.

Total Assets	2021	2022	2023	2024	2025	Later
(Decrease)/increase in depreciation expense						
Buildings	3 170	(704)	(100)	(100)	(72)	(2 194)
Equipment	(52 088)	(514)	13 289	12 645	12 656	114 012
Office furniture	1 517	(1 485)	(54)	(76)	18	80
Computer equipment	(18 125)	1 292	2 497	3 927	4 976	5 433
Motor vehicles	2 769	(1 176)	(502)	(223)	(205)	(664)
Pavements	1 305	(82)	(54)	(37)	(37)	(1 094)
Intangible assets						
(Decrease)/ Increase in depreciation expense						
Intangible assets	3 138	(5 778)	1 634	1 007	(1)	-
(Decrease)/ Increase in depreciation expense	(58 314)	(8 447)	16 710	17 143	17 335	115 573

B.2 Property, plant and equipment (continued)

Group	Mar 2021			Mar 2020			Mar 2019		
Figures in R'000	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	827 787	(59)	827 728	827 774	(59)	827 715	827 727	-	827 727
Buildings	12 948 032	(5 069 644)	7 878 388	12 900 521	(4 677 700)	8 222 821	12 874 217	(4 377 594)	8 496 623
Equipment	5 654 907	(3 324 733)	2 330 174	5 599 180	(3 171 210)	2 427 970	5 501 872	(2 928 442)	2 573 430
Motor vehicles	494 565	(269 314)	225 251	502 242	(238 966)	263 276	497 096	(254 183)	242 913
Pavements	8 580 171	(4 478 242)	4 101 929	8 577 465	(4 131 910)	4 445 555	8 535 264	(3 832 749)	4 702 515
Work in progress	2 567 446	-	2 567 446	2 357 120	-	2 357 120	1 744 819	-	1 744 819
Office furniture and fittings	154 880	(112 259)	42 621	154 408	(100 063)	54 345	144 986	(84 565)	60 421
Computer equipment	1 264 420	(599 669)	664 751	1 070 533	(456 278)	614 255	716 787	(332 229)	384 558
Right of use asset	26 699	(26 699)	-	26 699	(22 902)	3 797	-	-	-
Total	32 518 907	(13 880 619)	18 638 288	32 015 942	(12 799 088)	19 216 854	30 842 768	(11 809 762)	19 033 006
Company	Mar 2021			Mar 2020			Mar 2019		
Figures in R'000	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	827 787	(59)	827 728	827 774	(59)	827 715	827 727	-	827 727
Buildings	12 915 766	(5 057 116)	7 858 650	12 868 210	(4 666 438)	8 201 772	12 842 503	(4 367 576)	8 474 927
Equipment	5 642 330	(3 320 893)	2 321 437	5 585 561	(3 167 179)	2 418 382	5 488 326	(2 924 378)	2 563 948
Motor vehicles	494 565	(269 314)	225 251	502 242	(238 966)	263 276	497 096	(254 183)	242 913
Pavements	8 580 171	(4 478 242)	4 101 929	8 577 465	(4 131 910)	4 445 555	8 535 264	(3 832 749)	4 702 515
Work in progress	2 567 295	-	2 567 295	2 356 969	-	2 356 969	1 744 668	-	1 744 668
Office furniture and fittings	121 131	(94 067)	27 064	119 240	(84 068)	35 172	112 347	(70 381)	41 966
Right of use asset	26 699	(26 699)	-	26 699	(22 902)	3 797	-	-	-
Total	32 439 057	(13 846 059)	18 592 998	31 933 586	(12 767 800)	19 165 786	30 762 917	(11 781 496)	18 981 421

B.2 Property, plant and equipment (continued)

Group	Land	Buildings	Equipment	Office furniture and fittings	Motor vehicles	Computer equipment	Pavements	Work in progress	Right of use asset	Total
Figures in R'000										
Opening balance – previously reported	827 727	8 491 589	2 535 661	60 955	238 698	370 536	4 709 678	1 713 449	-	18 948 293
Restatement	-	5 034	37 769	(525)	4 215	14 014	(7 163)	31 371	-	84 715
Opening balance at 1 April 2019 – restated	827 727	8 496 623	2 573 430	60 430	242 913	384 550	4 702 515	1 744 820	-	19 033 008
Additions	47	11 853	37 794	8 336	464	14	602	1 196 781	26 699	1 282 590
Disposal	-	(4 328)	(1 516)	(94)	(360)	(438)	(26)	-	-	(6 762)
Transfers*	-	19 263	64 082	2 749	59 177	355 130	42 438	(584 482)	-	(41 643)
Depreciation	-	(304 019)	(247 103)	(17 091)	(33 108)	(125 048)	(307 214)	-	(22 902)	(1 056 485)
Impairment	(59)	(254)	(1 388)	-	(672)	-	(4 280)	-	-	(6 653)
Impairment reversal	-	3 683	2 671	15	7 986	47	11 780	-	-	26 182
Transfers to held for sale	-	-	-	-	(13 122)	-	(261)	-	-	(13 383)
Opening balance – previously reported	827 715	8 133 122	2 300 537	56 417	245 628	598 320	4 411 549	2 307 116	3 797	18 884 201
Restated	-	89 698	127 433	(2 072)	17 649	15 935	34 005	50 004	-	332 652
Opening balance at 1 April 2020 – restated	827 715	8 222 820	2 427 970	54 345	263 277	614 255	4 445 554	2 357 120	3 797	19 216 854
Additions	-	5 338	23 320	1 789	-	9 839	334	681 124	-	721 744
Disposals	-	(3 997)	(2 949)	(1)	(134)	(2 196)	-	-	-	(9 277)
Transfers*	-	48 037	42 970	5 531	35	192 884	2 374	(284 380)	-	7 451
Write offs	-	-	-	-	-	-	-	(163 717)	-	(163 717)
Depreciation	-	(393 810)	(151 838)	(19 042)	(37 142)	(150 030)	(346 333)	-	(3 797)	(1 101 992)
Impairment	-	-	(9 299)	(1)	(784)	-	-	-	-	(10 084)
Transfers from/(to) investment property	13	-	-	-	-	-	-	(22 701)	-	(22 688)
Closing balance at 31 March 2021	827 728	7 878 388	2 330 174	42 621	225 252	664 750	4 101 929	2 567 446	-	18 638 288

* Comprises reclassifications of assets under construction into the relevant category in property, plant and equipment, intangible assets or investment properties.

B.2 Property, plant and equipment (continued)

Company	Land	Buildings	Equipment	Office furniture and fittings	Motor vehicles	Computer equipment	Pavements	Work in progress	Right of use asset	Total
Figures in R'000										
Balance – previously reported	827 727	8 469 893	2 526 179	42 500	238 698	368 735	4 709 678	1 713 297	-	18 896 710
Restatement	-	5 034	37 769	(534)	4 215	14 022	(7 163)	31 371	-	84 715
Balance at 1 April 2019	827 727	8 474 927	2 563 949	41 966	242 913	382 757	4 702 515	1 744 668	-	18 981 425
Additions	47	11 222	37 068	4 153	464	180	602	1 196 774	26 699	1 277 209
Disposals	-	(4 328)	(1 516)	-	(360)	(438)	(26)	-	-	(6 668)
Transfers*	-	19 264	64 083	2 749	59 075	355 121	42 438	(584 473)	-	(41 743)
Depreciation	-	(302 741)	(246 483)	(13 712)	(33 108)	(124 519)	(307 214)	-	(22 902)	(1 050 679)
Impairment	(59)	(254)	(1 388)	-	(672)	-	(4 280)	-	-	(6 653)
Impairment reversal	-	3 683	2 671	15	7 986	47	11 780	-	-	26 182
Transfer to held for sale	-	-	-	-	(13 021)	-	(261)	-	-	(13 282)
Opening balance – previously reported	827 715	8 112 074	2 290 950	37 243	245 627	597 214	4 411 549	2 306 965	3 797	18 833 134
Restated	-	89 698	127 433	(2 071)	17 649	15 934	34 006	50 004	-	332 652
Opening balance at 1 April 2020 – restated	827 715	8 201 772	2 418 382	35 172	263 276	613 148	4 445 555	2 356 969	3 797	19 165 786
Additions	-	6 988	23 641	1 789	-	9 839	574	681 124	-	723 956
Disposals	-	(3 997)	(2 949)	(1)	(134)	(2 196)	-	-	-	(9 277)
Transfers*	-	46 400	42 971	402	34	192 441	2 134	(284 382)	-	-
Write-offs	-	-	-	-	-	-	-	(163 715)	-	(163 715)
Transfers from investment properties	13	-	-	-	-	-	-	(22 701)	-	(22 687)
Depreciation	-	(392 513)	(151 309)	(10 297)	(37 142)	(149 587)	(346 333)	-	(3 797)	(1 090 978)
Impairment	-	-	(9 299)	(1)	(784)	-	-	-	-	(10 084)
Closing balance at 31 March 2021	827 728	7 858 650	2 321 437	27 064	225 251	663 644	4 101 929	2 567 295	-	18 592 997

* Comprises reclassifications of assets under construction into the relevant category in property, plant and equipment, intangible assets or investment properties.

B.2 Property, plant and equipment (continued)

Split of work in progress	Mar 2021	Mar 2020
Buildings	1 400 073	1 172 684
Equipment	214 319	180 699
Furniture and fittings	-	426
IT equipment	121 374	293 203
Intangible assets	19 983	-
Motor vehicles	-	11
Pavements	780 668	700 899
Investment properties	30 879	9 047
	2 567 295	2 356 969

The Group does not lease any of its property, plant and equipment under financing leases.

Risks associated with rights retained by ACSA in underlying assets

Risk	Mitigation
Lack of maintenance of properties by tenants	The Group maintains all its assets through the scheduled maintenance plans created to ensure that all assets are maintained at least yearly.
Risks of fire or natural disasters	The Group's assets are insured with various insurance companies under comprehensive insurance covers.

B.3 Non-current assets held for sale

Accounting policy

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Disposal of investment in Mumbai International Airport Private Limited

On 5 February 2021, the sale of MIAL to Adani Properties Private Limited was concluded for an amount of INR6.14 billion (USD84 million; approximately R1.2 billion) net of transaction costs. The Group therefore ceased to be the designated airport operation in MIAL with effect from 21 January 2021, and a new agreement was concluded with MIAL for the Group to provide that entity with technical services for a period of eight years.

As at 31 March 2021, the Group was liable under an airport operator guarantee issued in favour of MIAL, amounting to INR3 million (approximately R700 million). The Group was released from that guarantee on 31 May 2021.

The investment was obtained at an initial cost of \$26 million (approximately R190 million) in four tranches between 2006 and 2013. The fair value of the investment in MIAL was determined with reference to the offer received, an indirectly observable event. It is therefore classified as Level 2 on the fair value hierarchy.

Property, plant and equipment - motor vehicles

Owing to South African Civil Aviation Authority regulations, vehicles that have reached the end of their useful lives are not permitted to be used on the airside of the airport. Therefore, in February 2020, management committed to a plan to sell 180 vehicles through an auction. The lockdowns during 2021 resulted in delays in the completion of the sale of the vehicles beyond one year; however, management remains committed to its plan to sell them within the 2022 financial year.

The fair values of the vehicles were determined with reference to prices in observed transactions involving comparable (i.e. similar) vehicles in similar locations and conditions. A standard auction fee of 5% was deducted as the cost to sell the vehicles. There are no unobservable inputs identifiable that would have a significant impact on the fair value of the vehicles recent sales of similar vehicles. They are therefore classified as Level 2 on the fair value hierarchy.

Impairment loss

Impairment losses of R111 thousand (Mar 2020: Rnil) were recognised as the subsequent re-measurement of the vehicles to fair value less cost to sell.

B.3 Non-current assets held for sale (continued)

Prior period error

In 2020, vehicles worth R1,7 million were incorrectly classified as held for sale. The financial statements have been restated to correct that error.

Assets held for sale comprise the following at 31 March.

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Investment in MIAL	-	969 761	-	-
Motor vehicles	13 282	13 394	13 282	13 394
	13 282	983 155	13 282	13 394
The following is a reconciliation of the motor vehicles balance:				
Motor vehicles				
Balance at 1 April 2020 – originally stated	15 072			
Restatement	(1 678)			
Balance at 1 April 2020 – restated	13 394			
Impairment	(112)			
Blance at 31 March 2021	13 282			

The following amounts have been recognised in loss for the period in relation to the disposal of MIAL.

Investment in MIAL

Profit on disposal of asset held for sale	624 414
Translation differences on foreign operations realised	(363 611)
	260 803

The translation differences were previously recognised in Other Reserves (note G.6) over the life of the and were recognised on realisation as a result of the disposal.

C. Debt and cash management

C.1 Interest-bearing borrowings

Please refer to note F for the accounting policy.

Company	Mar 2021		Mar 2020	
	Carrying value	Fair value	Carrying value	Fair value
Figures in R'000				
Unsecured				
Long-term bonds	4 857 671	4 881 519	4 824 303	4 881 518
Development fund institution loans (DFI loans)	2 123 862	2 423 350	1 579 212	1 608 005
Redeemable preference shares	2 338 329	1 295 428	-	-
Total Company	9 319 862	8 600 297	6 403 515	6 489 523

Group	Mar 2021		Mar 2020	
	Carrying value	Fair value	Carrying value	Fair value
Figures in R'000				
Long-term bonds	4 857 671	4 881 519	4 824 303	4 881 518
Development fund institution loans (DFI loans)	2 123 862	2 423 350	1 579 212	1 608 005
Redeemable preference shares	2 338 329	1 295 428	-	-
Southern Sun Hotel Interests (Pty) Ltd	1 569	1 500	1 500	1 500
Total Group	9 321 430	8 601 796	6 405 014	6 491 023

Current liabilities

Company	Mar 2021		Mar 2020	
	Carrying value	Fair value	Carrying value	Fair value
Figures in R'000				
Long-term bonds	381 495	-	381 222	-
Development fund institution loans (DFI loans)	472 248	-	441 731	-
Redeemable preference shares	204 209	-	-	-
Total current – Company	1 057 952	-	822 953	-

Group	Mar 2021		Mar 2020	
	Carrying value	Fair value	Carrying value	Fair value
Figures in R'000				
Long-term bonds	381 495	-	381 222	-
Development fund institution loans (DFI loans)	472 248	-	441 731	-
Redeemable preference shares	204 209	-	-	-
Southern Sun Hotel Interests (Pty) Ltd	1 569	-	1 500	-
Total current – Group	1 059 521	-	824 452	-

Non-current liabilities

Company	Mar 2021		Mar 2020	
	Carrying value	Fair value	Carrying value	Fair value
Figures in R'000				
Long-term bonds	4 476 176	-	4 443 080	-
Development fund institution loans (DFI loans)	1 651 614	-	1 137 479	-
Redeemable preference shares	2 134 120	-	-	-
Total non-current – Company	8 261 909	-	5 580 559	-

Group	Mar 2021		Mar 2020	
	Carrying value	Fair value	Carrying value	Fair value
Figures in R'000				
Long-term bonds	4 476 176	-	4 443 080	-
Development fund institution loans (DFI loans)	1 651 614	-	1 137 480	-
Redeemable preference shares	2 134 120	-	-	-
Total non-current – Group	8 261 910	-	5 580 560	-

C.1 Interest-bearing borrowings (continued)

Group and Company - Terms and repayment schedule

Carrying values in R'000	Nominal amount	Interest rate	Maturity date	Carrying Mar 2021	Value Mar 2020
Long-term bonds					
AIR02	1,712 billion	11,68%	Apr 2023	1 810 768	1 814 798
AIRL01	851 million	Inflation + 3,64%	Apr 2028	1 721 290	1 683 802
AIR04U	500 million	11,59%	Oct 2029	524 835	524 859
AIR04	544 million	9,25%	May 2024	560 959	561 004
AIR05	232 million	10%	May 2023	239 819	239 840
				4 857 671	4 824 303
DFI loans					
L'Agence Française de Développement (AFD)	985,49 million	10,35%	Nov 2023	255 506	340 734
L'Agence Française de Développement (AFD1)	1,95 billion	10,55%	Jan 2026	996 136	1 168 112
Infrastructure Finance Corporation Limited (INCA)	250 million	Jibar-linked	Nov 2023	51 159	70 366
Development Bank of Southern Africa (DBSA)	810 million	8,774%	Nov 2027	821 061	-
				2 123 862	1 579 212
Long-term loans					
Southern Sun Hotel Interests (Pty) Ltd	1,5 million	2%	No set maturity	1 569	1 500
Redeemable preference shares	2,325 billion	8,20%	Mar 2026	2 338 329	-
Infrastructure Finance Corporation Limited (INCA)	250 million	JIBAR-linked			

The DBSA loan term commenced on 2 February 2021. There is a two-year capital grace period until 30 November 2022, after which capital will be payable on 30 May and 30 November respectively. Interest is payable semi-annually from 30 May 2021. The loan was utilised to fund the Company's capital expenditure projects in the current financial year.

On 5 March 2021, 2 324 750 cumulative, redeemable, non-participating, non-convertible preference shares were issued as fully paid with a par value of R1 000 per share. The redeemable preference shares are mandatorily redeemable at par on 31 May 2026. Dividends on the preference shares accrue at a fixed rate of 8,2% per annum. The dividends on the preference shares will be accrued daily and compounded quarterly. Accrued and unpaid dividends are to be serviced in accordance with ACSA's dividend policy. Any dividends that accrue and remain unpaid will be permitted to roll-up until final redemption date if the Company has insufficient cash to service the preference shares as determined by the Board of Directors. Redeemable preference shares do not carry the right to vote.

The table below analyses the Group's interest-bearing borrowings in terms of their maturities.

Figures in Rand thousand	Carrying amount	Contractual cash flows	6 months or fewer	Between 6–12 months	Between 1–2 years	Between 2–5 years	More than 5 years
2021	9 321 430	13 396 725	486 634	572 815	1 030 522	4 255 897	7 050 857
2020	6 403 514	9 352 317	416 717	407 736	797 105	4 085 161	3 645 597

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Reconciliation				
Balance at beginning of year	6 405 014	6 615 176	6 403 514	6 613 677
Proceeds from loans raised	810 000	-	810 000	-
Proceeds from preference shares issued	2 324 750	-	2 324 750	-
Loans repaid	(296 355)	(296 355)	(296 355)	(296 355)
Total changes from financing cashflows	2 838 395	(296 355)	2 838 395	(296 355)
Effect of amortisation of borrowings	78 021	86 190	77 953	86 091
Balance at end of year	9 321 430	6 405 011	9 319 862	6 403 513

C.1 Interest-bearing borrowings (continued)

List of the persons (natural and incorporated) who hold beneficial interests equal to or in excess of 5% of the total number of listed securities of that class issued by the Group as at the 31st of March 2021.

Bond: AIRL01

Bond holder	Holding %
MMI GROUP LIMITED	38 %
SBSA ITF PRUD INFL PLUS FND	11 %
OLD MUTUAL LIFE ASSURANCE CO SA LTD	6 %

Bond: AIR02

Bond holder	Holding %
SBSA FINANCIAL MARKETS OPERATIONS S	16 %
NEDCOR CAPITAL TREASURY	15 %
OLD MUTUAL LIFE ASSURANCE CO SA LTD	10 %
GEPF BONDS	9 %
SBSA ITF PRUDENTIAL CORPORATE BOND	6 %
ABCAP ILM IBANK COLLATERAL GIVER	6 %

Bond: AIR04

Bond holder	Holding %
GEPF BONDS	22 %
SBSA ITF OLD MUTUAL MULTI-MANAGERS I	13 %
INVESTEC CORPORATE BOND FUND	6 %
PIC UIF	9 %
AIPF-NT(STD007)	6 %
INVESTEC GILT FUND	5 %

Bond: AIR05

Bond holder	Holding %
SBSA ITF PRUDENTIAL CORPORATE BOND	21 %
ALEXANDER FORBES INVESTMENTS LTD F	10 %
FRB ITF ALLAN GRAY BALANCED FUND	12 %
ALLAN GRAY LIFE GLOBAL BAL	9 %
	- %
RAND MUTUAL ASSURANCE COMPANY LIMI	5 %

C.2 Finance income and expense

Accounting policy

Finance income comprises of interest income on funds invested and charged on overdue debtors, is recognised using the effective interest method in profit and loss.

Finance expenses comprise interest expense on borrowings and are recognised using the effective interest method in profit and loss.

Finance income and expenses are recognised as an expense in the period in which they are incurred.

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Interest received on cash and cash equivalents	33 866	124 778	97 581	186 953
Interest charged on overdue debtors	67 020	16 810	67 020	16 810
Finance income	100 886	141 588	164 601	203 763
Finance costs	(662 110)	(659 829)	(661 881)	(659 670)
Lease liability	(15)	(932)	(15)	(932)
Gains on re-measurement and disposal of trading financial instruments	28 857	33 909	13 073	33 909
Total finance expense	(634 040)	(626 852)	(648 823)	(626 693)
Net finance expense	(533 154)	(485 264)	(484 222)	(422 930)

C.3 Derivative financial instruments and hedging information

Accounting policy

Derivatives are initially measured at fair value less transactional costs. Subsequent to initial recognition, derivatives are measured at fair value, and any changes are recognised in profit or loss. The Group has not designated its derivatives as hedging instruments.

The following information relates to derivative financial instruments included in the Consolidated Annual Financial Statements.

Group and Company

Figures in R'000	Mar 2021 Liabilities	Mar 2020 Liabilities
Interest rate swaps	3 659	4 718
Current	2 488	2 596
Non-current	1 171	2 122
	3 659	4 718

Interest rate swaps

The notional principal amounts of the outstanding derivative contracts were as follows (figures in R'000).

Interest rate swaps	Receive	Pay	Notional amount		Fair value	
			Mar 2021	Mar 2020	Mar 2021	Mar 2020
Nov 2023	3month JIBAR + 1.90%	10,98 %	250 000	250 000	3 659	4 719
Total derivatives					3 659	4 719

The table below analyses the Group and Company's derivative financial instruments in terms of their maturities. The amounts disclosed are the contractual undiscounted cash flows.

Figures in R'000	Carrying amount	Contractual cash flows	6 months or fewer	Between 6 –12 months	Between 1 –2 years	Between 2 – 5 years	More than 5 years
Mar 2021	3 659	3 659	1 370	1 117	1 137	34	-
Mar 2020	4 718	4 718	1 181	1 414	1 376	747	-

Repayments of R3 million (2020: R1.8 million) were made in the current financial year and R1.9 million (2020: R967 thousand) was the non-cash adjustment that arose as a result of the fair value adjustments in the current financial year.

C.4 Lease liability

Figures in rand	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Balance at 1April	3 937	2 123	3 937	2 123
Additions	-	20 626	-	20 626
Interest expense	15	932	15	932
Lease payments	(3 952)	(19 744)	(3 952)	(19 744)
Balance at 31 March	-	3 937	-	3 937

Contractual cashflows:

Figures in R'000	Carrying amount	Contractual cash flows	6 months or fewer	Between 6 –12 months	Between 1 –2 years	Between 2 – 5 years	More than 5 years
2021	-	-	-	-	-	-	-
2020	3 937	3 937	3 937	-	-	-	-

C.4 Lease liability (continued)

Accounting policy

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate, or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company leases its head office building.

The lease liability was determined using the modified retrospective approach, by applying the present value of total remaining lease payments to a discount rate of 8.88%.

D. Managing working capital

D.1 Trade and other receivables

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Trade receivables	889 338	1 018 960	792 099	984 563
Impairment of trade receivables	(381 128)	(462 539)	(328 186)	(449 719)
Loan to joint venture/associate	26 693	41 197	26 693	41 197
Loans and receivables	534 903	597 618	490 606	576 041
VAT	111 111	3 916	120 605	5 525
Prepayments	31 326	26 549	30 850	26 028
Insurance receivable*	107 478	114 053	107 478	114 053
Lease receivables	106 672	43 497	106 672	43 497
Other receivables**	67 456	235 493	67 255	235 442
	958 946	1 021 126	923 466	1 000 586

* Contingency policy receivable, underwritten by Guardrisk. The amount receivable represents the balance of the special experience account, and is payable on demand.

**Other receivables comprise mainly staff housing subsidies, and a rates refund based on valuation appeal outcomes.

Lease receivables have factored the effect of rental concessions granted to customers (refer to note A.1)

The average credit period is 105 days (2020: 43 days). Trade receivables are carried at cost which normally approximates their fair value due to the short-term maturity thereof. An adjustment for impairment of receivables has been made for estimated irrecoverable amounts.

Loans to joint ventures and associates bear no interest and have no fixed repayment terms.

The maximum exposure to credit risk for trade receivables at the reporting date before the impairment provision, guarantees and deposits held by type of customer was:

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Aeronautical	541 651	703 821	541 651	703 821
Commercial	997 976	198 018	997 976	198 018
Other	156 851	95 191	94 917	60 447
	1 696 478	997 030	1 634 544	962 286

D.1 Trade and other receivables (continued)

Credit risk

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about the customer. Before accepting any new customer, the Group and Company use an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed periodically. Twenty percent of the trade receivables that are neither past due nor impaired were recovered within one month after the reporting date. Of the trade receivables balance, for both the Group and Company, at the end of the year, R251 million (March 2020: R149 million) is due from one significant client. Details of concentrations of debtors and revenue are disclosed above, as well as in note A.1. The credit risk of loans to joint ventures and associates, lease and other receivables were assessed to be immaterial.

The allowance account in respect of trade receivables is used to record impairment losses unless the Group and Company is satisfied that no recovery of the amounts owing is possible. At that point, the amounts considered irrecoverable are written off against the allowance account.

Recognition of expected credit losses

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL using the simplified approach. The expected credit losses on trade receivables are estimated by assigning probabilities to loss events associated with the debtor, and an analysis of the debtor's current financial position, adjusted for forward-looking factors that are specific to the debtors, in relation to economic conditions in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. These loss events are identified mainly with reference to the segment of the debtor, i.e. aeronautical, commercial or other. Thereafter, conditions pertaining to their circumstances are identified.

The Group assigned the following loss factors: rent reductions, passenger volume and fleet reduction, impact of COVID-19, and debtors being placed under business rescue and seeking state assistance. Based on past trends and the Group's credit policy, a financial asset is considered to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

There is a large number of debtors with balances varying from significant to insignificant. Loss rates are calculated based on the probability of a receivable progressing through successive stages of delinquency to write-off, as well as economic conditions and actual credit loss experience over the past several years. Probabilities are assigned separately for exposures in different segments based on the following common credit risk characteristics: revenue stream, industry classification and age of customer relationship.

The Group has determined that trade and lease receivables are not credit impaired. None of the trade and lease receivables are held as collateral or have any other credit enhancements.

The Group holds deposits as collateral from its debtors (Mar 2021: R185 million; Mar 2020: R124 million); however, there are no trade receivables amounts for which no loss allowance is recognised because of collateral.

The increase in loss allowance is mainly attributable to the total increase in the gross carrying amounts of trade receivables as well as an increase in expected lifetime losses. The methodology for the calculation of ECL is the same as described in the last annual financial statements.

The increase in loss allowance is mainly attributable to the total increase in the gross carrying amounts of trade receivables as well as an increase in expected lifetime losses. The methodology for the calculation of ECL is the same as described in the last annual financial statements.

D.1 Trade and other receivables (continued)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows.

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Balance at 01 April	462 539	283 676	449 720	233 741
Increase in allowance	120 354	270 458	80 232	269 868
Bad debts written off	(201 765)	(91 595)	(201 765)	(53 890)
Balance at 31 March	381 128	462 539	328 187	449 719

Any subsequent reversals of impairment, or recoveries of amounts previously impaired (including debt that had been written off), are reflected within impairment of trade receivables credit impairment charges in profit or loss. In addition to the increase in allowance above, R3.7 million in debt not previously provided for impairment was impaired (March 2020: R0).

D.2 Cash and cash equivalents

Cash and cash equivalents consist of:

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Cash on hand	617	1 200	452	993
Bank balances	1 790 200	770 790	485 344	685 363
Money markets	541 627	218 005	541 627	218 005
	2 332 444	989 995	1 027 423	904 361

The Group and Company's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note F.2. Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or fewer, and bank overdrafts and is available for use by the Group and Company.

D.3 Trade and other payables

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Trade payables	653 523	596 054	645 867	584 535
13th cheque accrual	17 890	15 814	17 890	15 814
Leave payable	126 989	94 637	126 995	94 637
Deposits received	191 523	149 859	185 745	142 330
Lease payable	11 026	7 373	-	-
Other payables*	103 907	60 889	105 212	61 743
	1 104 858	924 626	1 081 709	899 059

The Group and Company's exposure to liquidity risk related to trade and other payables is disclosed in note F.2.

* Other payables include overtime accruals.

D.3 Trade and other payables (continued)

The table below analyses the Group and Company's trade and other payables in terms of their maturities. The amounts disclosed are the contractual undiscounted cash outflows.

Group							
Figures in R'000	Carrying amount	Contractual cash flows	6 months or fewer	Between 6 – 12 months	Between 1 – 2 years	Between 2 – 5 years	More than 5 years
Mar 2021	1 104 858	1 104 858	1 104 858	-	-	-	-
Mar 2020	924 692	924 692	924 692	-	-	-	-

Company							
Figures in R'000	Carrying amount	Contractual cash flows	6 months or fewer	Between 6 – 12 months	Between 1 – 2 years	Between 2 – 5 years	More than 5 years
Mar 2021	1 081 709	1 081 709	1 081 709	-	-	-	-
Mar 2020	899 059	899 059	899 059	-	-	-	-

D.4 Cash (utilised in)/generated from operations

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
(Loss) profit before taxation	(3 600 267)	1 777 878	(3 813 045)	677 413
Adjustments for:				
Depreciation and amortisation	1 318 943	1 077 443	1 313 336	1 071 550
Impairment of trade receivables	120 354	270 458	80 232	269 868
Impairment of associate	-	-	-	1 150 667
Loss on sale of assets	10 477	5 576	10 338	5 648
Fair value loss/(gain) on investment property	216 313	(721 259)	243 893	(809 655)
Losses from equity accounted investments	(1 482)	(2 693)	-	-
Finance income	(100 886)	(141 588)	(164 601)	(203 763)
Finance costs	662 125	660 761	661 896	660 602
Foreign exchange differences	-	(18 854)	-	(1 141)
Movements in retirement benefit obligation	(497)	1 887	(497)	1 887
Movements in provisions	(3 005)	(119 117)	(2 830)	(118 333)
Deferred income	(4 356)	(3 806)	(4 356)	(3 806)
Penalties	43 500	-	43 498	-
Gain on disposal of assets held for sale	(260 803)	-	-	-
Movement in non-current assets	(182 183)	(43 904)	(181 809)	(43 157)
Losses/(gain) on property and equipment	(128)	10 049	(128)	10 049
Unrealised gains and losses	115 934	143 776	(2)	49 355
Gains/(losses) on remeasurement of financial instruments	(1 059)	(33 909)	(1 059)	(33 909)
	(1 667 020)	2 862 698	(1 815 134)	2 683 275
Changes in working capital:				
Inventories	548	(2)	-	-
Trade and other receivables	(67 663)	(359 942)	(3 111)	(354 419)
Trade and other payables	189 778	282	182 653	(5 147)
	(1 544 357)	2 503 036	(1 635 592)	2 323 709

D.5 Other non-current assets

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Lease receivable non-current portion	449 366	268 369	449 366	268 369
Investments#	15 123	13 938	16 047	15 236
	464 489	282 307	465 413	283 605

D.5 Other non-current assets (continued)

Investments relate to the acquisition made by the Company of 100% shareholding in a cell captive with Guardrisk Life Ltd in September 2003 to fund its obligation arising from 2002, whereby the Company agreed to increase the minimum pension payout to employees. Guardrisk performs six-monthly reviews per individual covered to establish the present value of the Company's obligation on the prescribed valuation basis (as approved by Guardrisk Life Statutory Actuaries) in order to assess the Company's commitment as per the assets and expressed liabilities and ensure sufficient life funds are transferred to the non-distributable reserves. This investment is accessible to the Group in the short term and can be applied for other purposes if the arrangement is cancelled. The arrangement therefore does not meet the definition of a plan asset or a qualifying insurance policy. The liability has been disclosed in note G.3 – Retirement benefits (B. Life Fund).

E. Investments

E.1 Subsidiaries

Accounting policy

Subsidiaries are all entities (including structured entities) over which the Company has control.

The Company uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Company recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Intra-group transactions, balances and unrealised gains/(losses) are eliminated on consolidation. Unrealised losses are eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment.

The Company's investments in subsidiaries are carried at cost, net of accumulated impairment losses.

The Company treats transactions with non-controlling interests that do not result in a loss of control, as equity transactions. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Details of the Company's subsidiaries at 31 March 2021 are indicated below. All subsidiaries are incorporated in South Africa except for Airports Company South Africa Global Ltd which is incorporated in Mauritius.

Subsidiaries	Principal activity	Interest held	
		Mar 2021	Mar 2020
OSI Airport Systems (Pty) Ltd	Dormant	51 %	51 %
Precinct 2A (Pty) Ltd	Property owning	100 %	100 %
JIA Piazza Park (Pty) Ltd	Hotel operations	100 %	100 %
ACSA Global Ltd	Management company	100 %	100 %
Special purpose entities#			
Lexshell 342 Investment Holdings (Pty) Ltd*	Employee share option plan	- %	- %
Airports Management Share Incentive Scheme (Pty) Ltd*	Company employee share option plan	- %	- %
Sakhisizwe Community Programme (NPC)*	Non-profit company (Education)	- %	- %

The Company's accounts include the consolidation of the Airport Management Share Incentive Scheme Company Proprietary Limited and Lexshell 342 Investment Holdings Proprietary Limited. Although the Airport Management Share Incentive Scheme Company Proprietary Limited is wholly owned by the Airports Company Management Share Incentive Scheme Trust and Lexshell 342 Investment Holdings Proprietary Limited is wholly owned by the ACSA Kagano Trust, in terms of IFRS 10, the Group consolidates these entities as it is exposed to significant risks associated with loans extended to the entities to acquire shares of the Company. Sakhisizwe Community Programme NPC is a special purpose entities created and controlled by the Company from a government grant received from the Department of Transport. There are no share-based payments due to employees in terms of the shares held by Lexshell 342, Kagano Trust and Airports Management Share Incentive Scheme. OSI Airport Systems (Pty) Ltd has non-controlling interest, however that entity is dormant.

E.2 Joint venture

Accounting policy

The Group holds a 50% interest in Airports Logistics Property Holdings (Pty) Ltd (ALPH). It has been classified as a joint venture as a result of the decisions about the relevant activities requiring unanimous consent of the parties sharing control.

Associates and joint ventures are initially measured at cost for Group and Company purposes. They are subsequently accounted for using the equity method for Group purposes at an amount that reflects the Group's share of the net assets of the associate or joint venture (including goodwill), except when the investment is classified as held for sale in accordance with IFRS 5 (refer to note B.3). Equity accounting is applied from the date on which the entity becomes an associate or joint venture up to the date on which the Group ceases to have significant influence or joint control. Equity accounting of losses is restricted to the interests in these entities, including unsecured receivables or other commitments, unless the Group has an obligation or has made payments on behalf of the associate or joint ventures.

Unrealised profits from transactions are eliminated in determining the Group's share of equity accounted profits. Unrealised losses are eliminated in the same way as unrealised gains (but only to the extent that there is no evidence of impairment). Where there is an indicator of impairment, the carrying amount of the investment is tested for impairment by comparing its recoverable amount with its carrying amount. Impairment losses are recognised in profit or loss in the period in which they arise. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount, but only to the extent the investment's carrying amount does not exceed the carrying amount that would have been determined, net of equity accounted losses, if no impairment loss had been recognised.

For a disposal of an associate or joint venture, being where the Group loses significant influence over an associate or loses joint control over a joint venture, the difference between the sales proceeds and any retained interest and the carrying value of the equity accounted investment is recognised as a gain or loss in profit or loss. On disposal of an associate or joint venture that is a foreign operation, the relevant amount in the foreign currency translation reserve (FCTR) is reclassified to non-trading and capital related items at the time at which the profit or loss on disposal is recognised. Any gains or losses in other comprehensive income reserves that relate to the associate or joint venture are reclassified to profit or loss at time of the disposal. Distributions (dividends) received from the entities reduce the carrying amount of the investment. If the entity incurs losses, the Group will only recognise these losses until the carrying amount of the investment reaches zero, unless the Group has incurred obligations or made payments on behalf of the entity.

The Company subsequently measures its investment in joint venture at cost less accumulated impairment losses. The following represents the Group's share of assets, liabilities, revenue and expenses of the joint venture.

Figures in R'000	Airport Logistics Property Holdings (Pty) Ltd
Opening balance at 1 April 2019	190 669
Share of profit	1 655
Opening balance at 1 April 2020	192 324
Share of profits	1 366
Closing balance at 31 March 2021	193 690

Figures in R'000	Group	
	Mar 2021	Mar 2020
Summarised statement of comprehensive income		
Revenue	(27 254)	(25 260)
Depreciation and amortisation	3 465	3 465
Other operating expenses	(2 994)	(629)
Operating profit before interest and tax	(26 783)	(22 424)
Finance income	(437)	(952)
Finance costs	6 372	8 076
Profit before tax	(20 848)	(15 300)
Taxation	-	-
(Loss)/profit for the period	(20 848)	(15 300)
Total comprehensive income	(20 848)	(15 300)

E.2 Joint venture (continued)

Figures in R'000	Group	
	Mar 2021	Mar 2020
Summarised statement of financial position		
Non-current assets	135 802	140 422
Cash and cash equivalents	156	121
Current assets	6	304
Total assets	135 964	140 847
Non-current liabilities	52 113	74 992
Current liabilities	(13 960)	(11 108)
Total liabilities	38 153	63 884
Net assets	97 811	76 963
Group's share of net assets	50 %	50 %
Carring value of equity accounted investment	48 905	38 481
Fair valuation of investment properties	144 785	153 843
Net assets at the end of the year	193 690	192 324

Judgement

ALPH is considered to be a strategically material investment and is therefore closely monitored by the Group and reported on to decision makers.

There were no contingent liabilities or capital commitments at 31 March 2021 relating to the Group's joint ventures. The Group assessed whether there were any impairment indicators at each reporting date and there were none. There are no significant restrictions on the ability of ALPH to transfer funds to the Group in the form of cash dividends or repayments of loans or advances.

E.3 Investments in associates

Accounting policy

The Group accounts for its investments in associates using the equity method of accounting (refer to the investment in joint ventures accounting policy for more detail).

The Company accounts for its investment in associates at cost less any impairment losses.

Significant judgment, estimates and sources of estimation uncertainty

Associates are entities over which the Group and Company have the ability (and power) to participate in the financial and operating policy decisions of the entities, which gives the Group and Company significant influence over them. The following associates exist in the Group and Company.

Aeroporto de Guarulhos Participações S.A.

The Group and Company have a 20% equity interest, in the 20-year concession to modernise the Guarulhos International Airport. Airports Company South Africa is an integral investor in the project, as well as being the designated airport operator for a five-year period.

The Group has approved an offer to dispose its interest in this entity. Refer to note G.12.

La Mercy Joint Venture Company (Proprietary) Limited (Dube Trade Port)

Airports Company South Africa and the Dube Trade Port Company Limited (LMJVC) have 40% and 60% interest in La Mercy

E.3 Investments in associates (continued)

Joint Venture Company (Proprietary) Limited respectively. This joint venture arrangement objective is to commercially enable land holdings in excess of 848 hectares. The vast majority of the land is zoned undetermined and the objective is to rezone and service the properties to unlock development opportunities.

Guarantees issued

The Group has issued an airport operator guarantee to the GRU concession amounting to BRL 134 million, R430 million, which is renewed annually (2020: BRL 111 million, R444 million). This constitutes a contingent liability.

It is unlikely either of these guarantees will be called owing to force majeure declared as a result of the COVID-19 pandemic.

Reconciliation of movement in investments in associates – Company

Figures in R'000	Mar 2021	Mar 2020
Balance at beginning of year	38 173	1 188 840
Impairment of investment	-	(1 150 667)
Balance at end of year	38 173	38 173

In the prior financial year, as a result of continued and increasing operational losses, and the impact of COVID-19 on the aviation industry, the Group tested the investment in Aeroporto de Guarulhos Participações S.A for impairment and recognised impairment loss of R1,15 billion. The recoverable amount of the investment was estimated based on the present value of the future cash flows expected to be derived from the investment. A discount rate of 13.29% was used and was the weighted average cost of capital of that entity. The recoverable amount was determined to be -R3 billion.

The remaining balance of R38 million at 31 March 2020 relates to the Group's interest in La Mercy Joint Venture Company (Proprietary) Limited.

Reconciliation of movement in investments in associates – Group

Figures in R'000	La Mercy JV Property Investments (Pty) Ltd	Aeroporto de Guarulhos Participações S.A	Total
Balance at 31 March 2019	225 563	-	225 563
Impairment loss	1 037	-	1 037
Balance at 31 March 2020	226 600	-	226 600
Share of profit/(loss)	117	-	117
Investment at 31 March 2021	226 717	-	226 717

Summarised financial information of associates for March 2021

Figures in R'000	La Mercy JV Property Investments (Pty) Ltd	Aeroporto de Guarulhos Participações S.A	Total
Summarised statement of comprehensive income			
Revenue	4 303	-	4 303
Depreciation and amortisation	(6 552)	-	(6 552)
Fair value gain on investment properties	6 600	-	6 600
Other operating expenses	(3 293)	(533)	(3 826)
Operating profit before interest and tax	1 058	-	1 058
Profit before tax	1 058	-	1 058
Taxation	(767)	(191 575)	(192 342)
Profit/(loss) for the period	291	(191 575)	(191 284)
Total comprehensive loss	291	(191 575)	(191 284)

E.3 Investments in associates (continued)

Summarised statement of financial position

Non-current assets	300 734	236	300 970
Current assets	281 720	1 243	282 963
Total assets	582 454	1 479	583 933
Non-current liabilities	(3 245)	(2 749 611)	(2 752 856)
Current liabilities	(12 416)	(28)	(12 444)
Total liabilities	(15 661)	(2 749 639)	(2 765 300)
Total net assets/(liability)	566 793	(2 748 160)	(2 181 367)
Group's share of net assets	40 %	20 %	
Carrying amount	226 717	(549 632)	(322 915)
Limitation of losses	-	549 632	549 632
Carrying amount	226 717	-	226 717

The Group's share of losses in Aeroporto de Guarulhos Participações S.A exceed its interest in that entity and as such, the carrying amount has been limited to zero.

Summarised financial information of associates for March 2020

Figures in R'000	La Mercy JV Property Investments (Pty) Ltd	Aeroporto de Guarulhos Participações S.A	Total
Summarised statement of comprehensive income			
Revenue	7 440	(1 641 733)	(1 634 293)
Depreciation and amortisation	(6 346)	-	(6 346)
Fair value gain on investment properties	6 900	-	6 900
Other operating expenses	(4 228)	-	(4 228)
Operating profit before interest and tax	3 766	(1 641 733)	(1 637 967)
Finance costs	(4)	-	-
Profit before tax	3 762	(1 641 733)	(1 637 967)
Taxation	(1 167)	-	-
Profit/(loss) for the period	2 595	(1 641 733)	(1 637 967)
Total comprehensive loss	2 595	(1 641 733)	(1 637 967)
Summarised statement of financial position			
Non-current assets	287 263	139	287 402
Current assets	284 490	2 584	287 074
Total assets	571 753	2 723	574 476
Non-current liabilities	(1 546)	(3 218 677)	(3 220 223)
Current liabilities	(3 660)	(163)	(3 823)
Total liabilities	(5 206)	(3 218 840)	(3 224 046)
Total net assets	566 547	(3 216 117)	(2 649 570)
Group's share of net assets	40 %	20 %	
Carrying amount	226 600	(642 679)	(416 078)
Limitation of losses	-	642 679	642 679
Net assets at the end of the year	226 600	-	226 600

E.3 Investments in associates (continued)

Aeroporto de Guarulhos Participações S.A and La Mercy Joint Venture Company (Proprietary) Limited (Dube Trade Port) are considered to be strategically material investments of the Group and are therefore closely monitored by the Group and reported on to decision makers. There are no significant restrictions on the ability of these entities to transfer funds to the Group in the form of cash dividends or repayments of loans or advances.

E.4 Commitments

Capital commitments

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Within one year	12 495	505 741	12 495	505 741
One to two years	411 679	476 212	411 679	476 212
Two to five years	450 980	495 948	450 980	495 948
	875 154	1 477 901	875 154	1 477 901

The capital commitments relate to future capital expenditure that the Group has committed to spending on long-term assets as at the reporting date.

F. Financial instruments and financial instrument risk management

F.1.1.A Accounting classifications and fair values

Accounting Policy

Classification of financial instruments

Financial liabilities held at amortised cost comprise trade and other payables, interest bearing borrowings and lease liabilities. Financial assets held at amortised cost comprise trade and other receivables, investments and cash and cash equivalents.

Financial liabilities held at fair value comprise of derivatives

Classifications depend on the Group's business model for managing the financial instruments and the contractual terms of the cash flows. Specifically, the Group manages its financial instruments to ensure sufficient reserves on a daily basis as well as a long-term basis to meet its financial obligations by collection of cash investments on maturity and payment of liabilities when due.

Initial recognition and measurement

The Group and Company initially record both financial assets and financial liabilities at fair value. Where transaction costs are incurred, they are recognised as part of the initial cost of the financial instrument, unless the financial assets or liabilities are classified as at fair value through profit or loss, in which case the transactional costs are recognised in profit or loss.

Subsequent measurement

The Group and Company's financial assets and liabilities (with the exception of derivative financial instruments) are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Financial assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. Impairment is usually determined based on a realistic assessment of future cash flows discounted using the original effective interest rate compared with contractual amounts. For amounts due to the Group, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment. Impairment losses are recognised in profit or loss. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in profit or loss.

F.1.1.A Accounting classifications and fair values (continued)

For the purpose of impairment assessment of intercompany loans, cash and investments, they are considered to have a low credit risk. The loss allowance is measured at 12 months' expected credit losses. In determining the expected credit losses, management has taken into account the historical default practices, the financial position of the counterparties, as well as collateral held against the loans and has determined there is no probability of default. The expected credit loss is therefore immaterial and no impairment has been recognised in the current year.

Derecognition of financial liabilities

The Group and Company's financial liabilities are derecognised from the statement of financial position when, and only when, it is extinguished; that is, when the obligation specified in the contract is discharged or cancels or expires.

Derecognition of financial assets

The Group and Company's financial assets are derecognised from the statement of financial position when, and only when:

- the contractual rights from the cash flows expire; or
- there are transfers that qualify for derecognition.

Fair Values

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

Level 1	Derived from quoted prices (unadjusted) in active markets for identical assets and liabilities
Level 2	Derived from inputs other than quoted prices included within Level 1
Level 3	Derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There were no transfers between levels 1, 2 or 3 in the hierarchy in the current financial year. The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Mar 2021 Figures in R'000	Note	Amortised cost	Carrying amount		Total	Fair value		Total
			Fair value derivatives	Other financial liabilities		Level 1	Level 2	
Financial assets not measured at fair value								
- Trade and other receivables ¹	D.1	816 509	-	-	816 509	*	*	*
- Income funds	G.4	861 116	-	-	861 116	*	*	*
- Cash and cash equivalents	D.2	2 332 444	-	-	2 332 444	*	*	*
Financial liabilities measured at fair value								
- Derivative financial instruments	C.3	-	3 659	-	3 659	*	3 659	3 659
Financial liabilities not measured at fair value								
- Interest-bearing borrowings	C.1	9 321 430	-	-	9 321 430	4 332 836	2 626 214	6 959 050
- Trade and other payables ²	D.3	1 104 891	-	-	1 104 891	*	*	*

Note 1: Prepayments of R3 million and VAT of R111 million that are not financial assets are not included.

*The Group has not disclosed fair values for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of their fair values.

F.1.1.A Accounting classifications and fair values (continued)

Mar 2020 Figures in R'000	Note	Carrying amount				Fair value		
		Amortised cost	Fair value – derivatives	Other financial liabilities	Total	Level 1	Level 2	Total
Financial assets not measured at fair value								
- Trade and other receivables ¹	D.1	990 661	-	-	990 661	*	*	*
- Income funds	G.4	745 314	-	-	745 314	*	*	*
- Cash and cash equivalents	D.2	989 995	-	-	989 995	*	*	*
Financial liabilities measured at fair value								
- Derivative financial instruments	C.3	-	4 718	-	4 718	-	4 718	4 718
Financial liabilities not measured at fair value								
- Interest-bearing borrowings	C.1	6 405 015	-	-	6 405 015	4 021 587	2 469 436	6 491 023
- Lease liabilities	C.4	3 908	-	-	3 908	-	-	-
- Trade payables	D.3	924 692	-	-	924 692	*	*	*

*The Group has not disclosed fair values for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of their fair values.

Note 1 - Prepayments (R27 million) and lease receivables (R43 million) that are not financial assets are not included.

F1.1.B Measurement of fair values

The fair value of financial instruments may require some judgment or may be derived from readily available sources. The degree of judgment involved is reflected in the fair value measurements section below, although this does not necessarily indicate that the fair value is more or less likely to be realised.

Financial assets at amortised cost

The fair value of the Group and Company's financial assets carried at amortised cost, which includes trade and other receivables, investments and cash and cash equivalents approximate their fair values.

Financial liabilities at amortised cost

The fair value of the Group and Company's financial liabilities at amortised cost, which includes interest-bearing borrowings and trade and other payables approximates their fair value. Refer to the table below for the determination of the fair values.

Financial liabilities at fair value through profit or loss

The Group and Company's financial liabilities carried at fair value consist of its derivatives, comprising an interest rate swap.

The fair value is calculated as the present value of the estimated future cash flows based on observable yield curve, using a valuation technique that uses directly or indirectly observable inputs. Derivatives are therefore classified as Level 2 on the fair value hierarchy.

Valuation techniques and significant unobservable inputs

Type	Valuation technique
Financial instruments measured at fair value	
- Derivative financial instruments	Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-free adjusted discount rate
Financial instruments measured at amortised cost	
- Interest-bearing borrowings	Discounted cash flows (unlisted instruments): The valuation model considers the present value of expected payment, discounted using a risk-free adjusted discount rate
- Trade and other receivables	
- Trade and other payables	Market comparison technique (listed instruments): The fair values are based on bank values
- Lease liabilities	
- Cash and cash equivalents	
- Investments	

F.2 Financial risk management

The Group's comprehensive risk management process involves identifying, understanding and managing the risks associated with each of the Group's business units. Risk awareness, control and compliance are embedded in the Group's day-to-day activities. The Group Risk Management unit independently monitors, manages and reports risk as mandated by the Board of Directors through the Audit and Risk, Board Economic Regulation and Board Investment committees. The Executive Committee is ultimately responsible for managing risks that arise.

Sound financial risk management framework is in place at the Group, based on a best-practice enterprise risk management framework, built on rigorous governance structures.

Credit risk

Credit risk is the risk of loss to the Group as a result of the failure by a customer or counterparty to meet its contractual obligations. This is mitigated by the guarantees held for the exposure at a given period. Credit risks can also arise from cash and cash equivalents and investments. These risks are effectively managed in terms of the Board-approved financial risk management framework that specifies the investment and counterparty policies. For credit risk management related to trade receivables, refer to note D.1.

In managing credit risk, modifications were made to trade receivables, as disclosed in note D.1. There were no modifications to assets other than trade receivables.

Investments and cash and cash equivalents

In complying with the Treasury Regulations, Airports Company South Africa's Financial Risk Management Framework limits the Group to investments in A short-term rated instrument or AAA-rated instruments and counterparts.

For banks and financial institutions, only independently rated parties with a minimum rating of A- are accepted with respect to cash and cash equivalents.

Market risk

Market risk is the risk that the Group's earnings or capital, or its ability to meet business objectives, will be adversely affected by changes in the level or volatility of market rates or prices such as interest rates, foreign exchange rates and commodity prices.

Interest rate risk

The Group's interest rate risk arises from its borrowings. The Group's policy is to maintain a mix of fixed to floating rate debt within the Board-approved parameters. The policy allows for the fixed rate portion of 70% and a non-fixed rate portion of 30%. These thresholds are set to enable the Group to minimise the impact of rising interest rates while taking advantage of falling interest rates.

ACSA manages interest rate risk by allowing fixed rate debt portion to vary between 45% and 70% while floating rate debt portion can vary between 30% and 55%. The rationale for setting up these thresholds is to minimise the impact of rising interest rates on debt service cost, while taking advantage of falling interest rate environment.

The fixed rate debt portion increased 81% owing to the preference shares issued. As at 31 March 2021, the debt composition was in breach of the policy guidelines. However, the condonation of the breach has been approved by the Board as per the policy guidelines.

As at 31 March 2021, the Group's fixed to floating rate profile after hedging, on net debt was 81% (2020: 72%). At the reporting date, the interest profile of the Group's interest-bearing financial instruments was as follows.

Figures in R'000	Fixed-rate instruments		Variable-rate instruments		Total	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Carrying amount						
Interest-bearing borrowings	7 548 913	4 650 845	1 772 449	1 754 168	9 321 362	6 405 013
	81 %	72 %	19 %	27 %		

A 5% change in interest rates would have had the effect of changing profit for the period by R33 million (Mar 2020: R44 million).

F.2 Financial risk management (continued)

Tariff risk

Aeronautical revenue, contributing 38% (March 2020: 52%) of the Group's revenue, is regulated by an independent economic regulator using a price cap methodology. The regulated tariff is linked to CPI. A change in CPI has a positive or a negative impact on the revenue earned by the Group. However, the Group is allowed to adjust the difference between actual and forecast CPI in future tariffs. The tariff is determined for a five-year period every three years, with a two-year overlap. The Board has approved a regulatory strategy that seeks to proactively influence the regulatory approach in line with best practice. In this regard, the Group proactively manages the economic regulatory risk while balancing the interests of both the Group and the customers.

Price risk

The Group is exposed to price risk on various investments (Income funds per note G.4) which are based on quoted prices.

A 5% change in the quote price of the investments as at 31 March 2021 would have had the effect of changing profit for the period by R43 million (Mar 2020: R37 million).

Foreign exchange risk

The Group has two foreign investments that give rise to exposure to foreign currency risk, arising primarily with respect to the Brazilian real and Indian rupee.

All foreign borrowings are denominated in rand.

The Group uses foreign exchange contracts to hedge material expenditure once the project or purchase cash flows are certain.

The Group's exposure to foreign currency risks was as follows, based on notional amounts.

Figures in USD'000	Mar 2021	Mar 2020
	USD	USD
Trade receivables	1 926	632
Cash and cash equivalents	85 431	3 013
Gross financial position exposure	87 357	3 645

	Average rate		Reporting spot rate	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
The following significant exchange rates applied during the year:				
USD	16.280	14.767	14.835	17.909
BRS	3.643	3.643	3.478	3.478

Sensitivity analysis

A 10% weakening of the rand against the following currencies at 31 March 2021 would have increased/(decreased) equity, and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for March 2020.

	Equity		Profit or loss	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
USD	87 473	72 512	7 382	2 573

A 10% strengthening of the Rand against the above currencies at 31 March would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due – under both normal and stressed conditions – without incurring unacceptable losses or risking damage to the Group's reputation. The objective of the Financial Risk Management Framework is to ensure continuity of funding and flexibility, ensuring debt maturities are spread over a range of dates to manage refinancing risks. The Group is not exposed to excessive refinancing risk in any one year. To manage liquidity risk, the Group has the following measures currently in place.

F.2 Financial risk management (continued)

Facilities

The Group maintains short-term committed banking facilities for bridging finance purposes, and to comply with the requirements of credit ratings agencies. As at 31 March 2021, the Group had facilities of R2.5 billion (2020: R1.5 billion), of which zero has been utilised for both periods respectively.

Figures in R'000	Mar 2021	Mar 2020
	Facility Amount	Facility Amount
Available facilities	2 500 000	1 500 000

Available facilities represent undrawn lines of credit, where the bank has an agreement with the Group entity to make available an amount (up to the maximum specified) in loans on demand from the Group. The Group is under no obligation to actually take out a loan at any particular time. Committed facilities are those lines of credit where the Group and the bank have clearly defined terms and conditions that bind the bank to lend the Group up to the amounts stated in the agreement.

To meet its short-term liquidity requirements, the company utilised short-term banking facilities, drawing down R1.35 billion during the current financial year (March 2020: R0). However, part of the proceeds from the DBSA loan (R810 million) and preference shares issuance (R2.3 billion) were used to repay the short-term credit facilities. As a result, the available facility is currently R2.5 billion. The company additionally has a further R500 million uncommitted facility. The Investment Policy requires the company to hold sufficient liquid assets, including credit facilities, to meet capex and debt redemptions due in 12 and 13 months, respectively.

Capital risk management

The Group's capital management strategy is designed to ensure the Group is adequately capitalised in a manner consistent with the Group's risk profile, economic regulatory requirements and maintaining an investment rating level.

The Group monitors capital adequacy through the gearing ratio, as represented by net interest-bearing debt to total capital. Net debt is calculated as total interest-bearing borrowings (including current and non-current borrowings as shown in the statement of financial position) less cash and cash equivalents plus short-term investments. Total capital is calculated as equity as shown in the consolidated statement of financial position, plus net debt.

The Group's maximum gearing ratio is up to 60% (2020: up to 60%). The gearing ratio is determined by the Treasury department and approved by Airports Company South Africa's Board. The objective is to minimise the weighted average cost of debt. The gearing ratios as at 31 March 2021 and 2020 were as follows.

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Total borrowings	9 321 430	6 405 011	9 319 862	6 403 513
Less: cash and cash equivalents and income funds	(3 193 560)	(1 735 309)	(2 815 757)	(2 520 368)
Net debt	6 127 870	4 669 702	6 504 105	3 883 145
Total equity	20 746 497	23 124 311	19 148 998	22 030 531
Total capital	26 874 367	27 794 013	25 653 103	25 913 676
Gearing ratio (net debt divided by total capital)	23%	17%	25%	14%

None of the entities in the Group are subject to externally imposed capital requirements.

G. Other

G.1 Intangible assets

Accounting policy

Intangible assets comprise computer software and are measured initially at cost and subsequently at cost less accumulated amortisation and impairment losses.

Amortisation is provided for computer software on a straight-line basis to its residual value over a period of two to 16 years. Refer to note G.16 for details of the prior period errors.

Group

Figures in R'000	Mar 2021			Mar 2020		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	361 809	(283 132)	78 677	491 323	(393 715)	97 608

Company

Figures in R'000	Mar 2021			Mar 2020		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	361 548	(282 894)	78 654	491 062	(393 540)	97 522

Reconciliation of intangible assets – Group 2021

	Opening balance	Adjustments	Opening balance Restated	Additions	Amortisation	Disposals/ Retirements	Total
Computer software	83 619	13 989	97 608	30 939	(47 978)	(1 892)	78 677

Reconciliation of intangible assets – Group 2020

	Opening balance	Adjustments	Opening balance Restated	Additions	Amortisation	Total
Computer software	76 967	18 593	95 560	42 014	(39 966)	97 608

Reconciliation of intangible assets – Company 2021

	Opening balance	Adjustments	Opening balance Restated	Additions	Amortisation	Disposals/ Retirements	Total
Computer software	83 533	13 989	97 522	30 938	(47 914)	(1 892)	78 654

Reconciliation of intangible assets – Company 2020

	Opening balance	Adjustments	Opening balance Restated	Additions	Amortisation	Total
Computer software	76 812	18 593	95 405	41 996	(39 879)	97 522

G.2 Deferred tax

Accounting policy

Deferred tax assets and liabilities represent amounts of tax that will become recoverable and/or payable in future accounting periods. They generally arise as a result of temporary differences, where the time at which profits and losses are recognised for tax purposes differs from the time at which the relevant transaction is recorded in the accounts. A deferred tax asset represents a tax reduction that is expected to arise in a future period. A deferred tax liability represents taxes which will become payable in a future period as a result of a current or an earlier transaction. In respect of deferred tax assets, the Group and Company only recognise a deferred tax asset when the availability of future profits necessary to support the deferred tax asset is probable.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset is realised or liability is settled, based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would flow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. The most significant management assumption is the forecasts used to support the probability assessment that sufficient taxable profits will be generated by the entities in the Group in order to utilise the deferred tax assets.

Figures in R'000	Group			Company		
	Mar 2021	Mar 2020	Mar 2019	Mar 2021	Mar 2020	Mar 2019
Deferred tax liability						
Property and equipment	396 169	126 515	242 402	396 277	352 017	242 402
Investment property	1 380 571	1 452 804	1 269 176	1 341 610	1 396 244	1 213 365
Intangible assets	-	1 063	-	-	1 063	-
Lease liability	-	(1 102)	-	-	(1 102)	-
Lease receivable	155 691	85 258	81 678	155 691	87 322	82 245
Investments in associates	(364 170)	(189 782)	(214 539)	-	(257 944)	-
Impairment of trade and other receivables	(55 006)	(74 192)	(55 662)	(55 135)	(75 553)	(49 086)
Other assets	(27 096)	179 000	(408 369)	32 134	293 577	37 942
Prepayments	5 891	(29 395)	163 983	6 163	6 204	5 303
Provisions	(137 824)	(32 796)	195 615	(37 295)	(29 395)	(56 899)
Derivative financial instruments	3 660	41 856	30 984	3 660	9 495	30 984
Deferred income	(8 118)	(8 704)	(9 288)	(8 118)	(8 703)	(9 288)
Tax loss	(1 054 563)	-	-	(1 054 563)	-	-
	295 205	1 550 525	1 295 980	780 424	1 773 225	1 496 968

The deferred tax liability relates to income tax in the same jurisdiction, and the law allows net settlement. Refer to note G.16 for details of the prior period errors.

Reconciliation of deferred tax liability

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
At beginning of year - previously reported	1 550 525	1 275 838	1 680 347	1 476 826
Restatement	-	20 142	92 878	20 142
At beginning of year - restated	1 550 525	1 295 980	1 773 225	1 496 968
Prior period over provision:				
Movements during the year:				
- Recognised in the statement of comprehensive income	(1 227 474)	253 160	(991 779)	274 872
- Recognised directly in other comprehensive income	(27 846)	1 385	(1 022)	1 385
	295 205	1 550 525	780 424	1 773 225
Deferred tax liabilities expected to be recovered after more than 12 months	188 629	1 568 854	673 705	1 755 252
Deferred tax liabilities expected to be recovered within the next 12 months	106 576	(18 329)	106 719	17 973
	295 205	1 550 525	780 424	1 773 225

G.3 Retirement benefits

Group and Company

The retirement benefits have been accounted for in accordance with the requirements of IAS 19.

Figures in R'000	Mar 2021	Mar 2020
Post-retirement medical benefit – plan asset	(6 242)	(4 538)
Post-retirement medical benefit – plan liability	20 240	16 731
A. Net post-retirement medical benefit liability – defined benefit plan	13 998	12 193
B. Life fund: plan liability – defined benefit plan	15 378	14 029
Total employee benefit liabilities	29 376	26 222

A. Post-retirement medical benefit

The Company makes contributions to a defined benefit plan that provides medical benefits to employees upon retirement. The employees eligible for the post-retirement benefit are those who were in employment at 1 August 2007. The plan entitles retired employees to receive a reimbursement of certain medical costs.

Movement in net defined benefit liability:

Group and Company	Present value of plan liability		Fair value of plan asset		Net liability	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Figures in R'000						
Balance at 1 April 2020	16 732	18 876	(4 539)	(4 730)	12 193	14 146
Included in other comprehensive income:						
- Actuarial (gains)/ losses arising from:	1 878	(3 692)	424	476	2 302	(3 216)
- Financial assumptions	1 390	(3 948)	(203)	775	1 187	(3 173)
- Demographic assumptions	488	256	627	(299)	1 115	(43)
Included in profit or loss:	2 570	2 369	(705)	(482)	1 865	1 887
- Current service cost	353	424	-	-	352	424
- Interest cost	2 217	1 945	-	-	2 217	1 945
- Return on plan assets	-	-	(705)	(482)	(705)	(482)
Other:						
Benefits paid	(939)	(821)	784	672	(155)	(149)
Contributions by employer	-	-	(2 206)	(475)	(2 206)	(475)
Balance at 31 March	20 241	16 732	(6 242)	(4 539)	13 998	12 193

Plan asset

An insured annuity policy was purchased from Sanlam Life, in the Company's name, to fund the contribution subsidies paid to current pensioners. The policies will pay a level amount each month to the relevant medical schemes on behalf of the Company, for as long as the pensioners and/or the pensioners' spouses are still alive. The insured annuity policy can be used to fund only medical aid contributions and is not available as an asset to the Company's creditors. The full fair value of R6,2 million (2020: R4,5 million) per the reconciliation above relates to that annuity policy. The Group has also set aside an amount of R18,5 million (2020: R14.1million) as a funding vehicle. As this amount is not protected against its creditors, it has not been included as a plan asset but rather as cash and cash equivalents in note D.2. The Group does not expect to pay contributions to this plan in 2022 as future contributions were already factored in the total service obligation. There have been no curtailments, amendments or settlements to the plan since the 2014 financial year. The Group does not have any other responsibilities for the governance of the plan.

G.3 Retirement benefits (continued)

Net expense recognised in profit or loss

Group and Company

Figures in R'000	Mar 2021	Mar 2020
Current service cost	353	424
Interest cost	2 217	2 975
Return on plan asset	(705)	(482)
	1 865	2 917

Cumulative expenses recognised in other comprehensive income

Balance at 1 April 2020	(23 775)	(21 435)
Actuarial gains recognised during the year	1 878	(2 340)
Balance at 31 March 2021	(21 897)	(23 775)

Principal assumptions at the reporting date:

Discount rates used	14,11 %	13,48 %
Healthcare cost inflation	10,73 %	9,47 %
Average retirement age (years)	-	60

The assumptions used by actuaries are the best estimates chosen from a range of possible actuarial assumptions that, owing to the timescale covered, may not necessarily be borne out in practice.

The gap is referred to as the net discount rate and is the difference between the discount rate and the expected medical inflation. The current year net discount rate is 3.05% (2020: 3.67%) per annum.

Assumed healthcare cost trend rates have a significant effect on the amounts recognised. A one percentage point change in assumed healthcare cost trend would have the following effects.

Group and Company	1% increase		1% decrease	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Effect on liability	18 255	14 169	22 626	13 889

B. Life fund

Group and Company

Figures in R'000	Mar 2021	Mar 2020
Balance at 1 April 2020	14 029	15 758
Actuarial (gains)/losses recognised in other comprehensive income during the year	1 349	(1 729)
Balance at 31 March 2021	15 378	14 029

The Company acquired a 100% shareholding in a cell captive with Guardrisk Life Ltd in September 2003 to fund its obligation arising from 2002, whereby the Company agreed to increase the minimum pension pay-out to employees. Guardrisk performs a six-monthly review per individual covered to establish the present value of the Company's obligation on the prescribed valuation basis (as approved by Guardrisk Life Statutory Actuaries) in order to assess the Company's commitment as per the assets and expressed liabilities and ensure sufficient life funds are transferred to the non-distributable reserves.

Exposure to risks

Market risk

The risk that the market value of the assets will decrease as a result of the value being held by Sanlam being less than estimated or owing to unexpected movements in market/membership factors.

Risk of future changes in legislation

The risk that changes to legislation may increase the liability for the Group.

Inflation risk

The risk that future CPI inflation and healthcare cost inflation are higher than expected and uncontrolled.

G.4 Investments

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Investments short-term				
Income funds	861 116	745 315	861 116	745 315
Intercompany loans	-	-	927 218	870 692
	861 116	745 315	1 788 334	1 616 007
Investments long-term				
Intercompany loans	-	-	42 286	41 258
	-	-	42 286	41 258

Refer to note F1 for Accounting Policy.

Refer to note G11 for detailed intercompany loan balances

G.5 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

There were no changes to the number of shares outstanding (in issue) at 31 March 2021 and 31 March 2020.

Authorised – Group and Company

A total of 1 000 000 000 ordinary shares of R1 par value each

Issued – Group and Company

Figures in Rand thousand	Mar 2021	Mar 2020
Ordinary	500 000	500 000
Share premium	250 000	250 000
	750 000	750 000

Unissued – Group and Company

500 000 000 Ordinary shares of R1 par value each

The unissued ordinary shares are under the general authority of the Board of Directors.

Shareholder	Shareholding (%)
South African Government	74,6
Public Investment Corporation	20
Empowerment investors	4,2
Staff share incentive scheme	1,2

G.6 Other Reserves

Group

Figures in R'000	Total	Fair value	Foreign currency translation reserve	Actuarial reserve
Balance at 1 April 2019	143 752	70 608	86 480	(13 336)
Actuarial gains, net of tax	3 560	-	-	3 560
Foreign currency translation differences, net of tax	129 721	-	129 721	-
Balance at 1 April 2020	277 033	70 608	216 201	(9 776)
Actuarial losses, net of tax	(2 629)	-	-	(2 629)
Foreign currency translation differences, net of tax	(108 309)	-	(108 309)	-
Foreign currency translation differences realised on disposal of asset held for sale, net of tax	293 663	-	293 663	-
Balance at 31 March 2021	459 758	70 608	401 555	(12 405)

Company

Figures in R'000	Total	Fair value	Actuarial reserve
Balance at 1 April 2019	203 411	216 747	(13 336)
Actuarial gain, net of tax	3 560	-	3 560
Balance at 01 April 2020	206 972	216 747	(9 776)
Actuarial loss, net of tax	(2 629)	-	(2 629)
Balance at 31 March 2021	204 343	216 747	(12 405)

Nature and purpose of reserves

Fair value reserve

The fair value reserve relates to the revaluation of property and equipment immediately before its reclassification as investment property.

Foreign currency translation

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Actuarial reserve

The actuarial value reserve relates to decreases or increases in plan assets and plan liabilities owing to changes in actuarial assumptions.

G.7 Deferred income

Deferred income consists of the following balances.

Group and Company

Figures in R'000	Mar 2021	Mar 2020
Dube Trade Port rentals	21 443	22 819
Gautrain development	6 322	7 012
Cape Town Construction	22 360	23 352
Other	-	1 298
	50 125	54 481

G.7 Deferred income (continued)

Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance they will be received and the Group will comply with the conditions associated with the grant. Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the same periods in which the expenses are recognised. Grants that compensate the Group for the cost of an asset are recognised in profit or loss on a systematic basis over the useful life of the asset.

Government grants in relation to assets comprise of the following:

Government grants of the Group and Company are the following:

- A grant of R35.1 million was received in the 2010 financial year. This grant was used for the construction of the road within the Cape Town International Airport precinct.
- Gautrain Development relates to a grant received by the Group in the 2009 financial year from the Gautrain operator relating to assets belonging to the Group located at the O.R. Tambo International Airport's central terminal building that are being used by the Gautrain operator.

Other Government grants comprise of the following:

Government grant for community upliftment

- A grant of R7.5 million was received and transferred to Sakhisizwe so that the funds could be ringfenced. Sakhisizwe is a non-profit organisation that manages the grant, used largely as bursaries for children from underprivileged backgrounds.
- R923 thousand was expended from this grant in the current financial year (2020: R748 thousand).

Other Deferred Income comprises the following:

Dube Trade Port Rentals

- Rentals received in advance by the Company from Dube Trade Port for a portion of land leased to Dube Trade Port.

Group and Company

Figures in R'000	Mar 2021	Mar 2020
Current	3 058	4 357
Non-current	47 067	50 124
	50 125	54 481

G.8 Provisions

Accounting policy

Provisions are recognised when the Group and Company have a present obligation 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 obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation. Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

The Group and Company provide for staff incentive bonuses. The provision for bonuses is payable within three months of finalisation of the audited Consolidated Annual Financial Statements. As such it is not present valued as the effect of the time value of money is not expected to be material.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision.

Levies on infrastructure projects – where these levies do not meet the probability criteria defined within IFRS – are not provided for but disclosed as contingent liabilities.

G.8 Provisions (continued)

Reconciliation of provisions – Group

Figures in R'000	Staff incentive bonus	Environmental rehabilitation	Other provisions	Total
Opening balance at 1 April 2019	120 019	23 669	7 058	150 746
Additions	1 512	-	7 472	8 984
Utilised during the year	(153 575)	(1 758)	(11 070)	(166 403)
Effect of passage of time	-	3 397	4 444	7 841
Effect of change in estimates	33 557	-	-	33 557
Reversal of provision	-	-	(3 095)	(3 095)
Closing balance at 31 March 2020	1 513	25 308	4 809	31 629
Additions	-	-	-	-
Utilised during the year	(175)	(1 608)	(1 990)	(3 773)
Effect of passage of time	-	768	-	768
Closing balance at 31 March 2021	1 338	24 468	2 818	28 624

Reconciliation of provisions – Company

Figures in R'000	Staff incentive bonus	Environmental rehabilitation	Other provisions	Total
Opening balance at 1 April 2019	117 723	23 669	7 057	148 449
Additions	-	-	6 601	6 601
Utilised during the year	(151 280)	(1 758)	(10 200)	(163 238)
Effect of passage of time	-	3 397	4 444	7 841
Effect of changes in estimate	33 557	-	-	33 557
Reversal of provision	-	-	(3 095)	(3 095)
Closing balance at 31 March 2019	-	25 308	4 808	30 116
Utilised during the year	-	(1 608)	(1 990)	(3 598)
Effect of passage of time	-	768	-	768
Closing balance at 31 March 2021	-	24 468	2 818	27 286

The staff incentive bonus represents the obligation for employee incentive bonus payment. The environmental provision is in terms of a Record of Decision issued by the Minister of Environmental Affairs and Tourism in 2008 to rehabilitate the property at the farm La Mercy No. 15124 in Durban at King Shaka International Airport, as follows:

- Rehabilitation and maintenance of the wetlands in terms of a long-term phased plan.
- Implementation of a waste water management plan, including the decommissioning of a package plant used during construction of the airport.

Included in other provisions is an amount of R1.8 million (2020: R1.8 million) relating to a waiver fee for which the Group is liable. Annually, the Guarulhos international Airport Concession (GRU) pays a concession fee to the Brazilian Government to secure the right to manage and operate Guarulhos International Airport. The lenders to GRU have stipulated in the loan agreement that the concession fee be paid into an escrow account on 11 July of every year, to provide assurance that the funds will be available to meet the payment on the due date of 11 December of the same year.

GRU generated sufficient cash flows to pay the concession fee on 11 December 2019, without the lenders invoking the equity support agreement. However, the escrow account remained fully unconstituted as of 11 July 2019 and resulted in a waiver fee of 1% being levied on GRU, for which its shareholders are liable in terms of the loan agreement.

G.9 Taxation

Accounting policy

The Group's foreign subsidiary ACSA Global is tax resident in South Africa, therefore ACSA Global and other companies within the Group will pay taxes according to the rates applicable in South Africa. Most taxes are recorded in the statement of comprehensive income and relate to taxes payable for the reporting period (current tax). The charge includes benefits and charges relating to when income and expenses are recognised in a different period for tax and accounting purposes (deferred tax).

The Group and Company recognise provisions for tax based on objective estimates of the amount of taxes that may be due. Where the final tax determination is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions respectively, in the period in which such determination is made.

There may be transactions and calculations for which the ultimate tax determination has an element of uncertainty during the ordinary course of business. Uncertain tax positions that do not meet the probability criteria defined within IFRS are not provided for but are rather disclosed as contingent liabilities or assets as appropriate.

There are no income tax implications on dividends paid by the Company to its shareholders. This is because all ACSA shareholders are exempt beneficial owners of the Company shares in terms of section 64F of the Income Tax Act.

Major components of the tax expense (income)

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Current				
Current year	130 108	183 696	-	175 487
Prior year over provision	57 638	10 974	57 638	10 974
Total current tax	187 746	194 670	57 638	186 461
Deferred				
Current year	(1 225 404)	(16 075)	(989 709)	55 870
Deferred tax asset not raised	-	257 749	-	257 749
Prior year under provision	(2 070)	(38 542)	(2 070)	(38 747)
Total deferred tax	(1 227 474)	203 132	(991 779)	274 872
Total	(1 039 728)	397 802	(934 141)	461 333

Tax rate reconciliation

Reconciliation between applicable tax rate and average effective tax rate.

Figures in %	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Applicable tax rate	(28,00) %	28,00 %	(28,00) %	28,00 %
Non-deductible expenses	2,16%	6,79 %	2,04%	21,00 %
Non-taxable income	- %	(3,10)%	- %	(11,24)%
Prior period under/(over) provision – current tax	1,60%	0,72 %	1,51%	2,62 %
Prior period (over)/under provision – deferred tax	(4,65)%	(2,54)%	(0,05) %	(33,71)%
Deferred tax asset not raised	- %	(7,49)%	- %	61,43 %
Effective tax rate	(28,89) %	22,38 %	(24,50) %	68,10 %

G.10 Earnings per share and dividend per share (Group only)

ACSA has voluntarily disclosed the basic earnings per share in the interests of its shareholders as a measure to demonstrate the value added to shareholders.

Accounting policy

Basic earnings per share

Earnings per share (EPS) is calculated using the weighted average number of ordinary shares in issue during the period and is based on the net profit attributable to ordinary shareholders. For the purpose of calculating EPS, treasury shares are deducted from the number of ordinary shares in issue.

Reconciliation of weighted average number of shares

	Mar 2021	Mar 2020
Number of shares in issue	500 000	500 000
Adjusted for:		
Treasury shares issued to entities within the Group	(5 962)	(5 962)
Weighted average number of shares	494 038	494 038

There were no changes in the weighted number of shares in the current year.

Profit for the year attributable to shareholders before restatements	(2 560 539)	1 195 009
Total impact of prior period restatements:	-	185 067
• Decrease in depreciation	-	239 453
• Decrease in employee cost	-	2 202
• Decrease in insurance expense	-	16 148
• Increase in taxation	-	(72 736)
Total profit for the year attributable to shareholders after restatements	(2 560 539)	1 380 076
Weighted average number of ordinary shares in issue	494 038	494 038
Decrease in basic earnings per share owing to impact of prior period restatements (cents per share)	-	37,00
Basic earnings per share (cents per share)	(518,32)	279,35

Dividends per share

Final dividend declared	-	56 017
Weighted average number of ordinary shares in issue	494 038	494 038
Dividend per share (cents per share)	-	11,34

G.11 Related parties

Airports Company South Africa SOC Ltd is one of the 21 Schedule 2 major public entities in terms of the Public Finance Management Act (Act 1 of 1999 as amended) and reports to the Department of Transport. It therefore has a significant number of related parties including other state-owned entities, government departments and all other entities within the national sphere of government. In addition, the Company has a related party relationship with its subsidiaries, associates and with its Directors and Executive Officers (key management). Unless specifically disclosed, these transactions are concluded on an arm's length basis and the Group and Company are able to transact with any entity.

Key management personnel has been defined as Airports Company South Africa Board of Directors and prescribed officers effective for 2021 and 2020. Non-executive Directors are included in the definition of key management personnel as required by IFRS. The definition of key management includes the close family members of key management personnel and any entity over which key management exercises control or joint control. Close family members are those family members who may be expected to influence, or be influenced by, that person in their dealings with the Group. They may include the person's domestic partner and children, the children of the person's domestic partner, and dependents of the person or the person's domestic partner.

Related party transactions

Figures in R'000	Services rendered		Services received		Amounts due from		Amounts due to	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020
National departments	38 933	41 479	240 813	17 195	3 459	3 083	-	-
Major public entities	241 176	818 579	59 070	363 411	320 644	316 155	539	1 346
National government business	25 613	21 531	-	483 712	4 128	3 867	23 242	1 023
Other national public entities	-	-	-	24 973	-	-	-	-
Subsidiaries, associates, special purpose entities and joint ventures	66 443	138 277	-	-	996 916	950 335	18 815	18 816

Related party transactions relating to subsidiaries, special purpose entities, joint ventures and associates were as follows:

Subsidiaries

Figures in R'000	Services rendered		Services received		Amounts due from		Amounts due to	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020
JIA Piazza Park (Pty) Ltd	34	54 543	-	-	-	-	-	-
Precinct 2A (Pty) Ltd	65 381	64 367	-	-	817 354	748 053	-	-
ACSA Global (Pty) Ltd	-	-	-	-	79 732	92 541	-	-

Special purpose entities

Figures in R'000	Services rendered		Services received		Amounts due from		Amounts due to	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Airports Company South Africa Kagano Trust	-	-	-	-	18 246	18 246	-	-
Lexshell 342 Investment Holdings (Pty) Ltd	1 028	5 989	-	-	24 040	23 011	5 930	5 930
Airports Company Share Incentive Scheme Trust (Pty) Ltd	-	13 349	-	-	30 098	30 139	12 886	12 886
Sakhisizwe Community Programme	-	-	-	-	-	-	-	-
ACSA Management Share Incentive Company (Pty) Ltd	-	-	-	-	752	849	-	-

G.11 Related parties (continued)

Joint Ventures

Figures in R'000	Services rendered		Services received		Amounts due from		Amounts due to	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Airport Logistics Property Holdings (Pty) Ltd	-	29	-	-	26 693	37 496	-	-
Total subsidiaries, associates, special purpose entities and joint ventures	66 443	138 277	-	-	996 915	950 335	18 816	18 816

The Company provided financial assistance JIA Piazza Park (Pty) Ltd, in terms of section 45 of the Companies Act. The assistance was rental relief for the 2021 financial year amounting to R57 million.

Key management personnel

Executive Directors

Figures in R'000	Salary		Pension fund contributions		Other benefits*		Total	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020
N Mpofo	4 210	702	386	64	168	28	4 764	794
S Mthethwa ¹	2 665	-	264	-	327	-	3 256	-
	6 875	702	650	64	495	28	8 020	794

¹Chief Financial Officer, appointed 1 May 2020.

Non-executive Directors

Figures in R'000	Appointment Date	Resignation Date	Directors' fees	
			Mar 2021	Mar 2020
S Nogxina			819	901
D Botha			-	116
D Hlatshwayo	6 August 2020		331	281
K Matlou			-	36
B Mohale			-	114
P Mokupo			671	721
N Nokwe-Macamo			728	763
I Phenyane			766	1 010
Y Pillay			635	843
N Zikalala Mvelase			858	1 028
K Esterhuizen			533	59
G Victor			629	78
K Badimo	6 August 2020		310	-
			6 280	5 950

G.11 Related parties (continued)

Key management personnel

Prescribed officers

Figures in R'000	Salary		Pension Fund Contributions		Other benefits*		Total	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020
B Mbomvu ¹	2 651	2 687	256	250	254	1 940	3 161	4 877
F Sithebe ²	3 061	3 162	293	285	271	1 823	3 625	5 270
M Mncwabe	2 779	2 714	255	249	118	954	3 152	3 917
S Ngwenya	2 492	2 428	220	214	-	966	2 712	3 608
A Vermeulen ³	-	2 042	-	186	-	6 074	-	8 302
R Shinnars	2 807	2 737	258	251	118	1 317	3 183	4 305
G Gopal ⁴	2 628	2 676	257	250	4 128	1 520	7 013	4 446
B Matshego	2 508	2 740	257	250	633	1 247	3 398	4 237
C Shilowa	2 926	2 844	258	251	5	1 230	3 189	4 325
L Langa ⁵	797	-	73	-	30	-	900	-
M Petros ⁶	1 000	-	-	-	-	-	1 000	-
F Tshikhudo ⁷	-	999	-	90	-	857	-	1 946
PM du Plessis ⁸	-	896	-	80	-	4 255	-	5 231
D Ramasia ⁹	1 314	612	126	56	508	138	1 948	806
H Dokoda ¹⁰	-	631	-	58	-	591	-	1 280
D Cloete ¹¹	-	427	-	39	-	31	-	497
K Naicker ¹²	-	455	-	41	-	109	-	605
D Kunz ¹³	-	515	-	48	-	162	-	725
L Mukhudwani ¹⁴	142	1 400	13	130	68	1 014	223	2 544
J Khambule ¹⁵	565	-	54	-	43	-	662	-
	25 670	29 965	2 320	2 728	6 176	24 228	34 166	56 921

¹Group Executive Governance and Assurance; Acting CEO – 1 December 2018 to 31 October 2019

²Chief Operating Officer; Acting Chief Executive Officer – 1 November 2019 to 31 January 2020

³Group Executive Airports – resigned 16 December 2019

⁴Group Executive Technical Services and Solutions; Early retirement 31 March 2021; Acting Chief Operating Officer – 1 November 2019 to 31 January 2020

⁵Group Executive Human Resources – appointed 1 December 2020

⁶Group Executive Enterprise Security – appointed 1 December 2020

⁷Acting Group Executive Governance and Assurance – 1 December 2018 to 31 October 2019

⁸Group Executive Human Resources – retired 31 July 2019

⁹Acting Group Executive Human Resources – 12 December 2019 to 30 November 2020

¹⁰Acting Group Executive Human Resources – 1 August 2019 to 11 December 2020

¹¹Acting Group Executive Airports – 17 December 2019 to 29 February 2020

¹²Acting Group Executive Technical Services and Solutions – 1 November 2019 to 31 January 2020

¹³ Acting Chief Financial Officer – 1 April 2019 to 12 June 2019

¹⁴ 2020 Acting Chief Financial Officer – 13 June 2019 to 30 April 2020

¹⁵Group Executive Commercial – appointed 1 January 2021

For acting positions filled by persons who are not prescribed officers in their permanent roles, remuneration disclosed relates to the acting periods only.

G.12 Events after the reporting period and going concern

Impact of COVID-19 on the Group's ability to continue trading in the foreseeable future

As COVID-19 became a global pandemic, South Africa and many other countries closed their borders as they went into multiple lockdowns. Having operated for the full financial year under these unfavourable conditions, departing passenger decreased drastically and remained persistently low throughout, falling to only 21.8% of 2020 levels by the end of the financial year.

The Group incurred a loss after tax of R2.6 billion for financial year ended 31 March 2021 (2020: R1.4 billion profit) and as at that date, its assets exceed its liabilities by R20.7 billion (2020: R23.1 billion).

COVID-19 continues to pose a significant threat to global health systems and economic markets. The immediate impact on the Group has been significantly lower cashflows as a consequence of:

- traffic reduction as a result of travel bans and the deteriorating global economic outlook;
- amendment of concessionaire rental structure based on their lower turnover levels;
- weakening credit profile of customers, particularly airlines that have cut capacity drastically; and
- COVID-19 is expected to have a long-term impact on the aviation industry and the Group, and management is not able to fully quantify that impact at the date of this report. It is expected that the recovery of the industry will be slow owing to the uncertainties around the health of travellers and the negative economic impact on government, corporates and individuals.

The Group has put the following contingency plans and mitigating actions in place to secure its financial sustainability, which it reviews and revises as conditions necessitate:

- Committed short-term facilities of R1.8 billion have been renewed for a period of 12 months.
- L'Agence Francaise de Development (AFD) has granted the company a grace period until 30 June 2023 relating to required levels for the debt service cover ratio and net debt to EBITDA ratio.
- The Company approached existing shareholders for financial support. As a result, preference shares were issued to the major shareholder for an amount R2.3 billion on 5 March 2021. Engagements are underway with other shareholders for possible similar issuances.
- The Company has reduced operating expenditure by 25%, i.e. R1,2 billion and capital expenditure will be limited to a maximum of R1 billion for maintenance and refurbishments in the 2021/22 financial year, as informed by statutory requirements. Identification of efficiencies in operations will continue to reduce and maintain operating expenditure to/at a minimum.

The Group has considered the impact of the above in preparing these financial statements as follows:

- Impairment of property and equipment, intangible assets – a total impairment charge of R164 million has been recognised. This relates to abortive costs within projects (work in progress) that have been discontinued. This impairment charge arose from the deterioration in the current and forecast demand of air travel caused by the COVID-19 outbreak that led the Group to re-assess its medium- and long-term construction plans.
- Impairment of trade and other receivables – adjustment of loss rates to reflect weakened customer credit profiles and ability to service debt owed to the Group.
- Revenue adjustment/reduction – adjustment of revenue earned to only recognise the portions for which it is probable that the entity will collect the consideration to which is entitled. This was done through rental relief granted by the Group, on a customer-by-customer basis, mainly in the property and retail portfolios.

Cash reserves as of 31 March 2021 amounted to R3.2 billion (2020: R1.7 billion). Together with the extended credit facilities, this is expected to enable the Group to meet its liquidity needs for at least the next 12 months.

Significant events after reporting date

Offer for the Group's share in Aeroporto de Guarulhos Participações S.A (GRUPAR)

On 06 April 2021, the Group approved the sale and purchase agreement (SPA), exchange control application and all relevant agreements and documents related to the conclusion of the GRUPAR sale of the Company's 20% shareholding. The Group has applied for and awaits approval of the SPA by Minister of Transport.

G.13 Irregular expenditure

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Opening balance	1 186 073	726 985	1 158 742	700 961
Add: irregular expenditure – current year	274 120	560 371	273 299	559 064
Less: amounts condoned in the current year	(4 335)	(82 998)	(4 335)	(82 998)
Less: irregular expenditure adjustment	-	(18 285)	-	(18 285)
Add: prior year irregular expenditure identified in the current year	6 075	-	6 075	-
Less: irregular expenditure removed	(828 218)	-	(828 218)	-
Irregular expenditure not yet condoned/ written off	633 715	1 186 073	605 563	1 158 742
Current year	274 120	560 371	273 299	559 064
Prior years	359 595	625 702	332 264	599 678
Total	633 715	1 186 073	605 563	1 158 742

The irregular expenditure incurred in the current financial year ended is R274 million (2020: R560 million). The main contributor relates to the contract for the construction of the Western Precinct, wherein expenditure incurred amounts to R247 million in the current financial year (2020: R518 million). The Western Precinct contract is still continuing and will expire in November 2021. According to National Treasury's Irregular Expenditure Framework, all expenditure incurred under a contract found to be irregular is required to be reported as irregular until such contract is condoned/removed. Therefore, the Western Precinct expenditure post the approved removal date of March 2021 will no longer be reported as irregular.

The Group has implemented National Treasury's Irregular Expenditure Framework through the company's newly established Loss Control Function for detection, assessment, investigation, and performance of determination tests. As a result, the Board of Directors removed cumulative expenditure relating to the Western Precinct contract in March 2021 amounting to R828 million.

The Loss Control Function will continue to investigate the reported irregular expenditure with the aim of appropriately assessing the remaining balance of R633 million. The 80:20 principle has been adopted, wherein the detection, assessment, investigation, and determination investigations of high-value irregular expenditure will be prioritised.

Current year and prior year:

Figures in R'000	Group		Company	
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
Non-compliance with PPPFA	257 306	536 752	257 306	535 445
Non-compliance with National Treasury requirements	15 070	-	15 070	-
Non-compliance with PFMA	1 744	11 205	923	11 205
Limitation of scope	-	12 414	-	12 414
Total	274 120	560 371	273 299	559 064

G.14 Fruitless and wasteful expenditure

Section 1 of the PFMA defines fruitless and wasteful expenditure as "expenditure which was made in vain and would have been avoided had reasonable care been exercised".

Group and Company

Figures in R'000	Mar 2021	Mar 2020
Opening balance	113 129	102 617
Add: fruitless and wasteful expenditure – adjustment	-	(5 499)
Add: fruitless and wasteful expenditure – current year	72 352	16 011
Less: amounts recovered/written off	(108 400)	-
Fruitless and wasteful expenditure not yet closed (awaiting appropriate action)	77 081	115 607
Current year	72 352	16 011
Prior years	4 729	102 617
Add: fruitless and wasteful expenditure – adjustment	-	(5 499)
Total	77 081	113 129

G.14 Fruitless and wasteful expenditure (continued)

Current Year

The fruitless and wasteful expenditure identified in the current year relates to the following incidents reported:

- (1) Interest on revised tax liability resulting from SARS audits (R28 million).
- (2) Penalties on revised tax liability resulting from SARS audits (R43 million).
- (3) Interest and penalties on late payments to suppliers (R328 thousand). The Company has challenged the basis on which SARS imposed these penalties and interest on the previous assessments through the courts.

Adjustments to fruitless and wasteful expenditure relate to the following:

- (1) R4 million related to a financial misconduct case previously reported as fruitless and wasteful expenditure which, upon further investigation, it was concluded the Group did not suffer that loss.
- (2) R3 million downward revision in penalties and interests resulting from a SARS audit of the 2016 year of assessment.
- (3) R1.5 million paid for a recruitment process that was not completed.

Prior year

The fruitless and wasteful expenditure identified in the current year relates to the following incidents reported:

- (1) Reduced interest on revised tax liability resulting from SARS audits (-R5.6 million).
- (2) Penalties on revised tax liability resulting from SARS audits (R21.2 million).
- (3) Non-compliance with National Treasury cost containment measures (R342 thousand).

G.15 Contingencies

Contingent liabilities

Levy agreements

The Company has signed levy agreements in respect of infrastructure projects relating to the City of Cape Town for R13 million. The obligation to pay these levies are contingent upon the city choosing to invoke its right in terms of the agreement.

Share buy-back

On or about 1 August 2017, the Johannesburg High Court granted African Harvest Strategic Investments (Pty) Ltd and Up-front Investments 65 (Pty) Ltd (Minorities) a court order for Airports Company South Africa SOC Limited (the Company) to purchase its shares in the Company for an amount to be determined by a referee. Such referee concluded its valuation on 26 February 2018, after which the Minorities brought an application to make the valuation an Order of Court. The Company opposed this application based on it being fundamentally flawed, irrational and detrimental to other shareholders. Additionally, the Minister of Transport, as the Company's majority shareholder, brought an application to rescind the order of 1 August and 21 December 2017 on the basis that, inter alia, it contravened the Public Finance Management Act, the Companies Act and the Company's Memorandum of Incorporation. The rescission application was heard in October 2019 and on 17 July 2020, the Johannesburg High Court found that the rescission application succeeds on the grounds that:

- it is just and equitable to do so; and
- the settlement agreement is unlawful and cannot be allowed to be enforced by the courts simply because it was agreed to.

The Minorities are liable for costs.

The Minorities launched an application for leave to appeal to the Supreme Court of Appeal (SCA) the rescission application that was awarded in favour of the Minister of Transport by the Johannesburg High Court. The application for leave to appeal was successfully granted in favour of the Minorities. As a result, the matter is now before the SCA. In terms of its status before the SCA, the Minorities delivered its record of proceedings in the High Court on 16 February 2021. Its heads of argument were due by 05 April 2021. ACSA's heads of argument will be due a month thereafter and the SCA will then set the matter down for hearing of the appeal. The estimated potential financial impact of this matter has not been disclosed as management is of the view that doing so could prejudice the case.

Contingencies relating to interests in joint ventures

There are no contingencies relating to interests in joint ventures.

G.16 Prior period errors

Effect on statement of financial position

Property, plant and equipment and depreciation and intangible assets

During 2021, the Group assessed the appropriateness of the useful lives applied in the prior financial statements and concluded that the useful lives applied were incorrect. This resulted in assets that were fully depreciated by 31 March 2020 although fully in use. As a consequence, the depreciation expenses and the related assets have been restated.

Non-current assets held for sale

A vehicle was incorrectly classified as a non-current assets held for sale in the 2020 financial year. The error resulted in the overstatement of non-current assets held for sale in 2020.

Trade and other receivables

Insurance expenses for 2021 and 2022 financial years were incorrectly recognised in the 2020 financial year. This error resulted in the overstatement of insurance expenses in 2020 and understatement of Prepayments in 2020. In addition, trade receivables with credit balances were identified in respect of VAT. These receivables were reclassified to trade and other payables.

Operating expenses

Insurance expenses for 2021 and 2022 financial years were incorrectly recognised in the 2020 financial year. This error resulted in overstatement of insurance expense in 2020 and understatement of prepayments in 2020. Losses on property, plant and equipment reported in the prior year were also reclassified to operating expenses owing to their being immaterial for separate presentation on the statement of comprehensive income.

Employee costs

Consulting fees were incorrectly recognised as employee costs instead of being recognised as part of the acquisition costs of assets in the prior financial statements. This error resulted in an overstatement of employee costs and a corresponding understatement of property, plant and equipment.

Taxation

Taxation expense and the deferred tax liability were restated for the tax effect of all the restatements above.

G.16 Prior period errors (continued)

The following tables summarise the impact of the correction of these errors on the Group's financial statements.


Effect on statement of financial position


Figures in R'000	Group		Company	
	Mar 2020	Mar 2019	Mar 2020	Mar 2019
Property, plant and equipment				
Previously stated	18 884 200	18 948 292	18 833 132	18 896 707
Restatement	332 654	84 714	332 654	84 714
Restated amount	19 216 854	19 033 006	19 165 786	18 981 421
Intangible assets				
Previously stated	83 619	76 967	83 533	76 811
Restatement	13 989	18 593	13 989	18 593
Restated amount	97 608	95 560	97 522	95 404
Non-current assets held for sale				
Previously stated	984 833	785 570	15 072	-
Restatement	(1 678)	-	(1 678)	-
Restated amount	983 155	785 570	13 394	-
Trade receivables				
Previously stated	1 006 313	916 911	983 741	899 199
Restatement	16 845	-	16 845	-
Reclassification from trade and other payables	(2 032)	(50 233)	-	(48 686)
Restated amount	1 021 126	866 678	1 000 586	850 513
Trade payables				
Previously stated	925 991	925 835	898 360	903 507
Insurance prepayment	667	-	699	-
Reclassification from trade and other receivables	(2 032)	(50 266)	-	(48 686)
Restated amount	924 626	875 569	899 056	854 821
Retained earnings				
Previously stated	21 873 038	20 734 046	20 805 327	20 831 007
Restatements	268 264	83 197	268 232	83 165
Restated amount	22 141 302	20 817 243	21 073 559	20 914 172
Deferred tax liability				
Previously stated	1 457 647	1 275 838	1 680 347	1 476 826
Restatement	92 878	20 142	92 878	20 142
Restated amount	1 550 525	1 295 980	1 773 225	1 496 968

G.16 Prior period errors (continued)

Effect on statement of comprehensive income

Figures in R'000	Group		Company	
	Mar 2020	Mar 2019	Mar 2020	Mar 2019
Employee costs				
Previously stated	(1 823 614)	-	(1 789 781)	-
Restatement	2 202	-	2 202	-
Restated amount	(1 821 412)	-	(1 787 579)	-
Depreciation, amortisation and impairments				
Previously stated	(1 281 535)	(1 284 325)	(1 275 728)	(1 281 568)
Restatement	244 057	58 703	244 057	58 703
Restated amount	(1 037 478)	(1 225 622)	(1 031 671)	(1 222 865)
Amortisation and impairment				
Previously stated	(35 361)	(59 614)	(35 275)	(59 482)
Restatement	(4 604)	18 593	(4 604)	18 593
Restated amount	(39 965)	(41 021)	(39 879)	(40 889)
Taxation expense				
Previously stated	(325 066)	(428 123)	(388 597)	(419 319)
Restatement	(72 736)	(20 142)	(72 736)	(20 142)
Restated amount	(397 802)	(448 265)	(461 333)	(439 461)
Operating expenses				
Previously stated	(2 633 271)	-	(2 541 829)	-
Restatement	6 100	-	6 100	-
Restated amount	(2 627 171)	-	(2 535 729)	-

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