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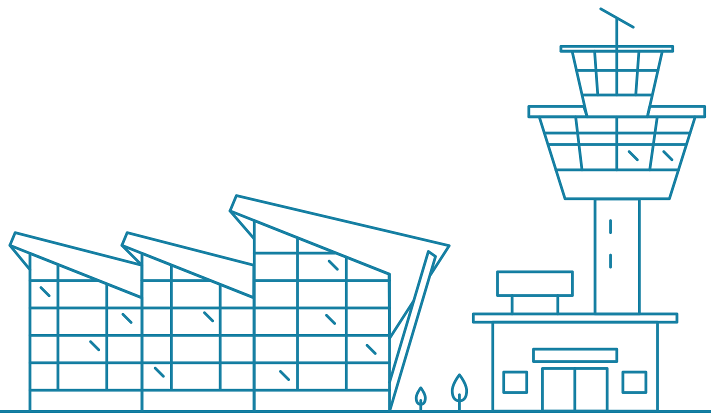
ANNUAL FINANCIAL STATEMENTS 2022

Run Airports, **Develop** Airports and **Grow** our Footprint

AIRPORTS COMPANY
SOUTH AFRICA


LET'S CLEAN UP OUR WORLD - ONE BAG AT A TIME
SPAR
Smoking area
Linde

CONTENTS



GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Company registration number	1993/004149/30
Non-executive directors	S Nogxina D Hlatshwayo N Nokwe-Macamo I Phenyane P Mokupo Y Pillay N Zikalala Mvelase K Esterhuizen G Victor K Badimo
Registered office	1 Jones Road Western Precinct Aviation Park OR Tambo International Airport Gauteng 1632
Postal address	PO Box 75480 Gardenview 2047
Bankers	Standard Bank Nedbank
Auditors	Auditor-General South Africa
Secretary	Fefekazi Sefara
Nature of business and principal activities	Airports Company South Africa is mandated to undertake the acquisition, establishment, development, provision, maintenance, management, operation and control of any airport, any part of any airport, or any facility or service at any airport normally related to an airport function.

These consolidated annual financial statements were prepared under the supervision of the Chief Financial Officer, Siphamandla Mthethwa CA(SA)

GROUP AUDIT AND RISK COMMITTEE REPORT OF AIRPORTS COMPANY OF SOUTH AFRICA ("ACSA")

The Committee is pleased to present you with its report for the financial year ended 31 March 2022. This report has been prepared in accordance with the Public Finance Management Act 1 of 1999 as amended ("PFMA"), Companies Act, 71 of 2008 as amended ("Companies Act"), the King Code on Governance, South Africa 2016 (King IV Report) and JSE Debt Listings Requirements. The Committee carried out its responsibilities as set out in its terms of reference approved by the Board.

The Committee's responsibilities included, among others, overseeing:

- quality and integrity of the company's integrated planning and reporting including its financial statements and sustainability issues;
- 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.

The Committee noted the decline in irregular expenditure from R634 million reported in 2021 to R442 million which is a reduction of 30% compared to the previous year. This reduction was as a result of interventions by management and the Committee concluding on prior period determinations which resulted in adjustments to expenditure of R114 million, and condonations of R126 million.

OPERATIONAL ENVIRONMENT

Covid-19 continues to pose a significant risk on the operations of the group given the possibility of the new variants and the slow vaccination rate, that could result in uncoordinated lockdowns from various countries affecting flights in and out of the country, which we witnessed when the Omicron variant was announced in our country. The Committee has reviewed compliance to covenant requirements as set out by lenders to ensure compliance thereto. The company has engaged AFD for a further grace period of 24 months which will end in June 2024.

The Committee also reviewed the revised Financial Plan of the Group to ensure financial sustainability of the Group, given the impact of Covid-19.

The Committee acknowledges that for the Group to be profitable, there has to be focus on non-aeronautical revenue and implementation of the Growth Strategy initiatives which have been approved by the Board.

POST-YEAR-END EVENTS

The Committee also continues to monitor the following significant developments, which occurred after 31 March 2022:

- The dismissal, in April 2022, of the Minority shareholders' application for leave to appeal to the Supreme Court of Appeal decision to set aside a 2018 valuation of the Company's shares, in their bid for the Company to buy-back their shares. The valuation therefore has no legal status.
- The expiration of the share purchase agreement (SPA) for the sale of the Group's stake in Aeroporto de Guarulhos Participações S.A. (GRUPAR). On 14 July 2022, the obligations of the concession, including possible equity calls, have reverted to the Group.

STATUTORY DUTIES

The Committee is constituted as a statutory committee of ACSA SOC Limited in line with the PFMA and Companies Act 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 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 STATEMENTS REPORTING ISSUES

Assumptions and estimates or judgements are a significant part of the financial reporting process and are evaluated 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, the Committee also covered matters relating to corporate planning, budgeting, taxation, liquidation of non-preforming investments and legal matters.

COMPOSITION AND MEETINGS

The Committee members are independent non-executive directors. The members consist of Ms Dudu Hlatshwayo (Chairman), Mr Yershen Pillay, Ms Nosizwe-Nokwe Macamo, Ms Ntombifuthi Zikalala Mvelase and Mr Graeme Victor. Ms Dudu Hlatshwayo was appointed as the Chairman on 17 November 2021 pursuant to the to the retirement of Mr Pascalis Mokupo at the company's annual general meeting held on 5 November 2021. Members of the Committee have adequate knowledge and skills to carry out their duties. The deep and varied experience of the Committee members gives 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 page 26 and 27 of the Integrated Report.

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

The Committee met nine times during the financial year, with attendance per the table below. All the meetings were held virtually as a preventative measure against Covid-19. The purpose of the special meetings was to consider the forensic investigation report into the alleged corrupt relationship between the Company and Regiments Capital; review annual financial statements, auditor's report, annual performance report of the company, and integrated annual report; evaluation report of the CFO, finance function and external auditor; review of performance information for the 2021/22 financial year; overall assessment of the internal control environment; review of the Corporate Plan for 2022/23 to 2024/25; and to consider the solvency and liquidity test outcomes for financial assistance to be offered to JIA Piazza Park Proprietary Limited.

The Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Audit Executive, Auditor General's representatives, Group Executive: Governance and Assurance and other group subject experts attended Committee meetings. At each meeting, Management, Internal Auditors and External Auditors were afforded an opportunity to have separate meetings with the Committee. The Committee Chairman provided reports to the Board on the Committee's activities and matters discussed at each meeting and provides recommended resolutions from the Committee.

Attendance of Committee Meetings
Scheduled meeting – SM
Scheduled special meeting – SSM
Unscheduled special meeting – USM
Apology – A

Meetings	SM	SSM	SM	USM	USM	SM	SM	USM	USM
Member	29 Apr 2021	27 May 2021	29 Jul 2021	5 Aug 2021	10 Sep 2021	29 Oct 2021	28 Jan 2022	16 Feb 2022	8 Mar 2022
P Mokupo (Chairman)*	X	X	X	X	X	X	N/A	N/A	N/A
D Hlatshwayo (Chairman)**	A	X	X	X	X	X	X	X	X
N Nokwe-Macamo	X	X	X	X	X	X	X	X	X
N Zikalala Mvelase	X	X	X	X	X	X	X	X	X
Y Pillay	X	X	X	X	A	X	X	X	A
G Victor	X	X	X	X	X	X	X	X	X

* Retired as a Board and Committee member on 5 November 2021 at the Company's annual general meeting

** Appointed as Chairman of the Committee on 17 November 2021

ROLE

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

COMMITTEE PERFORMANCE

The performance of the Committee was reviewed as part of the review of the effectiveness of the Board and its Committees. Committee members agreed that the Committee obtained the information required for its deliberations, and that there are sound relationships with the Chairman of the Board and with the Management team. Board members agreed that the Committee has a culture of free, open and frank discussions.

ROLE OF THE CHAIRMAN

The role of the Chairman of the Committee required regular interactions with the heads of internal audit, risk management, finance and external audit in order to understand the group's control environment. These interactions provided an additional layer of assurance to gain comfort that the control functions were 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 following:

FINANCIAL STATEMENTS

The Committee received quarterly group financial and performance reports at each quarterly meeting, which included reports on treasury activities and irregular expenditure. The Committee considered 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.

The Committee's primary responsibility in relation to the Group's financial reporting is to review with both management and the external auditor, the completeness, appropriateness and accuracy of the annual financial statements. In this process, amongst 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 adequacy 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. Whilst 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 2022, the Committee recommended to the Board that, based on the assessment conducted, it was appropriate for the financial statements to be prepared on a going-concern basis.

The Committee considered the group's annual financial statements for the year ended 31 March 2022 and concluded that they presented a reliable and fair view of the financial position in compliance with the PFMA, Companies Act and IFRS. The Committee also considered that the annual report and financial statements was understandable and provided necessary information for shareholders to assess the group's financial position, performance and prospects.

The consolidated and separate annual financial statements were recommended by the Committee to the Board for approval.

EXTERNAL AUDIT

The Auditor General South Africa ("AG") 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 that the audit scope and key audit risks were appropriate. The approved audit strategy reflected the impact of the Covid-19 pandemic on the group.

The Committee reviewed the findings and recommendations of the external auditor as reported in the 2020/21 management letter and considered the audit response plan thereto.

The Committee considered the independence and effectiveness of the external auditor. The Committee was satisfied that the external auditor was independent and the external audit process was effective.

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

INTERNAL AUDIT

Internal Audit performs an independent assurance function. Internal Audit has a functional reporting line to the Audit and Risk Committee and an administrative reporting line to the CEO. Internal Audit provides independent and objective assurance to the Board through the Committee that governance processes, risk management and systems of internal control are adequate and effective to mitigate the significant control risks that have an impact on the objectives of the Group.

The Committee:

- 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;

GROUP AUDIT AND RISK COMMITTEE REPORT OF AIRPORTS COMPANY OF SOUTH AFRICA ("ACSA") CONTINUED

- ensured that the Chief Audit Executive has unrestricted access to the Chairman of the Committee; and
- evaluated the effectiveness of the Internal Audit function.

CHIEF FINANCIAL OFFICER AND FINANCE FUNCTION

The Committee considered the experience and expertise of the Chief Financial Officer. The Committee was satisfied that the experience and expertise of the Chief Financial Officer were 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 reviewed the effectiveness of systems for internal control, and financial reporting and for considering the major findings of internal investigations into control weaknesses, fraud or misconduct, and management's responses thereto. The Committee received regular reports on these matters.

The Committee reviewed reports on the compliance dashboard, compliance profile and legal and regulatory compliance reports.

The Committee received reports on the implementation of the business continuity programme. The business continuity programme for our airports was put to the test during the national lockdown period and was found to be resilient.

The Committee considered the report on the implementation of the principles and recommended practices in the King IV Report.

Having reviewed information provided by management, internal audit and external auditor, no significant deficiencies were identified in the internal control environment for inclusion in this report. The Audit and Risk Committee confirms that it discharged its responsibilities for the financial year ended 31 March 2022.

RISK MANAGEMENT

The Committee considered the enterprise risk management framework and risk and appetite tolerance level, and these culminated in the compilation of a risk register.

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.

COMBINED ASSURANCE

The Committee monitored the effectiveness of combined assurance and progress against the 2021/22 Combined Assurance Plan. A Combined Assurance Steering Committee which was overseen by internal audit has been established. The Committee was 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 reviewed the outcome of assurance activities and ensured gaps in assurance and findings were addressed.

CORPORATE PLAN

The 2023-2025 Corporate Plan for the Group was considered, paying due attention to the revenue projection, expenditure reduction, borrowings, key performance indicators, and was recommended to the Board for approval.

INTEGRATED REPORTING

The Committee guides the integrated reporting process, which 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 considered the governance and financial information that will be included in the annual integrated report when published.

The Committee reviewed the disclosure of sustainability issues in the quarterly and annual integrated report to ensure that the information is reliable and does not conflict with the financial information.

The Committee relied on management, external auditor, internal audit, group compliance department 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 of the business of the Group, and we have recommended the annual integrated report to the Board for approval

LOOKING AHEAD

The Committee is aware of the challenges relating to the impact of the Covid-19 pandemic on the operations of the Group, as well as the potential effects of the Eastern European war on the economy and ultimately, the Group. The Committee will monitor the implementation of the financial plan to ensure the Group remains sustainable and thrives in the years ahead. The Committee will also ensure that the Group's financial systems, processes and controls are operating effectively.

CONCLUSION

As a committee, we are satisfied that we have complied with our statutory responsibilities and terms of reference. Regard was had of all material risks and factors that may impact on the integrity of the Annual Financial statements and we recommended the Group Annual Financial Statements of ACSA SOC Limited for the year ended 31 March 2022 to the Board for approval.

D Hlatshwayo

Chairman of the Audit and Risk Committee

31 July 2022

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act, 71 of 2008 of South Africa 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 consolidated annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control as the directors deem is 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 in all reasonable circumstances is above reproach. 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 2025 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 directors have made an assessment of the company and its subsidiaries to continue as going concerns and there is no reason to believe that the businesses will not be going concerns in the year ahead.

The external auditors are responsible for independently auditing and reporting on whether the Group's consolidated and separate annual financial statements are fairly presented in accordance with IFRS and the Companies Act, 71 of 2008, and their report is presented on pages 10 to 15.

The directors are satisfied that they have executed their responsibilities.

The consolidated and separate annual financial statements set out on pages 19 to 24, which have been prepared on the going-concern basis, were approved by the Board on 31 July 2022 and were signed on their behalf by:

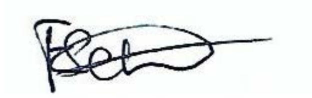
Dr S Nogxina
Chairman

31 July 2022

GROUP SECRETARY'S CERTIFICATION

Declaration by the Group 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

31 July 2022

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON AIRPORTS COMPANY SOUTH AFRICA SOC LIMITED

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 19 to 24 which comprise the consolidated and separate statement of financial position as at 31 March 2022, the consolidated and separate statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for 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 2022, 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 Finance Management Act 1 of 1999 (PFMA) and the Companies Act 71 of 2008 (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 859 million (2020-21: R7 573 million) (company R7 476 million; 2020-21: R7 242 million) and the fair value adjustment recorded in the statement of comprehensive income for the year in respect of investment properties was R91 million loss (2020-21: R216 million loss) (company R143 million loss; 2020-21: R244 million loss). 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 valuators 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.

Key audit matter	How the matter was addressed in the audit
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 2022 the carrying value of trade and other receivables amounted to R1 706 million (2020-21: R959million) (company: R1 696 million; 2020-21: 923 million) and the expected credit losses (ECL) of trade and other receivables amounted to R396 million (2020-21: R381 million) (company: R257 million; 2020-21: R328 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 D.1 and F 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 specialist to review the application and implementation of IFRS 9 and IFRS 7 and the related disclosures. Before I placed reliance on the auditor's specialist, 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 recovery from Covid-19 pandemic has been slow. 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. International traffic was further hampered by the impact of the Omicron variant in the third quarter of the financial year. 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; and – 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 the IFRS and the requirements of the PFMA and 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 2022:

Objectives	Pages in the annual performance report
Objective 1 – financial sustainability	96

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 of R37 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.

Other information

19. 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.

20. 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.

21. 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.

22. 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

23. 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.

24. Ineffective processes to monitor compliance with legislation resulting in the recurrence of irregular expenditure.

Other reports

25. 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.

26. There are various new investigations being conducted by internal audit on procurement and contract management and other non-compliance matters identified during the current year. At the date of this report, the internal investigations were still ongoing.

Auditor-General

Pretoria

30 July 2022

AUDITOR-GENERAL
SOUTH AFRICA

ANNEXURE – AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

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.

DIRECTORS' REPORT

GENERAL INFORMATION

The directors have pleasure in submitting their report on the consolidated annual financial statements of Airports Company South Africa SOC Limited (the Group) for the year ended 31 March 2022.

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.

REVIEW OF OPERATIONS

Revenue for the Group amounted to R3.9 billion (March 2021: R2.2 billion), including non-aeronautical revenue of R2.1 billion (March 2021: R1.3 billion).

Loss before income tax for the Group amounted to R1.5 billion (March 2021: R3.6 billion loss). The loss for the year for the Group was R1.0 billion (March 2021: R2.6 billion loss)

DIVIDENDS

No dividend has been declared (March 2021: Rnil).

CAPITAL EXPENDITURE

During the current year, R546 million (March 2021: R770 million) 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 that 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 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 The Bidvest Group Ltd. The investment has been accounted for as a joint venture using the equity accounting method.

Airports Company South Africa SOC Limited has a 40% interest in the La Mercy JV Property Investments Proprietary Limited, 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 Limited holds a 20% interest in Aeroporto de Guarulhos Participações S.A. (GRUPAR) is registered in Brazil with a financial year-end of 31 December. The investment has been accounted for as held for sale. Refer to note B.3 for further details.

Airports Company South Africa SOC Limited holds 100% of Sakhisizwe Community Programme NPC which is 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.

DIRECTORS AND SECRETARY

Details of the directors and secretary of the company are given on the inside front cover of this report. P Mokupo and I Phenyane retired as Board members at the Company's annual general meeting, which was held on 5 November 2021. The rest of the directors continue in office.

INTERESTS OF DIRECTORS AND OFFICERS

No contracts were entered into in which directors and officers of the Company had an interest and which 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) and (ii) of the PFMA, any losses due to 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 R9 million (31 March 2021: R77 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 R442 million (March 2021: R392 million).

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

		GROUP			COMPANY		
Figures in R'000	**Notes**	**March 2022**	**Restated March 2021**	**Restated 1 April 2020**	**March 2022**	**Restated March 2021**	**Restated 1 April 2020**
Assets							
Non-current assets							
Property, plant and equipment	B.2	**17 499 808**	18 610 119	19 200 547	**17 459 418**	18 564 829	19 149 479
Investment property	B.1	**7 859 325**	7 572 976	7 752 136	**7 476 120**	7 241 713	7 448 453
Intangible assets	G.1	**70 806**	78 703	97 639	**70 783**	78 680	97 553
Investments in joint ventures	E.2	**222 596**	193 690	192 324	**–**	–	–
Investments in associates	E.3	**198 790**	226 717	226 600	**38 173**	38 173	38 173
Other non-current assets	D.5	**320 941**	464 489	282 307	**321 020**	465 413	283 605
Deferred tax	G.2	**168 677**	–	–	**–**	–	–
Investments	G.4	**–**	–	–	**43 317**	42 286	41 258
		26 340 943	27 146 694	27 751 553	**25 408 831**	26 431 094	27 058 521
Current assets							
Inventories		**1 321**	1 027	1 575	**–**	–	–
Current tax receivable		**145 016**	238 600	616 806	**122 977**	229 697	616 657
Trade and other receivables	D.1	**1 706 394**	958 946	1 021 126	**1 696 138**	923 466	1 000 586
Investments	G.4	**1 113 180**	861 117	745 315	**2 080 532**	1 801 570	1 629 243
Cash and cash equivalents	D.2	**1 048 229**	2 332 444	989 995	**983 153**	1 027 423	904 361
		4 014 140	**4 392 134**	**3 374 817**	4 882 800	**3 982 156**	**4 150 847**
Non-current assets held for sale	B.3	5 688	**13 282**	**983 155**	5 688	**13 282**	**13 394**
Total assets		30 360 771	**31 552 110**	**32 109 525**	30 297 319	**30 426 532**	**31 222 762**
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	**444 262**	459 758	277 033	**206 281**	204 343	206 972
Retained income		**18 543 119**	19 545 478	22 114 213	**18 301 541**	18 172 605	21 059 706
		19 693 357	20 711 212	23 097 222	**19 257 822**	19 126 948	22 016 678

STATEMENT OF FINANCIAL POSITION CONTINUED

AS AT 31 MARCH 2021

Figures in R'000	Notes	GROUP March 2022	Restated March 2021	Restated 1 April 2020	COMPANY March 2022	Restated March 2021	Restated 1 April 2020
Liabilities							
Non-current liabilities							
Derivative financial instruments	C.3	**142**	1 171	2 122	**142**	1 171	2 122
Retirement benefit obligation	G.3	**27 863**	29 376	26 222	**27 863**	29 376	26 222
Deferred income	G.7	**44 009**	47 067	50 124	**44 009**	47 067	50 124
Deferred tax liability	G.2	**–**	302 346	1 561 341	**425 623**	787 565	1 784 041
Interest-bearing borrowings	C.1	**8 141 783**	8 261 909	5 580 559	**8 141 784**	8 261 910	5 580 560
		8 213 797	8 641 869	7 220 368	**8 639 421**	9 127 089	7 443 069
Current liabilities							
Derivative financial instruments	C.3	**1 081**	2 488	2 596	**1 081**	2 488	2 596
Current tax payable		**789**	478	340	**–**	–	–
Trade and other payables	D.3	**1 292 501**	1 104 860	924 624	**1 242 586**	1 081 711	899 056
Deferred income	G.7	**3 058**	3 058	4 357	**3 058**	3 058	4 357
Provisions	G.8	**43 880**	28 624	31 629	**42 542**	27 286	30 116
Interest-bearing borrowings	C.1	**1 112 308**	1 059 521	824 452	**1 110 809**	1 057 952	822 953
Lease liabilities		**–**	–	3 937	**–**	–	3 937
		2 453 617	2 199 029	1 791 935	**2 400 076**	2 172 495	1 763 015
Total liabilities		**10 667 414**	10 840 898	9 012 303	**11 039 497**	11 299 584	9 206 084
Total equity and liabilities		**30 360 771**	31 552 110	32 109 525	**30 297 319**	30 426 532	31 222 762

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

		GROUP		COMPANY	
Figures in R'000	**Notes**	**March 2022**	**Restated March 2021**	**March 2022**	**Restated March 2021**
Revenue	A.1	**3 896 383**	2 151 926	**3 773 987**	2 039 074
Other income	A.2	**1 651**	6 445	**1 196 988**	6 444
Employee costs	A.3	**(1 318 697)**	(1 881 970)	**(1 299 370)**	(1 869 931)
Operating expenses	A.4	**(2 026 017)**	(1 950 896)	**(1 961 313)**	(1 867 766)
Impairment loss on trade and other receivables		**(211 631)**	(120 354)	**(125 461)**	(80 232)
Earnings/(loss) before interest, tax, depreciation and amortisation		**341 689**	(1 794 849)	**1 584 831**	(1 772 411)
Fair value losses on investment properties	B.1	**(90 716)**	(216 313)	**(142 657)**	(243 893)
Depreciation, amortisation and impairments	B.3&B.2&G.1	**(1 200 697)**	(1 335 600)	**(1 195 384)**	(1 329 993)
Share of net profit of equity accounted investments	E.3&E.2	**980**	1 482	**–**	–
Gain on disposal of assets held for sale	B.3	**–**	260 803	**–**	–
Finance income	C.2	**153 514**	100 005	**194 164**	164 601
Finance costs	C.2	**(777 555)**	(656 523)	**(777 073)**	(656 294)
Gains on remeasurement and disposal of financial instruments	C.2	**36 483**	28 857	**36 483**	13 073
Loss before taxation		**(1 536 302)**	(3 612 138)	**(299 636)**	(3 824 917)
Taxation	G.9	**533 943**	1 043 403	**428 572**	937 816
(Loss)/profit for the year		**(1 002 359)**	(2 568 735)	**128 936**	(2 887 101)
Other comprehensive (loss)/income:					
Items that will not be reclassified to profit or loss:					
Remeasurements of retirement benefit obligations	G.6	**2 872**	(3 651)	**2 872**	(3 651)
Deferred tax relating to items that will not be reclassified	G.6	**(934)**	1 022	**(934)**	1 022
Total items that will not be reclassified to profit or loss		**1 938**	(2 629)	**1 938**	(2 629)
Items that may be reclassified to profit or loss:					
Exchange differences on translating foreign operations	G.6	**(24 214)**	213 182	**–**	–
Deferred tax relating to foreign currency translation differences	G.6	**6 780**	(27 828)	**–**	–
Total items that may be reclassified to profit or loss		**(17 434)**	185 354	**–**	–
Other comprehensive (loss)/income for the year net of taxation		**(15 496)**	182 725	**1 938**	(2 629)
Total comprehensive (loss)/income for the year		**(1 017 855)**	(2 386 010)	**130 874**	(2 889 730)
Earnings per share					
Basic (loss)/earnings per share	G.10	**(202.89)**	(519.95)	**25.79**	(584.39)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	GROUP					
Figures in R'000	**Share capital**	**Share premium**	**Treasury share reserve**	**Other reserves**	**Retained income**	**Total equity**
Balance at 1 April 2020 – previously stated	500 000	250 000	(44 024)	277 033	22 141 302	23 124 311
Adjustments – prior period error G.16	–	–	–	–	(27 089)	(27 089)
Balance at 1 April 2020 – restated	**500 000**	**250 000**	**(44 024)**	**277 033**	**22 114 213**	**23 097 222**
Loss for the year	–	–	–	–	(2 568 735)	(2 568 735)
Other comprehensive (loss)/income:						
Remeasurements of retirement benefit obligations net of tax	–	–	–	(2 629)	–	(2 629)
Foreign currency translation differences net of tax	–	–	–	185 354	–	185 354
Total comprehensive (loss)/income	–	–	–	**182 725**	**(2 568 735)**	**(2 386 010)**
Balance at 1 April 2021 – restated	**500 000**	**250 000**	**(44 024)**	**459 758**	**19 545 478**	**20 711 212**
Balance at 1 April 2021 – previously stated	**500 000**	**250 000**	**(44 024)**	**459 758**	**19 580 763**	**20 746 497**
Adjustments – prior period error G.16	–	–	–	–	(35 285)	(35 285)
Loss for the year	–	–	–	–	(1 002 359)	(1 002 359)
Other comprehensive (loss)/income:						
Remeasurements of retirement benefit obligations net of tax	–	–	–	1 938	–	1 938
Foreign currency translation differences, net of tax	–	–	–	(17 434)	–	(17 434)
Total comprehensive (loss)/income	–	–	–	**(15 496)**	**(1 002 359)**	**(1 017 855)**
Balance at 31 March 2022	**500 000**	**250 000**	**(44 024)**	**444 262**	**18 543 119**	**19 693 357**
Note	G.5	G.5	G.10	G.6		

COMPANY

Figures in R'000	Share capital	Share premium	Other reserves	Retained income	Total equity
Balance at 1 April 2020 – previously stated	500 000	250 000	206 972	21 073 559	22 030 531
Adjustments – prior period error G.16	–	–	–	(13 853)	(13 853)
Balance at 1 April 2020 – restated	**500 000**	**250 000**	**206 972**	**21 059 706**	**22 016 678**
Loss for the year	–	–	–	(2 887 101)	(2 887 101)
Other comprehensive (loss)/income:					
Remeasurements of retirement benefit obligations net of tax	–	–	(2 629)	–	(2 629)
Total comprehensive (loss)/income	–	–	(2 629)	(2 887 101)	(2 889 730)
Balance at 1 April 2021 – restated	**500 000**	**250 000**	**204 343**	**18 172 605**	**19 126 948**
Balance at 1 April 2021 – previously stated	**500 000**	**250 000**	**204 343**	**18 194 655**	**19 148 998**
Adjustment – prior period error G.16	–	–	–	(22 050)	(22 050)
Profit for the year	–	–	–	128 936	128 936
Other comprehensive (loss)/income:					
Remeasurements of retirement benefit obligations, net of tax	–	–	1 938	–	1 938
Total comprehensive (loss)/income	**–**	**–**	**1 938**	**128 936**	**130 874**
Balance at 31 March 2022	**500 000**	**250 000**	**206 281**	**18 301 541**	**19 257 822**
Note	G.5	G.5	G.6		

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

		GROUP		COMPANY	
Figures in R'000	**Notes**	**2022**	**2021**	**2022**	**2021**
Cash flows from operating activities					
Cash generated/(used in) from operations	D.4	**47 590**	(1 544 357)	**64 401**	(1 635 592)
Interest received		**155 717**	100 884	**191 963**	164 600
Tax refunded		**156 896**	127 188	**174 626**	265 945
Net cash inflow/(outflow) from operating activities		**360 203**	**(1 316 285)**	**430 990**	**(1 205 047)**
Cash flows from investing activities					
Purchase of property, plant and equipment	B.2	**(519 001)**	(706 489)	**(517 830)**	(701 256)
Sale of property, plant and equipment	B.2	**56**	692	**56**	830
Purchase of investment property	B.1	**(22 461)**	(37 697)	**(22 461)**	(37 697)
Purchase of intangible assets	G.1	**(6 053)**	(30 939)	**(6 033)**	(30 939)
Loans advanced to group companies		**–**	–	**(27 929)**	(57 554)
Transfers to income funds	G.4	**(252 064)**	(115 801)	**(252 064)**	(115 801)
Proceeds from sale of asset held for sale		**–**	1 278 372	**–**	–
Dividends received		**–**	–	**1 195 344**	–
Net cash (outflow)/inflow from investing activities		**(799 523)**	**388 138**	**369 082**	**(942 416)**
Cash flows from financing activities					
Repayment of derivatives		**(2 473)**	(3 034)	**(2 473)**	(3 034)
Interest-bearing borrowings repaid		**(296 355)**	(296 355)	**(296 355)**	(296 355)
Proceeds from issue of preference shares	C.1	**–**	2 324 750	**–**	2 324 750
Interest-bearing borrowings raised	C.1	**–**	810 000	**–**	810 000
Interest paid	C.1	**(546 067)**	(560 828)	**(545 514)**	(560 898)
Cash payment of lease liabilities		**–**	(3 937)	**–**	(3 938)
Net cash inflow/(outflow) from financing activities		**(844 895)**	2 270 596	**(844 342)**	2 270 525
Net (decrease)/increase in cash and cash equivalents		**(1 284 215)**	1 342 449	**(44 270)**	123 062
Cash and cash equivalents at the beginning of the year		**2 332 444**	989 995	**1 027 423**	904 361
Cash and cash equivalents at the end of the year	D.2	**1 048 229**	2 332 444	**983 153**	1 027 423

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

1. Basis of preparation and accounting policies

1.1 Accounting policies

The most significant accounting policies appear in the relevant notes in the consolidated and separate 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.

1.2 Statement of compliance and basis of preparation

The consolidated and separate 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 Companies Act 71 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 the Group 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 Significant judgements and key sources of estimation uncertainty

In preparing these consolidated and separate financial statements, management has made judgements and estimates that affect the application of the Group's and Company'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.

Significant 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.
- Taxation: Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income and deferred tax provisions in the period in which such determination is made. The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will be reversed in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Group to make significant estimates related to expectation of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the end of the reporting period could be impacted – notes G.2 and G.9.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 March 2022 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 ECL allowance 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 2022, ability to continue as a going concern, future cash flows 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.
- 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. Basis of preparation and accounting policies (continued)

1.5 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.

1.6 Foreign currency

1.6.1 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 in its entirety or partially such that control, significant influence or joint control 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.

1.6.2 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 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.

1.7 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, then 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.

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. New standards and interpretations (continued)

Standard/Interpretation	Key requirements	Effective date
IFRS 16 – Covid-19-Related Rent Concessions beyond 30 June 2021	The amendment extends, by one year, the May 2020 amendment that provides lessees with an exemption from assessing whether a Covid-19-related rent concession is a lease modification. This amendment has had no impact on the Group as there are no leases to which IFRS 16 applies.	1 April 2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform Phase 2	Phase 2 of the amendments introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition. This amendment has had no impact on the Group as there are no pending reforms to the applicable IBOR (JIBAR).	1 January 2021

2.2 Standards and interpretations not yet effective

There are a number of new standards and amendments which will only be effective after the 2022 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 financial statements. The Group will implement these requirements in the financial years they become applicable. A full assessment of the impact of these standards has not been done.

Standard/Interpretation	Key requirements	Effective date
IFRS 9 – Financial Instruments – Fees in the "10 per cent" test for derecognition of financial liabilities	The amendment clarifies which fees an entity includes when it applies the "10 per cent" test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. This amendment is currently not applicable to the Group as none of the Group's financial liabilities have been or are anticipated to be exchanged with substantially different terms, resulting in an extinguishment of the obligation.	1 January 2022
IAS 1 – Classification of Liabilities as Current or Non-current	The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. Management has assessed that based on the current liability contractual terms, this amendment will no result in a change in classification.	1 January 2023

2. New Standards and Interpretations (continued)

Standard/Interpretation	Key requirements	Effective date
IAS 8 – Definition of Accounting Estimates	The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error. Management has assessed that the amendments will likely affect the Group's measurement of revenue (probability of collection), useful lives and residual values of assets, ECL measurement for trade receivables, impairment testing, uncertain tax positions, defined benefit obligations, provisions and contingencies.	1 January 2023
IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies	The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the "four-step materiality process" described in IFRS Practice Statement 2. Management has assessed that the amendment will likely reduce the number of disclosed accounting policies based on management's assessment of "material".	1 January 2023
IAS 12 – Deferred Tax related to Assets and Liabilities arising from a single Transaction	The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. Currently, there are no such transactions. Therefore, management will determine the impact relating to future transactions which, at initial recognition, result in equal amounts of deductible and taxable temporary differences.	1 January 2023
IAS 16 – Property, Plant and Equipment: Proceeds before intended use	The amendments prohibit 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. This amendment is likely to not have a material impact on the Group as: a) items of PPE are usually sourced from external parties, testing is done by those parties b) ACSA's assets are mainly infrastructure in nature and not "output" producing, rather they service the airport environment. The rest of the asset base is largely ready and procured off-the-shelf.	1 January 2022
IAS 37 – Onerous Contracts – Costs of Fulfilling a Contract	The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. Management has assessed that based on the current liability contractual terms, this amendment will no result in a change in classification.	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 namely:

- O.R. Tambo International
- Cape Town International
- King Shaka International
- Regional Airports
- Corporate and Other[1]

The Regional Airports segment comprises the smaller airports in South Africa which the Group manages, namely:

- 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.

Geographical information

Airports Company South Africa SOC Limited is domiciled in South Africa. Its customers are located in countries across the world, particularly for aeronautical revenue. Revenue by customer location is not available and the cost to develop it would be excessive and therefore has not been disclosed.

ACSA Global Ltd, a 100% held subsidiary, is domiciled in Mauritius. It has no non-current assets. Therefore no disclosures of assets by geographical location have been made in these consolidated and annual financial statements.

3. Segmental information (continued)

	O.R. Tambo International		Cape Town International		King Shaka International		Regional Airports		Corporate and Other[1]		Elimination[2]		Total	
Figures in R'000	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Revenue from external customers														
– Aeronautical	1 024 477	479 952	437 339	176 095	188 344	86 925	146 824	67 439	–	–	–	–	1 796 984	810 411
– Non-aeronautical	1 233 194	857 356	424 551	197 808	180 040	102 475	131 001	74 981	165 587	110 662	(34 974)	(1 767)	2 099 399	1 341 515
Total revenue	2 257 671	1 337 308	861 890	373 903	368 384	189 400	277 825	142 420	165 587	110 662	(34 974)	(1 767)	3 896 383	2 151 926
EBITDA	1 162 193	214 855	435 427	(117 692)	(15 007)	(223 251)	9 146	(171 994)	11 272	(1 436 769)	(1 261 342)	(59 998)	341 689	(1 794 849)
– Fair value (loss)/gains on investment properties	(292 436)	(348 195)	121 446	29 482	1 555	50 517	26 777	24 303	57 400	(2 800)	(5 458)	30 380	(90 716)	(216 313)
Depreciation and amortisation	(512 276)	(523 536)	(221 364)	(304 890)	(234 481)	(226 642)	(172 073)	(125 826)	(119 700)	(213 903)	59 197	59 197	(1 200 697)	(1 335 600)
Share of net profit of equity accounted investments	–	–	–	–	–	–	–	–	980	1 482	–	–	980	1 482
Segment profit/(loss) before tax	416 018	(615 535)	356 330	(375 219)	(242 223)	(391 246)	(131 560)	(341 221)	(918 645)	(2 098 938)	(1 016 222)	210 021	(1 536 302)	(3 612 138)
Reportable total assets*	8 239 518	7 884 965	4 639 814	4 398 043	6 402 922	6 091 896	2 298 120	2 293 812	10 884 471	8 350 982	(2 417 767)	2 293 812	30 047 078	31 313 510
Reportable total liabilities	(228 236)	(249 058)	(143 424)	(135 214)	(117 683)	(99 764)	(43 224)	(42 051)	(3 178 779)	(2 796 056)	2 300 034	2 109 159	(1 411 312)	(1 212 984)

* *Negative assets balances occur as a result of bank balances which 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 R467 million from one significant customer (2021: R275 million). This revenue is earned at all airports, but not in "Corporate and other". There are no other customers who represent more than 10% of revenue for both 2022 and 2021.

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.

Revenue from contracts with customers is recognised when the control of goods or services has transferred to the customer through the satisfaction of a performance obligation. Group performance obligations are satisfied at a point in time, as indicated below.

Revenue recognised reflects the consideration that the Group expects to be entitled to for each distinct performance obligation after deducting indirect taxes, rebates and trade discounts where applicable. The Group allocates revenue based on stand-alone tariffs and prices.

These charges are recognised when the Group renders and fulfils the service.

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

a. Landing Fees – upon landing of an aircraft at the Company's airports;

b. Passenger service fees – upon departure by a passenger from the Company's airports; and

c. 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.

A. Managing EBITDA (continued)

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	Hotel operations and 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 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.	– Permits – rate per type of permit at a point in time – Rooms revenue – rate per type of room over a period of time – Food and beverage revenue – at a point in time. – Banqueting, venue hire, and parking (at hotels) – over a period of time – Airport management services – contractually negotiated amounts, over a period of time.
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.	As described per determination.

Where the customer is charged lease income based on their turnover, turnover is determined with reference to customers' declarations. The Group initially charges the minimum guaranteed rental and tops-ups should the turnover declaration indicate a higher required rental.

The Group continued to provide relief to contract customers in the non-aeronautical portfolio as the economy continued to grapple with the impact of Covid-19. Similar to the 2021 financial year, rental relief was granted on a customer-by-customer basis, mainly in the property and retail portfolios.

The concessions provided were as follows:

- Waiver of rentals; and/or
- Reduced guaranteed minimum rental; and/or
- 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 total amount of relief provided amounted to R591 million (Mar 2021: R1.4 billion).

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Revenue from contracts with customers				
Aeronautical				
Landing fees	**681 337**	367 584	**681 337**	367 584
Passenger service charges	**1 072 402**	413 560	**1 072 402**	413 560
Aircraft parking	**43 245**	29 267	**43 245**	29 267
	1 796 984	**810 411**	**1 796 984**	**810 411**
Non-aeronautical				
Hotel operations	**100 311**	42 940	**–**	–
Other[3]	**55 445**	56 972	**57 171**	37 706
	155 756	**99 912**	**57 171**	**37 706**
Total revenue from contracts with customers	1 952 740	910 323	1 854 155	848 117
Other revenue – Leases				
Advertising	**29 241**	40 671	**29 241**	40 671
Retail	**606 550**	309 710	**606 550**	309 710
Property rental	**729 026**	656 146	**705 215**	605 500
Parking	**353 436**	162 611	**353 436**	162 611
Car hire	**225 390**	72 465	**225 390**	72 465
Total other revenue	**1 943 643**	1 241 603	**1 919 832**	1 190 957
Total revenue	**3 896 383**	2 151 926	**3 773 987**	2 039 074
Aeronautical	**1 796 984**	810 411	**1 796 984**	810 411
Non-aeronautical	**2 099 399**	1 341 515	**1 977 003**	1 228 663
	3 896 383	2 151 926	**3 773 987**	2 039 074

[3] *Other includes permits and airports management services.*

A. Managing EBITDA (continued)

A.1 Revenue (continued)

Figures in R'000	GROUP March 2022	GROUP March 2021	COMPANY March 2022	COMPANY March 2021
Revenue relating to variable lease payments on operating leases				
Advertising	**4 138**	31 827	**4 138**	31 827
Retail	**21 093**	23 850	**21 093**	23 850
Parking	**–**	585	**–**	585
Car hire	**53 468**	57 375	**53 468**	57 375
Property rental	**–**	1 313	**–**	1 313
	78 699	114 950	**78 699**	114 950
Revenue relating to fixed lease payments for operating leases				
Advertising	**25 103**	8 844	**25 103**	8 844
Retail	**580 382**	285 860	**580 382**	285 860
Parking	**353 436**	162 026	**353 436**	162 026
Car hire	**172 807**	15 090	**172 807**	15 090
Property rental	**737 106**	654 833	**705 215**	604 187
	1 868 834	1 126 653	**1 836 943**	1 076 007

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 March 2022	GROUP March 2021	COMPANY March 2022	COMPANY March 2021
Net minimum future cash lease payments on operating leases	**4 493 957**	4 243 585	**4 485 899**	4 235 976
Within one year	**1 845 061**	1 742 267	**1 837 003**	1 734 658
Between one to two years	**1 413 654**	1 334 895	**1 413 654**	1 334 895
Between two to five years	**447 717**	422 773	**447 717**	422 773
After five years	**787 525**	743 650	**787 525**	743 650

A.2 Other income

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

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Other	1 651	6 445	1 644	6 444
Dividends[4]	–	–	1 195 344	–
	1 651	6 445	1 196 988	6 444

4 Dividend income was received from ACSA Global Ltd by the Company.

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 as the related service is provided. 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	The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI ('actuarial reserve'). The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss. 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 recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

A. Managing EBITDA (continued)

A.3 Employee costs (continued)

Type of benefit	Policy
Short-term benefits	Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. 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.
Termination benefits policy	Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Salaries	1 141 798	1 661 302	1 123 571	1 650 324
Performance bonus	79	–	79	–
Medical aid - Company Contributions	81 562	99 226	80 462	98 207
Pension benefits	95 258	121 442	95 258	121 400
	1 318 697	1 881 970	1 299 370	1 869 931

The Group paid R45 million (Mar 2021: R243 million) in voluntary severance and early retirement separation packages. These amounts are included in "Salaries".

A.4 Operating expenses

Figures in R'000	GROUP March 2022	GROUP March 2021	COMPANY March 2022	COMPANY March 2021
Repairs and maintenance	317 216	272 488	314 395	269 359
Security	452 386	423 113	450 864	421 513
Electricity and water	190 977	165 879	183 819	157 557
Auditors remuneration	18 064	18 427	17 153	17 815
Operating lease expense[5]	25 445	27 106	25 286	26 577
Information systems expenses	246 563	259 136	246 563	259 136
Rates and taxes	275 233	273 911	260 308	266 235
Cleaning	87 005	81 424	85 836	80 286
Marketing	18 567	18 213	14 178	15 614
Managerial, technical and other fees	54 739	122 445	48 918	89 023
Travel	6 797	(759)	6 632	(966)
Insurance	42 274	49 038	42 062	48 765
Administration	34 974	90 568	25 920	85 683
Training	7 843	4 987	6 416	3 289
Foreign currency losses	–	10 444	–	74
Consumables	36 284	27 535	36 098	27 355
Socio-economic and enterprise development	10 392	12 831	10 392	12 831
Telephone and fax	10 813	11 509	10 766	11 458
Recruitment expenses	1 660	3 515	1 660	3 515
Legal expenses	35 954	50 158	35 954	50 158
Other expenses	14 567	6 206	6	1
Bank charges	5 667	3 905	5 570	3 810
Service standards monitoring	557	1 833	557	1 833
Membership fees	3 717	5 819	3 717	5 819
Loss on sale of assets	3 380	10 477	3 300	10 338
Termination fees[6]	37 803	816	37 803	816
Losses/(gains) on property and equipment	87 140	(128)	87 140	(128)
	2 026 017	1 950 896	1 961 313	1 867 766

5 *Accounting policy – Low value assets – Company and Group as a lessee*

6 *Termination fees relate to costs incurred to cancel contracts for capital projects, which the Group has curtailed as part of its cost reduction strategy, in response to the impact of Covid-19 on air travel. The projects had not commenced.*

Accounting policy

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment and buildings. The Group recognises the lease payments associated with these leases as an expense on a straight- line basis over the lease term.

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 R160 million (Mar 2021: R208 million.)

Significant judgement, 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.

	GROUP	
Figures in R'000	March 2022	March 2021
Balance at beginning of year	7 572 976	7 752 136
Improvements/additions	22 461	14 997
Write-offs	(265)	(532)
Change in fair value		
Recognised in profit for the year	(90 716)	(216 313)
Transfers from property, plant and equipment	354 869	22 688
Balance at end of year	7 859 325	7 572 976

	COMPANY	
Figures in R'000	March 2022	March 2021
Balance at beginning of year	7 241 713	7 448 453
Improvements/additions	22 461	14 997
Write-offs	(265)	(532)
Change in fair value		
Recognised in profit for the year	(142 657)	(243 893)
Transfers from property, plant and equipment	354 869	22 688
Balance at end of year	7 476 120	7 241 713

Transfers comprise assets under construction transferred to investment properties upon completion.

The Group's and Company's investment properties are not encumbered, there are no amounts of restrictions on the realisability of investment property.

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

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Rental payments received	729 026	656 146	705 215	605 500
Included in Revenue (note A.1)	729 026	656 146	705 215	605 500

Operating expenses directly incurred in relation to investment properties amounted to R122 million (Mar 2021: R95 million).

Fair Values

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

	GROUP AND COMPANY	
Figures in R'000	March 2022	March 2021
Market yield of comparable industrial properties (%)	9-11	8 – 11.75
Market yield of comparable commercial properties (%)	9-11	8.25 – 11.35
Discount rate: Industrial properties (%)	13,91%	11.25 – 15.75%
Discount rate: Commercial properties (%)	13,28%	11.25 – 15.35%
Average escalation of lease rentals (%)	5-8	6-8
Average duration of lease (years)	2-5	2-4
Average capitalisation rate: business and commercial properties portfolio (%)	9.79	9.98
Average vacancy provision: business and commercial properties portfolio (%)	1.66	1.47
Average capitalisation rate: industrial properties portfolio (%)	9.22	9.13
Average vacancy provision: industrial properties portfolio (%)	1.81	1.59

B. Assets (continued)

B.1 Investment property (continued)

Fair value hierarchy

The fair values of these investment properties are determined using valuation techniques which use inputs that are both observable and unobservable. They are therefore classified as Level 3 on the fair value hierarchy.

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	
Figures in R'000	March 2022	March 2021
Decrease of 50 basis points in the discount rate	531	480
Increase of 50 basis points in the discount rate	(524)	(473)
Decrease of 50 basis points in the exit capitalisation rate	361	319
Increase of 50 basis points in the exit capitalisation rate	(327)	(291)
Decrease of 50 basis points in the capitalisation rate	554	490
Increase of 50 basis points in the capitalisation rate	(499)	(443)
Decrease of 100 basis points in the market rental growth rate	(142)	(160)
Increase of 100 basis points in the market rental growth rate	143	163
Decrease of 100 basis points in the property expenditure growth	113	106
Increase of 100 basis points in the property expenditure growth	(113)	(106)

The group engages external, independent and qualified valuers to determine the fair values of investment properties at the end of every financial year. The valuations are reviewed by discussion between management and the valuation team. As part of this discussion, the team presents a report that explains the reason for the valuation methodology, inputs and fair value movements. Significant valuation issues are reported to the Audit and Risk Committee.

The effective date of the valuation of the investment properties was 31 March 2022. 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). Member of South African Right of Way Association.
- Jenny Falck – Professional valuer, appraiser. Registered as a Professional Valuer with the SA Council for the Property Valuers Profession (SACPVP) (Reg. No.3696). Civil Commercial Mediator. 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.

The assets' residual values ,useful lives and depreciation method are reviewed and adjusted annually if appropriate. A summary of the estimated useful lives of different asset groups is as follows:

Category	Average useful Lives
Office Furniture and Fittings	1 – 25 years
Computer Equipment	1 – 29 years
Equipment	1 – 50 years
Motor Vehicles	1 – 50 years
Pavements	1 – 60 years
Buildings	1 – 54 years

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or development of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- actual borrowing costs on funds specifically borrowed for the purpose of acquisition, construction or development of a qualifying asset less any temporary investment of those borrowings; and
- weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of acquisition, construction or development of a qualifying asset. The borrowing costs capitalised cannot exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred
- borrowing costs have been incurred; and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

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, then 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 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. 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.

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

B. Assets (continued)

B.2 Property, plant and equipment (continued)

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 was 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 10.97%, gross margins consistent with historical trends, growth rates based on management's expectations for market development and a long-term terminal growth rate of 3%. 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 14.9%, based on market values, and a 46.1% of debt to 53.9% 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, which were 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 R240 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	2022	2023	2024	2025	2026	2027	Later
(Decrease)/Increase in depreciation expense							
Buildings	**37 428**	(16 728)	(10 328)	(9 152)	(493)	(464)	(263)
Equipment	**88 621**	(38 572)	(27 684)	(21 574)	(140)	(127)	(523)
Office furniture	**5 023**	(2 369)	(1 641)	(1 014)	–	–	–
Computer equipment	**71 281**	(26 991)	(15 810)	(11 773)	(8 257)	(4 748)	(3 702)
Motor vehicles	**9 479**	(5 751)	(2 926)	(803)	–	–	–
Pavements	**7 784**	(2 800)	(2 583)	(2 236)	(87)	(50)	(29)
Intangible assets							
(Decrease)/Increase in depreciation expense							
Intangible assets	**20 124**	(20 124)	–	–	–	–	–
(Decrease)/Increase in depreciation expense	**239 740**	(113 335)	(60 972)	(46 552)	(8 977)	(5 389)	(4 517)

B. Assets (continued)

B.2 Property, plant and equipment (continued)

Group

	Mar 2022			Mar 2021			Mar 2020		
Figures in R'000	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	827 048	(59)	826 989	827 787	(59)	827 728	827 774	(59)	827 715
Buildings	13 917 869	(5 761 687)	8 156 182	12 952 097	(5 070 895)	7 881 202	12 904 586	(4 678 793)	8 225 793
Equipment	5 614 865	(3 288 755)	2 326 110	5 662 759	(3 325 263)	2 337 496	5 600 865	(3 171 307)	2 429 558
Motor vehicles	479 825	(275 853)	203 972	494 565	(269 314)	225 251	502 242	(238 966)	263 276
Pavements	7 984 011	(4 468 823)	3 515 188	8 580 171	(4 478 242)	4 101 929	8 577 465	(4 131 910)	4 445 555
Work in progress	1 749 556	–	1 749 556	2 436 179	–	2 436 179	2 260 934	–	2 260 934
Office furniture and fittings	143 903	(110 142)	33 761	154 880	(112 259)	42 621	154 408	(100 063)	54 345
Computer equipment	1 658 982	(970 932)	688 050	1 390 110	(632 397)	757 713	1 162 523	(472 949)	689 574
Right-of-use asset	26 699	(26 699)	–	26 699	(26 699)	–	26 699	(22 902)	3 797
Total	**32 402 758**	**(14 902 950)**	**17 499 808**	**32 525 247**	**(13 915 128)**	**18 610 119**	**32 017 496**	**(12 816 949)**	**19 200 547**

Company

	Mar 2022			Mar 2021			Mar 2020		
Figures in R'000	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	827 048	(59)	826 989	827 787	(59)	827 728	827 774	(59)	827 715
Buildings	13 885 606	(5 747 722)	8 137 884	12 919 831	(5 058 367)	7 861 464	12 872 275	(4 667 531)	8 204 744
Equipment	5 602 100	(3 285 438)	2 316 662	5 650 182	(3 321 423)	2 328 759	5 587 246	(3 167 276)	2 419 970
Motor vehicles	479 825	(275 853)	203 972	494 565	(269 314)	225 251	502 242	(238 966)	263 276
Pavements	7 984 011	(4 468 823)	3 515 188	8 580 171	(4 478 242)	4 101 929	8 577 465	(4 131 910)	4 445 555
Work in progress	1 749 405	–	1 749 405	2 436 028	–	2 436 028	2 260 783	–	2 260 783
Office furniture and fittings	114 076	(92 690)	21 386	121 131	(94 067)	27 064	119 240	(84 068)	35 172
Computer equipment	1 658 864	(970 932)	687 932	1 389 003	(632 397)	756 606	1 161 416	(472 949)	688 467
Right of use asset	26 699	(26 699)	–	26 699	(26 699)	–	26 699	(22 902)	3 797
Total	**32 327 634**	**(14 868 216)**	**17 459 418**	**32 445 397**	**(13 880 568)**	**18 564 829**	**31 935 140**	**(12 785 661)**	**19 149 479**

Group

Figures in R'000	Land	Buildings	Equipment	Office furniture and fittings	Motor vehicles	Computer equipment	Pavements	Work in progress	Right of use asset	Total
	2021									
Opening balance – previously reported	827 715	8 222 820	2 427 970	54 345	263 276	614 254	4 445 555	2 357 120	3 797	19 216 852
Restatement – note B.16	–	2 973	1 588	–	–	75 320	–	(96 186)	–	(16 305)
Balance as at 31 March 2020	827 715	8 225 793	2 429 558	54 345	263 276	689 574	4 445 555	2 260 934	3 797	19 200 547
Additions	–	5 338	23 320	1 789	–	9 839	334	681 125	–	721 745
Disposals	–	(3 998)	(2 949)	(1)	(134)	(2 196)	–	–	–	(9 278)
Transfers plant and equipment7	–	48 037	42 970	5 531	36	192 884	2 373	(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 investment property (Note B.1)	13	–	–	–	–	–	–	(22 701)	–	(22 688)
Closing balance at 31 March 2021	827 728	7 881 360	2 331 762	42 621	225 252	740 071	4 101 929	2 471 261	–	18 621 984

Figures in R'000	Land	Buildings	Equipment	Office furniture and fittings	Motor vehicles	Computer equipment	Pavements	Work in progress	Right of use asset	Total
	2022									
Opening balance at 1 April 2021 – previously reported	827 728	7 881 360	2 331 762	42 621	225 252	740 071	4 101 929	2 471 261	–	18 621 984
Restatement – note B.16	–	(158)	5 734	–	(1)	17 642	–	(35 082)	–	(11 865)
Opening balance at 1 April 2021 – restated	827 728	7 881 202	2 337 496	42 621	225 251	757 713	4 101 929	2 436 179	–	18 610 119
Additions	–	22 217	40 787	6 947	151	(861)	61 518	388 242	–	519 001
Disposals	–	(15 870)	(10 320)	(3 704)	(4 492)	(6 666)	(53 435)	–	–	(94 487)
Transfers to property, plant and equipment[7]	–	363 764	225 542	–	–	5 827	114 173	(709 306)	–	–
Transfers to investment property (Note B.1)	(739)	–	–	–	–	–	–	–	–	(739)
Transfers from assets held for sale	–	–	–	–	5 641	–	261	–	–	5 902
Write-offs	–	–	–	–	–	–	–	(638)	–	(638)
Transfer to investment properties	–	–	–	–	–	–	–	(354 130)	–	(354 130)
Transfer to intangible assets	–	–	–	–	–	–	–	(10 791)	–	(10 791)
Depreciation	–	(403 314)	(230 003)	(11 077)	(27 363)	(144 395)	(351 235)	–	–	(1 167 387)
Impairment	–	(54)	(1 506)	(16)	(1 413)	(3)	–	–	–	(2 992)
Impairment reversals	–	419	–	–	32	–	–	–	–	451
Asset reclassification[8]	–	307 818	(35 886)	(1 010)	6 165	76 435	(358 023)	–	–	(4 501)
Closing balance at 31 March 2022	826 989	8 156 182	2 326 110	33 761	203 972	688 050	3 515 188	1 749 556	–	17 499 808

[7] *Comprises transfers of assets under construction to the relevant category in property, plant and equipment, intangible assets or investment property upon completion.*

[8] *Asset reclassifications relate to the updating of the major and minor categories of assets, to ensure that assets with similar characteristics are grouped together. As a result, in addition to reclassifications within property, plant and equipment, R4.5mil in assets were reclassified from computer equipment to intangible assets (computer software).*

B. Assets (continued)

B.2 Property, plant and equipment (continued)

Company

Figures in R'000	Land	Buildings	Equipment	Office furniture and fittings	Motor vehicles	Computer equipment	Pavements	Work in progress	Right of use asset	Total
	2022									
Balance – previously reported	827 715	8 201 772	2 418 382	35 172	263 276	613 147	4 445 555	2 356 969	3 797	19 165 785
Restatement – Note B.16	–	2 972	1 588	–	–	75 320	–	(96 186)	–	(16 306)
Balance at 1 April 2020	827 715	8 204 744	2 419 970	35 172	263 276	688 467	4 445 555	2 260 783	3 797	19 149 479
Additions	–	6 989	23 641	1 789	–	9 839	575	681 125	–	723 958
Disposals	–	(3 998)	(2 948)	(1)	(132)	(2 196)	–	–	–	(9 275)
Transfers plant and equipment7	–	46 401	42 970	402	34	192 441	2 132	(284 380)	–	–
Transfers from investment properties	13	–	–	–	–	–	–	(22 701)	–	(22 688)
Write-offs	–	–	–	–	–	–	–	(163 717)	–	(163 717)
Depreciation	–	(392 514)	(151 309)	(10 297)	(37 142)	(149 587)	(346 333)	–	(3 797)	(1 090 979)
Impairment	–	–	(9 444)	(1)	(784)	–	–	–	–	(10 229)
Impairment reversal	–	–	145	–	–	–	–	–	–	145
Closing balance at 31 March 2021	827 728	7 861 622	2 323 025	27 064	225 252	738 964	4 101 929	2 471 110	–	18 576 694

Figures in R'000	2021 Land	Buildings	Equipment	Office furniture and fittings	Motor vehicles	Computer equipment	Pavements	Work in progress	Right of use asset	Total
Opening balance – previously reported	827 728	7 861 622	2 323 025	27 064	225 252	738 964	4 101 929	2 471 110	–	18 576 694
Restatements – Note B.16	–	(158)	5 734	–	(1)	17 642	–	(35 082)	–	(11 865)
Opening balance at 1 April 2021 – restated	827 728	7 861 464	2 328 759	27 064	225 251	756 606	4 101 929	2 436 028	–	18 564 829
Additions	–	22 217	38 763	6 903	151	36	61 518	388 242	–	517 830
Disposals	–	(15 724)	(10 208)	(3 609)	(4 492)	(6 669)	(53 435)	–	–	(94 137)
Transfers from assets held for sale	–	–	–	–	5 641	–	261	–	–	5 902
Transfers plant and equipment[7]	–	363 764	225 542	–	–	5 827	114 173	(709 306)	–	–
Write-offs	–	–	–	–	–	–	–	(638)	–	(638)
Transfers to investment property (Note B.1)	(739)	–	–	–	–	–	–	–	–	(739)
Transfers to investment properties	–	–	–	–	–	–	–	(354 130)	–	(354 130)
Transfers to intangible assets	–	–	–	–	–	–	–	(10 791)	–	(10 791)
Depreciation	–	(402 020)	(228 802)	(7 945)	(27 363)	(144 300)	(351 235)	–	–	(1 161 665)
Impairment	–	(54)	(1 506)	(17)	(1 413)	(3)	–	–	–	(2 993)
Impairment reversal	–	419	–	–	32	–	–	–	–	451
Asset reclassification[9]	–	307 818	(35 886)	(1 010)	6 165	76 435	(358 023)	–	–	(4 501)
Closing balance at 31 March 2022	826 989	8 137 884	2 316 662	21 386	203 972	687 932	3 515 188	1 749 405	–	17 459 418

[7] *Comprises transfers of assets under construction to the relevant category in property, plant and equipment, intangible assets or investment property upon completion.*

[9] *Asset reclassifications relate to the updating of the major and minor categories of assets, to ensure that assets with similar characteristics are grouped together. As a result, in addition to reclassifications within property, plant and equipment, R4.5mil in assets were reclassified from computer equipment to intangible assets (computer software).*

Split of Work in Progress	March 2022	March 2021
Buildings	562 708	1 399 027
Equipment	261 983	208 538
IT Equipment	173 977	5 041
Intangible Assets	5 913	10 892
Motor Vehicles	–	–
Pavements	711 220	781 817
Investment Property	33 605	30 713
	1 749 406	2 436 028

B. Assets (continued)

B.2 Property, plant and equipment (continued)

Transfers from assets held for sale comprise assets reclassified to property, plant and equipment due to a change in the Group's intention for use of motor vehicles, from disposal to utilisation in the ordinary course of operations.

R36 million in borrowing costs were capitalised during the year ended 31 March 2022 (Mar 2021: R6 million), which were incurred on the DBSA loan.

The applicable specific capitalisation rate was 8.74% in both 2022 and 2021.

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.

A total of R450 thousand was received from insurers for items of property, plant and equipment that were impaired and lost, which has been included in profit and loss.

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 Aeroporto de Guarulhos Participações S.A.

On 10 August 2020, the Group received an offer for the sale of its entire 20% stake in Aeroporto de Guarulhos Participações S.A. (GRUPAR) from Investimentos e Participações em Infraestrutura S.A. (INVEPAR), which holds the other 80% stake. The offer is for R$40 million (approximately R160 million). The Group sought the necessary approvals from the Minister of Transport to proceed with the sale, as required by the Public Finance Management Act no.1 of 1999 (PFMA), which the Minister granted in September 2021.

The Group accepted the offer and has complied with all the conditions precedent of the shareholder purchase agreement (SPA), while INVEPAR has two outstanding conditions precedent. The SPA exonerates Group from payment of any equity calls until the last instalment towards the payment of the purchase price.

The stake in GRUPAR was previously treated as an investment in associate and equity accounted in terms of IAS 28 (see note E3.). It was fully impaired in 2019.

The investment was obtained for a total cost of R1.2 billion as follows:

– R76 million to acquire a 10% stake in 2013.

– An additional R181 million upon an equity call by GRUPAR in 2014, in which both shareholders participated proportionally, the Group thereby retaining a 10% stake.

– R363 million in 2016 to increase the Group's shareholding by 10%, to a total of 20%.

– R530 million upon an equity calls by GRUPAR between 2017 and 2018, in which both shareholders participated proportionally, the Group thereby retaining a 20% stake.

The fair value of the investment in GRUPAR was determined with reference to the offer received, which is an indirectly observable event. It is therefore classified as Level 2 on the fair value hierarchy. However, as the investment was fully impaired and there were no indications of reversal of the conditions which had previously led to the impairment, it remains a Rnil value.

Property, plant and equipment – motor vehicles and equipment

In terms of South African Civil Aviation Authority regulations, vehicles which have reached 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 184 vehicles through an auction. The lockdowns during 2020 and 2021 resulted in delays in the completion of the sale beyond one year, however management remains committed to its plan to sell the them early in the 2023 financial year.

Some of the vehicles that management had committed to sell in Mar 2021 were reclassified back to Property, Plant and Equipment due to the change of intention by management from disposal to utilisation in the ordinary course of operations. The vehicles will be leased by the Group to Richards Bay Airport.

Impairment loss

Impairment losses of R1.7 million (Mar 2021: R112 thousand) were recognised as the subsequent re-measurement of the vehicles to fair value less cost to sell.

Assets held for sale comprise the following at 31 March:

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Motor vehicles	**5 688**	13 282	**5 688**	13 282
	–	–	**–**	–
	5 688	13 282	**5 688**	13 282

The following is a reconciliation of the motor vehicles balance:

Motor vehicles

Balance at 1 April 2021 – originally stated	13 394
Impairment	(112)
Balance at 1 April 2021	13 282
Transfers	(5 902)
Impairment	(1 692)
Balance at 31 March 2022	5 688

C. Debt and cash management

C.1 Interest – bearing borrowings

Please refer to note F for the accounting policy.

Company	March 2022		March 2021	
Figures in R'000	Carrying Value	Fair Value	Carrying Value	Fair Value
Unsecured				
Long-term bonds	4 881 148	4 660 601	4 857 671	4 881 519
Development fund institution (DFI) loans	1 834 000	1 910 632	2 123 862	2 423 350
Redeemable preference shares	2 537 445	1 927 742	2 338 329	1 295 428
Total Company	9 252 593	8 498 975	9 319 862	8 600 297

Group	March 2022		March 2021	
Figures in R'000	Carrying Value	Fair Value	Carrying Value	Fair Value
Unsecured				
Long-term bonds	4 881 148	4 660 601	4 857 671	4 881 519
Southern Sun Hotel Interests (Pty) Ltd	1 500	1 500	1 569	1 500
Development fund institution (DFI) loans	1 834 000	1 910 632	2 123 862	2 423 350
Redeemable preference shares	2 537 445	1 927 742	2 338 329	1 295 428
Total Group	9 254 093	8 500 475	9 321 431	8 601 797

Current liabilities

Company	March 2022		March 2021	
Figures in R'000	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term bonds	384 657	–	381 495	–
Development fund institution (DFI) loans	459 460	–	472 248	–
Redeemable preference shares	266 692	–	204 209	–
Total current–Company	1 110 809	–	1 057 952	–

Current liabilities

Group	March 2022		March 2021	
Figures in R'000	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term bonds	384 657	–	381 495	–
Southern Sun Hotel Interests (Pty) Ltd	1 500	–	1 500	–
L'Agence Francaise de Developpement (AFD)	459 460	–	472 248	–
Redeemable preference shares	266 692	–	204 209	–
Total current – Group	1 112 309	–	**1 059 452**	–

Non–current liabilities

Company	March 2022		March 2021	
Figures in R'000	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term bonds	4 496 491	–	4 476 176	–
Development fund institution (DFI) loans	1 374 540	–	1 651 614	–
Redeemable preference shares	2 270 753	–	2 134 120	–
Total non–current–Group	8 141 784	–	**8 261 910**	–

Non-current liabilities

Group	March 2022		March 2021	
Figures in R'000	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term bonds	4 496 491	–	4 476 176	–
Southern Sun Hotel Interests (Pty) Ltd	–	–	–	–
Development fund institution (DFI) loans	1 374 540	–	1 651 614	–
Redeemable preference shares	2 270 753	–	2 134 120	–
Total non-current - Group	8 141 784	–	8 261 910	–

C. Debt and cash management

C.1 Interest-bearing borrowings

Group and Company

Terms and repayment schedule				Carrying Value	
Carrying values in Rand thousand	Nominal amount	Interest rate	Maturity date	Mar 2022	Mar 2021
Long-term bonds					
AIR02	1 712 billion	11 68%	Apr 2023	**1 806 818**	1 810 767
AIRL01	851 million	Inflation + 3 64%	Apr 2028	**1 748 717**	1 721 290
AIR04U	500 million	11 59%	Oct 2029	**524 836**	524 835
AIR04	544 million	9 25%	May 2024	**560 959**	560 959
AIR05	232 million	10%	May 2023	**239 819**	239 819
				4 881 149	4 857 670

Terms and repayment schedule				Carrying Value	
Figures in R'000	Nominal amount	Interest rate	Maturity date	Mar 2022	Mar 2021
DFI loans					
L'Agence Francaise de Developpement (AFD)	985 49 million	10 35%	Nov 2023	**170 452**	255 505
L'Agence Francaise de Developpement (AFD1)	1 95 billion	10 55%	Jan 2026	**796 909**	973 654
Infrastructure Finance Corporation Limited (INCA)	250 million	jibar-linked	Nov 2023	**33 160**	51 159
Development Bank of Southern Africa (DBSA)	810 million	8 774%	Nov 2027	**833 479**	821 061
				1 834 000	2 101 379
Long-term loans					
Southern Sun Hotel Interests (Pty) Ltd	1 5 million	2%	No set maturity	**1 500**	1 500
Redeemable preference shares	2 325 billion	8 20%	Feb 2031	**2 537 445**	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. 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 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 redeemable preference shares are mandatorily redeemable at par within ten years of issue date. However, the Group is entitled to voluntarily redeem any of the preference shares at any time that the Board determines that there is sufficient available cash (taking into account its debt service obligations and whether the Group will be able to comply with its covenants in respect of its other funding obligations) and pay accrued and unpaid preference dividends.

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

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
2022	**9 254 093**	**13 305 250**	**583 359**	**528 949**	**3 051 319**	**2 091 779**	**7 049 844**
2021	9 321 362	13 396 725	486 634	572 815	1 030 522	4 255 897	7 050 857

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

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Reconciliation				
Balance at beginning of year	**9 319 862**	6 405 514	**9 321 430**	6 405 014
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	**(296 355)**	2 838 395	**(296 355)**	2 838 395
Effect of amortisation of borrowings	**229 086**	77 953	**229 018**	77 953
Balance at end of year	**9 252 593**	9 321 862	**9 254 093**	9 321 362

C. Debt and cash management (continued)

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 2022:

Bond: AIRL01

Bond Holder	Holding %
MOMENTUM METROPOLITAN LIFE LTD	36%
SBSA ITF MANDG INFLATION PLUS FUND	11%
STANDARD CHARTERED BANK AS TRUSTEE FOR	6%
CORO BALANCED PLUS FUND -COBP	
OLD MUTUAL LIFE ASSURANCE CO SA LTD	6%

Bond: AIR02

Bond Holder	Holding %
STANDARD CHARTERED BANK AS TRUSTEE FOR	15%
CORO STRATEGIC INCOME FUND -CO	
NEDCOR CIB TREASURY	15%
SBSA FINANCIAL MARKETS OPERATIONS S	11%
ECURITIES MONEY MARKET	
OLD MUTUAL LIFE ASSURANCE CO SA LTD	10%
GEPF BONDS	9%
ABSA BANK LTD	6%
SBSA ITF MANDG CORPORATE BOND FUND	6%

Bond: AIR04

Bond Holder	Holding %
STANDARD CHARTERED BANK AS TRUSTEE FOR	27%
CORO STRATEGIC INCOME FUND -CO	
GEPF BONDS	22%
PIC UIF	9%
GOVERNMENT EMPLOYEE MEDICAL SCHEME	6%
AIPF-NT(STD007)	6%
SBSA ITF OLD MUTUAL MUTI-MANAGERS INCOMING	6%
FUND NO.2	

Bond: AIR05

Bond Holder	Holding %
SBSA ITF MANDG CORPORATE BOND FUND	19%
NEDBANK ITF PRESCIENT INCOME PLUS F	15%
STD NAM GIPF SA CREIDT OPPORTUNITIES	12%
IAL CREDIT OPPS 10 UPF Z	12%
IAL CREDIT OPPORTUNITIES FUND 14	11%
IAL CREDIR OPPORTUNITIES FUND 12	7%
NINETY ONE CREDIT OPPORTUNITIES	6%
IAL CREDIT OPPORTUNITIES 8 UPF	6%

C.2 Finance income and expense

Accounting policy

Finance income is comprised of interest income on funds invested and charged on overdue debtors and 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. Trading financial instruments comprise derivatives and investments.

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

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Interest received on cash and cash equivalents	43 800	33 866	107 488	97 581
Interest charged on overdue debtors	86 669	67 020	86 669	67 020
Net exchange differences	23 045	(881)	7	–
Finance income	153 514	100 005	194 164	164 601
Finance costs	(777 555)	(656 508)	(777 073)	(656 279)
Lease liability	–	(15)	–	(15)
Gains on re-measurement and disposal of trading financial instruments	36 483	28 857	36 483	13 073
Total finance expense	(741 072)	(627 666)	(740 590)	(643 221)
Net finance expense	(587 558)	(527 661)	(546 426)	(478 620)

C. Debt and cash management (continued)

C.3 Derivative financial instruments and hedging information

Accounting policy

Derivatives are initially measured at fair value and subsequent net gains and losses including any interest expense are recognised in profit or loss. Any gains and losses on derecognition are also 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	March 2022 Liabilities	March 2021 Liabilities
Interest rate swaps	1 223	3 659
Current	1 081	2 488
Non-current	142	1 171
	1 223	3 659

Interest rate swaps

The notional principal amounts of the outstanding derivative contracts were as follows (figures in Rand thousand):

			Notional amount		Fair value	
Interest rate swaps	Receive	Pay	Mar 2022	Mar 2021	Mar 2022	Mar 2021
	3 month JIBAR + 1.90%	10.98%	250 000	250 000	1 223	3 659
Total derivatives					1 223	3 659

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 2022	1 223	1 223	709	372	142	–	–
Mar 2021	3 659	3 659	1 370	1 117	1 137	34	–

Repayments of R2.5 million (2021: R3 million) were made in the current financial year and R37 thousand (2021: R1.9 thousand) was the non-cash adjustment which arose due to the fair value adjustments in the current financial year.

The derivative financial instruments are allocated as follows:

Figures in R'000	March 2022	March 2021
Current	1 081	2 488
Non-current	142	1 171
	1 223	3 659

D. Managing working capital

D.1 Trade and other receivables

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Trade receivables	1 780 647	889 338	1 632 912	792 099
Impairment loss allowance	(396 162)	(381 128)	(257 417)	(328 186)
Loan to joint venture/associate[10]	13 681	26 693	13 681	26 693
Loans and receivables	1 398 166	534 903	1 389 176	490 606
VAT	105 249	111 111	104 593	120 605
Prepayment	40 384	31 326	40 009	30 850
Insurance receivable[8]	101 341	107 478	101 341	107 478
Lease receivables	14 059	106 672	14 059	106 672
Other receivables**[9]	47 195	67 456	46 960	67 255
	1 706 394	958 946	1 696 138	923 466

[8] *Includes a contingency policy underwritten by Guardrisk. The amount receivable represents the balance of the special experience account. The special experience account is payable on demand.*

[9] *Other receivables comprises 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 133 days (2021: 105 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.

[10] *Loans to joint ventures and associates bear no interest and have no fixed repayment terms.*

D. Managing working capital (continued)

D.1 Trade and other receivables (continued)

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:

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Aeronautical	400 476	541 651	400 476	541 651
Commercial	1 130 888	997 976	1 009 590	997 976
Other[11]	96 514	156 851	73 264	94 917
	1 627 878	1 696 478	1 483 330	1 634 544

[11] *Other includes debtors for permits and airports management services.*

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. 20% 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 R138 million (March 2021: R251 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 for loans to joint ventures and associates lease receivables and other receivables is 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 and Company 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 and Company 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 and Company holds deposits as collateral from its debtors of R225 million at 31 Mar 2022 (Mar 2021: R251 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. The methodology for the calculation of ECL is the same as described in the last annual financial statements.

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

	GROUP		COMPANY	
Figures in R'000	**March 2022**	**March 2021**	**March 2022**	**March 2021**
Balance at 01 April	**381 128**	462 539	**328 186**	449 719
Increase in allowance	**211 631**	120 354	**125 461**	80 232
Bad debts written-off	**(196 597)**	(201 765)	**(196 230)**	(201 765)
Balance at 31 March	**396 162**	**381 128**	**257 417**	**328 186**

No debts previously not provided for impairment were impaired (March 2021: R3.7 million).

D.2 Cash and cash equivalents

Cash and cash equivalents consist of:

	GROUP		COMPANY	
Figures in R'000	**March 2022**	**March 2021**	**March 2022**	**March 2021**
Cash on hand	**646**	617	**496**	452
Bank balances	**798 931**	1 790 200	**734 005**	485 344
Money markets	**248 652**	541 627	**248 652**	541 627
	1 048 229	**2 332 444**	**983 153**	**1 027 423**

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 includes 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. Managing working capital (continued)

D.3 Trade and other payables

Figures in R'000	GROUP March 2022	GROUP March 2021	COMPANY March 2022	COMPANY March 2021
Trade payables	**836 214**	653 523	**800 440**	645 867
13th Cheque accrual	**21 065**	17 890	**21 065**	17 890
Leave payable	**121 594**	126 995	**121 596**	126 997
Deposits received	**220 102**	191 523	**212 765**	185 745
Lease payable	**7 494**	11 026	**–**	–
Other payables*	**86 032**	103 903	**86 720**	105 212
	1 292 501	1 104 860	**1 242 586**	1 081 711

The Group and Company's exposure to liquidity risk related to trade and other payables is disclosed in note F2.

* *Other payables includes overtime accruals.*

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 2022	1 292 506	1 292 506	1 292 506	–	–	–	–
Mar 2021	1 104 858	1 104 858	1 104 858	–	–	–	–

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 2022	1 081 713	1 081 713	1 081 713	–	–	–	–
Mar 2021	1 081 713	1 081 713	1 081 713	–	–	–	–

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

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Loss before taxation	(1 536 302)	(3 612 138)	(299 636)	(3 824 917)
Adjustments for:				
Depreciation and amortisation	1 200 697	1 335 600	1 195 384	1 329 993
Impairment of trade receivables	211 631	120 354	125 461	80 232
Dividends	–	–	(1 195 344)	–
Loss on sale of assets	3 380	10 477	3 300	10 338
Fair value loss/(gain) on investment property	90 716	216 313	142 657	243 893
(Gains)/losses from equity accounted investments	(980)	1 482	–	–
Finance income	(153 514)	(100 005)	(194 164)	(164 601)
Finance costs	777 555	656 523	777 073	656 294
Movements in retirement benefit obligation	1 360	(497)	1 360	(497)
Movements in provisions	15 256	(3 005)	15 256	(2 830)
Deferred income	(3 058)	(4 356)	(3 058)	(4 356)
Penalties	–	43 500	–	43 498
Gain on disposal of assets held for sale	–	(260 803)	–	–
Movement in non current assets	143 548	(182 183)	144 393	(181 809)
Loses/(gain) on property and equipment	87 140	(128)	87 140	(128)
Unrealised gains and losses	(15 675)	112 958	4 273	814
Gains/(losses) on remeasurement of financial instruments	(2 436)	(1 059)	(2 436)	(1 059)
	819 318	(1 666 967)	801 659	(1 815 135)
Changes in working capital:				
Inventories	(294)	548	–	–
Trade and other receivables	(959 080)	(58 174)	(898 133)	(3 111)
Trade and other payables	187 646	180 236	160 875	182 654
	47 590	(1 544 357)	64 401	(1 635 592)

D. Managing working capital (continued)

D.5 Other non-current assets

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Lease receivable non-current portion	**305 611**	449 366	**305 611**	449 366
Investments#	**15 330**	15 123	**15 409**	16 047
	320 941	**464 489**	**321 020**	**465 413**

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 pay out to employees. Guardrisk performs a half-yearly 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. 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 entities controlled by the Group. The Group 'controls' an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

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

Details of the Company's subsidiaries at 31 March 2022 are indicated below. All subsidiaries are incorporated in South Africa except for ACSA Global Ltd which is incorporated in Mauritius.

		Interest held	
Subsidiaries	**Principal activity**	**March 2022**	**March 2021**
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 Company (Pty) Ltd*	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 that are 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.*

Non-Controlling Interest

The Group has one subsidiary with non-controlling interest "OSI" with OSI Airport Systems (Pty) Ltd. The subsidiary is dormant.

E.2 Joint venture

Accounting policy

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

A joint venture is an arrangement in which the Group has joint control whereby the Group has rights to the net assets of the arrangement rather than rights to its assets and obligations for its liabilities.

Interests in joint ventured are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition the consolidated financial statements include the Group's share of the profit or loss and OCI of equity- accounted investees until the date on which joint control ceases.

The following represents the Group's share of assets liabilities revenue and expenses of the joint venture:

Summarised financial information of material joint ventures

Figures in R'000	Airport Logistics Property Holdings (Pty) Ltd
Opening balance at 1 April 2020	192 324
Share of profit	1 366
Opening balance at 1 April 2021	193 690
Share of profits	28 906
Closing balance at 31 March 2022	**222 596**

E. Investments (continued)

E.2 Joint venture (continued)

	GROUP	
Figures in R'000	March 2022	March 2021
Summarised statement of comprehensive income		
Revenue	(29 405)	(27 254)
Depreciation and amortisation	3 465	3 465
Fair value gain/loss on investment	–	–
Other operating expenses	741	(2 994)
Operating profit before interest and tax	(25 199)	(26 783)
Finance income	(503)	(437)
Finance costs	4 535	6 372
Profit before tax	(21 167)	(20 848)
Taxation	–	–
(Loss)/profit for the period	(21 167)	(20 848)
Total comprehensive income	(21 167)	(20 848)

	GROUP	
Figures in R'000	March 2022	March 2021
Summarised statement of financial position		
Non-current assets	132 697	135 802
Cash and cash equivalents	2 926	156
Current assets	15 490	6
Total assets	151 113	135 964
Non-current liabilities	32 361	52 113
Current liabilities	558	(13 960)
Total liabilities	32 919	38 153
Net assets	118 194	97 811
Group's share of net assets	50%	50%
Carrying value of equity accounted investment	59 097	48 905
Fair valuation of investment properties	163 499	144 785
Net assets at the end of the year	222 596	193 690

Judgement

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

Contingent liabilities

There were no contingent liabilities at 31 March 2022 relating to the Group's joint ventures.

Commitments

There were no commitments at 31 March 2022 relating to the Group's joint ventures.

Impairment testing of Joint venture

The Group assessed whether there were any impairment indicators at each reporting date and there were none.

Restrictions

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.

Summarised financial information of material joint ventures

Commitments and Contingencies

Refer to note E.4 Commitments and note G.15 Contingencies for details of commitments and contingencies related to joint ventures.

E.3 Investments in associates

Accounting policy

Associates are those entities in which the Group has significant influence but not control or joint control over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees until the date on which significant influence ceases.

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 (GRU). Airports Company South Africa is an integral investor in the project. The Group is in the process of disposing this investment following an offer for it in the 2021 financial year. As such it is held for sale at 31 March 2022. Refer to note B.3.

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

Airports Company South Africa and the Dube Trade Port Company Limited ("LMJVC") has 40% and 60% interest in La Mercy Joint Venture Company (Proprietary) Limited respectively. The objective of this entity 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 also issued an airport operator guarantee to the GRU concession amounting to BRL 151 million, R400 million which is renewed annually (2021: BRL 134 million, R430 million).

It is unlikely that either of these guarantees will be called due to force majeures declared as a result of the Covid-19 pandemic.

E. Investments (continued)

E.3 Investments in associates (continued)

Summarised financial information of material associates

Reconciliation of movement in investments in associates – Company

Figures in R'000	March 2022	March 2021
Balance at beginning of year	**38 173**	38 173
Impairment of investment	–	–
Balance at end of year	**38 173**	38 173

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
Investment at 31 March 2020	226 600	–	226 600
Share of profit/(loss)	117	–	117
Investment at 31 March 2021	226 717	–	226 717
Share of profit/(loss)	(27 927)	–	(27 927)
Investment at 31 March 2022	**198 790**	–	**198 790**

Summarised financial information of associates for March 2022

Figures in R'000	La Mercy JV Property Investments (Pty) Ltd	Aeroporto de Guarulhos Participações S.A	Total
Summarised statement of comprehensive income			
Revenue	4 291	–	4 291
Depreciation and amortisation	(6 558)	–	(6 558)
Fair value gain/(loss) on investment	24 700	–	24 700
Other operating expenses	(5 580)	–	(5 580)
Profit before tax	16 853	–	16 853
Taxation	(217)	–	(217)
(Loss)/profit for the period	16 636	–	16 636
Total comprehensive loss	**16 636**	**–**	**16 636**
Summarised statement of financial position			
Non-current assets	256 084	–	256 038
Current assets	243 597	–	256 340
Total assets	499 681	–	499 681
Non-current liabilities	(802)	–	(802)
Current liabilities	(1 904)	–	(1 903)
Total liabilities	(2 706)	–	(2 706)
Total net assets/(liability)	**496 975**	**–**	**496 975**
Group's share of net assets	40%	20%	
Carrying amount	198 790	–	198 790
Carrying amount	**198 790**	**–**	**198 790**

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.

E. Investments (continued)

E.3 Investments in associates (continued)

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/(loss) on investment	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)**
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
Net assets at the end of the year	**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.

Guarantees Issued

The Group has also issued an airport operator guarantee to the GRU concession amounting to BRL 151 million R400 million is renewed annually (2021: BRL 134 million, R430 million).

Judgement

Associates are assessed for materiality based on the fact that they need monitoring by those charged with governance. Aeroporto de Guarulhos Participações S.A and La Mercy Joint Venture Company (Proprietary) Limited (Dube Trade Port) are considered to be material as it is closely monitored by and reported on to the decision makers and is considered to be a strategically material investment.

Contingent liabilities

The Group has also issued an airport operator guarantee to the GRU concession amounting to BRL 151 million R400 million is renewed annually (2021: BRL 134 million, R430 million).

Commitments

At 31 March 2022 there were no capital commitments in the associates (2021: Rnil).

Restrictions

There are no significant restrictions on the ability of the associate to transfer funds to ACSA in the form of cash dividends or repayment of loans or advances.

Impairment testing of associates

Based on impairment indicators at each reporting date impairment tests in respect of investments in associates were performed and Aeroporto de Guarulhos Participações S.A was found to be impaired.

The recoverable amount of the investment is compared to the carrying amount and the associate was carried at Rnil. 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. Investments (continued)

E.4 Commitments
Capital commitments

Figures in R'000	GROUP March 2022	GROUP March 2021	COMPANY March 2022	COMPANY March 2021
Contracted for				
– Within one year	**267 449**	12 495	**267 446**	12 495
– One to two years*	**196 491**	411 679	**196 491**	411 679
– Two to five years	**759 325**	450 980	**759 325**	450 980
	1 223 265	**875 154**	**1 223 262**	**875 154**

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 through profit or loss comprise of derivatives.

Classifications of financial assets depend on the Group's and Company'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 daily reserves on a daily and long term bases 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 recognise 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's 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.

E. Investments (continued)

Impairment of financial assets

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.

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 practises the financial position of the counterparties as well collateral held against the loans and has determined that 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 derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Derecognition of financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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
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.

F. Financial instruments and financial instrument risk management (continued)

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

Mar 2022		Carrying amount				Fair value		
Figures in R'000	Note	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	1 560 761	–	–	1 560 761	*	*	*
– Income funds	G.4	1 113 180	–	–	1 113 180	*	*	*
– Cash and cash equivalents	D.2	1 048 229	–	–	1 048 229	*	*	*
Financial liabilities measured at fair value								
– Derivative financial instruments	C.3	-	1 223	–	1 223	*	1 223	1 223
Financial liabilities not measured at fair value								
– Interest-bearing borrowings	C.1	9 254 091	–	–	9 254 091	4 135 634	4 363 340	8 498 974
– Trade and other payables	D.3	1 292 501	–	–	1 292 501	*	*	*

Note 1 - Prepayments of R31 million and VAT of R111 million that are not financial assets are not included.

Mar 2021		Carrying amount				Fair value		
Figures in R'000	Note	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	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	4 332 839	2 469 436	6 959 050
– Trade and other payables	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 and Company 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. Financial instruments and financial instrument risk management (continued)

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 carrying amounts of the Group and Company's financial assets carried at amortised cost which includes investments and cash and cash equivalents approximate their fair values due to their short-term highly liquid nature.

Financial liabilities at amortised cost

The carrying amounts of the Group and Company's trade and other payables approximate their fair values due to their short-term highly liquid nature. The fair values of interest bearing borrowing are determined with reference to quoted prices (listed bonds) or a net present value calculated using discount rates derived from quoted yields of securities with similar maturity and credit rating that are traded in active markets adjusted by an illiquidity factor.

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 which uses inputs that are directly or indirectly observable. Derivatives are therefore classified as Level 2 on the fair value hierarchy.

F.2 Financial risk management

The Group's and Company's comprehensive risk management process involves identifying understanding and managing the risks associated with each of the Group's and Company's business units. Risk awareness control and compliance are embedded in the Group's and Company'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 and Company 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.

F. Financial instruments and financial instrument risk management (continued)

F.2 Financial risk management (continued)

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 rational for setting-up these thresholds is to minimise the impact of rising interest rate on debt service cost while taking advantage of falling interest rate environment.

The fixed rate debt portion increased 81% due to the preference shares issued. As at 31 March 2022 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 2022 the Group's fixed to floating rate profile after hedging on net debt was 81% fixed (2021: 81%). At the reporting date the interest profile of the Group's interest-bearing financial instruments was:

	Fixed-rate instruments		Variable-rate instruments		Total	
Figures in R'000	March 2022	March 2021	March 2022	March 2021	March 2022	March 2021
Carrying amount						
Interest bearing borrowings	7 472 214	7 548 913	1 781 877	1 772 449	9 254 091	9 321 362
	81 %	81 %	19 %	19 %		

A 5% change in interest rates would have had the effect of changing profit for the period by R12 million (Mar 2021: R33 million).

Tariff risk

Aeronautical revenue contributing 46% (March 2021: 38%) 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 which 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.

F. Financial instruments and financial instrument risk management (continued)

F.2 Financial risk management (continued)

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 2022 would have had the effect of changing profit for the period by R51 million (March 2021: R43 million) all other variables held constant.

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 R’000	March 2022 USD	March 2021 USD
Trade receivables	–	1 926
Cash and cash equivalents	881	85 431
Gross balance sheet exposure	**881**	87 357

Average rate Reporting spot rate

Mar 2022 Mar 2021 Mar 2022 Mar 2021

The following significant exchange rates applied during the year:

USD 14.845 16.280 14.560 14.835

Sensitivity analysis

A 10% weakening of the Rand against the following currencies at 31 March 2022 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	
Figures in Rand thousand	Mar 2022	Mar 2021	Mar 2022	Mar 2021
USD	(2 536)	87 473	(907)	7 382

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.

F. Financial instruments and financial instrument risk management (continued)

F.2 Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the 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:

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 2022 the Group had facilities of R1.8 billion (31 March 2021: R2.5 billion) of which zero has been utilised for both periods respectively.

Figures in Rand thousand	Mar 2022 Facility Amount	Mar 2022 Facility Amount
Available facilities	**1 800 000**	2 500 000

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 which bind the bank to lend the Group up to the amounts stated in the agreement.

The full facility of R1.8 billion was available at 31 March 2022.

In the year ended 31 March 2021 the Company utilised R1.35 billion of the facilities to meet its short-term liquidity requirements. In the same year part of the proceeds from the DBSA loan (R810 million) and preference shares issuance (R2.3 billion) were used to settle the facilities. As a result the available facility is currently R2.5 billion. The Group strives to meet its financial obligations from internally generated cash and will therefore utilise facilities under unavoidable exceptional circumstances.

The Group's capital management strategy is designed to ensure that 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.

F. Financial instruments and financial instrument risk management (continued)

F.2 Financial risk management (continued)

The Group's maximum gearing ratio is up to 60% (2021: 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 2022 and 2021 were as follows:

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Total borrowings	**9 254 091**	9 321 430	**9 252 593**	9 319 862
Less: cash and cash equivalents and income funds	**(2 161 409)**	(3 193 561)	**(3 063 685)**	(2 815 757)
Net debt	**7 092 682**	6 127 869	**6 188 908**	6 504 105
Total equity	**19 693 357**	20 711 212	**19 257 822**	19 148 998
Total capital	**26 786 039**	26 839 081	**25 446 730**	25 653 103
Gearing ratio (net debt divided by total capital)	**26%**	23%	**24%**	25%

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 sixteen years.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use.
- Management intends to complete the software product and use or sell it.
- There is an ability to use or sell the software product.
- Adequate technical financial and other resources to complete the development and to use or sell the software product are available.
- The expenditure attributable to the software product during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation on internally generated intangible assets is calculated using the straight-line method to allocate costs to the residual values over the estimated useful lives which are currently estimated to be between 3 to 5 years.

The assets' useful lives are annually reviewed and adjusted where appropriate. Refer to note G.16 for details of the prior period errors.

G. Other (continued)

G.1 Intangible assets (continued)

Group

Figures in Rand thousand	Mar 2022			Mar 2021		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	395 629	(324 823)	70 806	361 855	(283 152)	78 703

Company

Figures in Rand thousand	Mar 2022			Mar 2021		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	395 348	(324 565)	70 783	361 594	(282 914)	78 680

Reconciliation of intangible assets – Group – 2022	Opening balance	Restatements	Opening balance - Restated	Additions	Reclassification	Transfers	Amortisation	Disposals/ Retirements	Total
Computer software	78 703	–	78 703	6 053	4 499	10 791	(29 239)	–	70 806
Reconciliation of intangible assets – Group – 2021									
Computer software	97 608	26	97 634	30 939	–	–	(47 978)	(1 892)	78 703

Reconciliation of intangible assets – Company – 2022	Opening balance	Restatements	Opening balance - Restated	Additions	Reclassification	Transfers	Amortisation	Disposals/ Retirements	Total
Computer software	78 680	–	78 680	6 033	4 499	10 791	(29 219)	–	70 783
Reconciliation of intangible assets – Company – 2021									
Computer software	97 522	26	97 548	30 938	–	–	(47 914)	(1 892)	78 680

Transfers comprise assets under construction transferred to intangible assets upon completion.

* *Asset reclassifications relate to the updating of the major and minor categories of assets to ensure that assets with similar characteristics are grouped together. As a result R4.5mil in assets were reclassified from property plant and equipment (computer equipment) to computer software.*

G. Other (continued)

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 recognises 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.

	GROUP			COMPANY		
Figures in R'000	March 2022	March 2021	March 2020	March 2022	March 2021	March 2020
Deferred tax liability						
Property and equipment	**428 318**	403 310	137 331	**428 318**	403 418	362 832
Investment property	**1 252 212**	1 380 571	1 452 804	**1 268 360**	1 341 610	1 396 244
Intangible assets	**–**	–	1 063	**–**	–	1 063
Lease receivables	**–**	–	(1 102)	**–**	–	(1 102)
Lease receivable	**86 311**	155 691	85 258	**86 311**	155 691	87 322
Investments in associates	**(364 170)**	(364 170)	(189 782)	**–**	–	(257 944)
Impairment of trade and other receivables	**(41 702)**	(55 006)	(74 192)	**(41 702)**	(55 135)	(75 553)
Other assets	**(37 633)**	(27 096)	178 999	**28 268**	32 134	293 578
Prepayments	**7 364**	5 891	(29 395)	**7 364**	6 163	6 204
Provisions	**(181 799)**	(137 824)	(32 796)	**(33 718)**	(37 295)	(29 395)
Derivative financial instruments	**9 850**	3 660	41 856	**9 850**	3 660	9 495
Deferred income	**(7 263)**	(8 118)	(8 703)	**(7 263)**	(8 118)	(8 703)
Tax loss	**(1 320 165)**	(1 054 563)	–	**(1 320 165)**	(1 054 563)	–
	(168 677)	302 346	1 561 341	**425 623**	787 565	1 784 041

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.

G. Other (continued)

G.2 Deferred tax (continued)

Reconciliation of deferred tax liability

Figures in R'000	GROUP March 2022	GROUP March 2021	COMPANY March 2022	COMPANY March 2021
At beginning of year – previously reported	**295 205**	1 550 525	**780 424**	1 773 225
Restatement	**7 141**	10 816	**7 141**	10 816
At beginning of year	**302 346**	1 561 341	**787 565**	1 784 041
Prior period over provision:	**(469 218)**	(1 231 148)	**(362 877)**	(995 454)
Movements during the year:				
– recognised in the statement of comprehensive income	**(1 805)**	(27 847)	**935**	(1 022)
– recognised directly in other comprehensive income	**(168 677)**	302 346	**425 623**	787 565
Deferred tax liabilities expected to be recovered after more than 12 months	**(220 650)**	204 393	**373 650**	680 846
Deferred tax liabilities expected to be recovered within the next 12 months	**51 973**	97 953	**51 973**	106 719
	(168 677)	302 346	**425 623**	787 565

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	March 2022	March 2021
Post-retirement medical benefit – plan asset	**(7 298)**	(6 242)
Post-retirement medical benefit – plan liability	**19 341**	20 240
A. Net Post-retirement medical benefit liability – defined benefit plan	**12 043**	13 998
B. Life fund – plan liability – defined benefit plan	**15 820**	15 378
Total employee benefit liabilities	**27 863**	29 376

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.

G. Other (continued)

G.3 Retirement benefits (continued)

Exposure to Risks

Market Risk:

The risk that the market value of the assets will decrease due to the value being held by Sanlam being less than estimated or due 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 Entity.

Inflation Risk:

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

G.4 Investments

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Investments short-term				
Income funds	1 113 181	861 117	1 113 181	861 117
Intercompany loans	–	–	967 351	940 453
	1 113 181	861 117	2 080 532	1 801 570
Investments long-term	(168 677)	302 346	425 623	787 565
Intercompany loans	–	–	43 317	42 286
	–	43 317	42 286	787 565

Refer to note F1 for Accounting Policy.

Refer to note G11 for detailed intercompany loan balances

G. Other (continued)

G.5 Share capital

Ordinary shares

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 2022 and 31 March 2021.

Authorised – Group and Company

1 000 000 000 Ordinary shares of R1 par value each

Figures in R'000	March 2022	March 2021
500 000 000 Ordinary shares of R1 par value each	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.

Figures in R'000	March 2022
South African Government	74.6
Public Investment Corporation	20
Empowerment investors	4.2
Staff share incentive scheme	1.2

Preference shares

The Group's redeemable preference shares are classified as financial liabilities, as they bear non-discretionary dividends and are redeemable in cash by the holders. Non-discretionary dividends thereon are recognised as interest expense in profit or loss as accrued. Refer to note C.1 for further disclosures related to the Group's redeemable preference shares.

G. Other (continued)

G.6 Other Reserves

Group

Figures in R'000	Total	Fair value	Foreign currency translation reserve	Actuarial reserve
Balance at 1 April 2020	277 033	70 608	216 201	(9 776)
Remeasurements of retirement benefit obligations 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 1 April 2021	**459 758**	**70 608**	**401 555**	**(12 405)**
Remeasurements of retirement benefit obligations net of tax	**1 938**	**–**	**–**	**1 938**
Foreign currency translation differences, net of tax	**(17 434)**	**–**	**(17 434)**	**–**
Balance at 31 March 2022	**444 262**	**70 608**	**384 121**	**(10 467)**

Company

	Total	Fair value	Actuarial reserve
Balance at 1 April 2020	206 971	216 747	(9 776)
Remeasurements of retirement benefit obligations net of tax	(2 629)	–	(2 629)
Balance at 1 April 2021	**204 343**	**216 747**	**(12 405)**
Remeasurements of retirement benefit obligations, net of tax	**1 938**	**–**	**1 938**
Balance at 31 March 2022	**206 281**	**216 747**	**(10 467)**

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. Refer to note 1.6.1 for the accounting policy.

Actuarial reserve

The actuarial value reserve relates to decreases or increases in plan assets and plan liabilities due to changes in actuarial assumptions. Refer to note A.3 for the accounting policy for defined benefit plans.

G. Other (continued)

G.7 Deferred income

Deferred income consists of the following balances:

	GROUP AND COMPANY	
Figures in R'000	March 2022	March 2021
Dube Trade Port rentals	21 368	21 443
Gautrain development	5 632	6 321
Cape Town Construction	20 067	22 360
	47 067	50 124

Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group and Company will comply with the conditions associated with the grant. Grants that compensate the Group and Company 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.
- Rentals received in advance from Dube Trade Port for a portion of land leased adjacent to King Shaka International Airport.

	GROUP AND COMPANY	
The deferred income is allocated as follows:	March 2022	March 2021
Current	3 058	3 058
Non-current	44 009	47 067
	47 067	50 125

G. Other (continued)

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.

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.

Reconciliation of provisions – Group

Figures in R'000	Project terminations	Staff incentive bonus*	Environmental rehabilitation	Other provisions	Total
Opening balance at 1 April 2020	–	1 513	25 308	4 809	31 630
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	2 819	28 625
Additions	17 875	–	–	–	17 875
Utilised during the year	–	–	(1 063)	(2 423)	(3 486)
Effect of passage of time	–	–	866	–	866
Closing balance at 31 March 2022	**17 875**	**1 338**	**24 271**	**396**	**43 880**

Reconciliation of provisions – Company

Figures in R'000	Project terminations	Staff incentive bonus*	Environmental rehabilitation	Other provisions	Total
Opening balance at 1 April 2020	–	–	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
Additions	17 875	–	–	–	17 875
Utilised during the year	–	–	(1 063)	(2 423)	(3 486)
Effect of passage of time	–	–	866	–	866
Closing balance at 31 March 2022	**17 875**	**–**	**24 271**	**395**	**42 541**

G. Other (continued)

G.8 Provisions (continued)

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.

The provision for project terminations relates to the fees estimated to be required to curtail capital expenditure programs which the Group has had to do as part of its cost reduction strategy, in response to the impact of Covid-19 on air travel.

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 also 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, which 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.

G. Other (continued)

G.9 Taxation (continued)

Major components of the tax expense (income)

Figures in R'000	GROUP March 2022	GROUP March 2021	COMPANY March 2022	COMPANY March 2021
Current				
Current year	980	130 108	–	–
Prior period under provision	(65 705)	57 638	(65 705)	57 638
Total current tax	(64 725)	187 746	(65 705)	57 638
Deferred				
Current year	(428 827)	(1 229 079)	(356 538)	(993 384)
Deferred tax asset not raised	12 257	–	13 470	–
Rate change	(10 370)	–	(15 764)	–
Prior period under provision	(42 278)	(2 070)	(4 045)	(2 070)
Total deferred tax	(469 218)	(1 231 149)	(362 877)	(995 454)
Total	(533 943)	(1 043 403)	(428 582)	(937 816)

Tax rate reconciliation

Reconciliation between applicable tax rate and average effective tax rate.

Figures in %	GROUP March 2022	GROUP March 2021	COMPANY March 2022	COMPANY March 2021
Applicable tax rate	(28.00)	(28.00)	(28.00)	(28.00)
Non-deductible expenses*	0.15	2.16	(90.99)	2.04
Under/(over) provision current tax	(4.28)	1.60	(21.93)	1.51
Under/(over) provision- deferred tax	(2.75)	(4.65)	(1.35)	(0.05)
Deferred tax asset not raised	0.80	–	4.50	–
Rate change	(0.68)	–	(5.26)	–
Effective tax rate	(34.76)	(28.89)	(143.03)	(24.50)

* *Non-deductible expenses mainly comprise capital expenditure; interest on preference shares, dividend income (Company) and penalties paid in respect of taxes and donations.*

G. Other (continued)

G.10 Earnings per share & 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

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 2022	Mar 2021	
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.			
Loss for the year attributable to shareholders before restatements	**(1 002 359)**	(2 560 539)	
Total impact of prior period restatements:	**–**	(8 196)	
Increase in depreciation	**–**		(16 657)
Decrease in operating expenses - termination fees	**–**		(816)
Increase in finance expenses	**–**		5 602
Decrease in taxation	**–**		3 675
Total loss for the year attributable to shareholders after restatements	**(1 002 359)**	(2 568 735)	
Weighted average number of ordinary shares in issue	**494 038**	494 038	
Decrease in basic earnings per share due to impact of prior period errors	**–**	(1.66)	
Basic earnings per share (cents per share)	**(202.63)**	(519.95)	

G. Other (continued)

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 is 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 2022 and 2021. 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

	Services rendered		Services received		Amounts due from		Amounts due to	
Figures in R'000	Mar 2022	Mar 2021	Mar 2022	Mar 2021	Mar 2022	Mar 2021	Mar 2022	Mar 2021
National departments	38 295	38 933	18 776	240 813	8 692	3 459	–	–
Major public entities	130 445	241 176	430 818	59 070	155 815	320 644	137	539
National government business	26 275	25 613	301	–	313	4 128	–	23 242
Subsidiaries, associates, special purpose entities and joint ventures	1 303 140	66 443	–	–	1 010 074	996 916	19 504	18 815

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

Subsidiaries

	Services rendered		Services received		Amounts due from		Amounts due to	
Figures in R'000	Mar 2022	Mar 2021	Mar 2022	Mar 2021	Mar 2022	Mar 2021	Mar 2022	Mar 2021
JIA Piazza Park (Pty) Ltd	33 248	34	–	–	–	–	–	–
Precinct 2A (Pty) Ltd	71 328	65 381	–	–	905 297	817 354	–	–
ACSA Global (Pty) Ltd	1 195 344	–	–	–	17 633	79 732	–	–

G. Other (continued)

G.11 Related parties (continued)

Special purpose entities

	Services rendered		Services received		Amounts due from		Amounts due to	
Figures in R'000	Mar 2022	Mar 2021	Mar 2022	Mar 2021	Mar 2022	Mar 2021	Mar 2022	Mar 2021
Airports Company South Africa Kagano Trust	–	–	–	–	18 246	18 246	–	–
Lexshell 342 Investment Holdings (Pty) Ltd	873	1 028	–	–	25 119	24 040	5 930	5 930
Airports Company Share Incentive Scheme Trust (Pty) Ltd	–	–	–	–	30 098	30 098	13 574	12 886
Sakhisizwe Community Programme								
ACSA Management Share Incentive Company (Pty) Ltd	–	–		–	–	–	752	–

Joint Ventures

	Services rendered		Services received		Amounts due from		Amounts due to	
Figures in R'000	Mar 2022	Mar 2021	Mar 2022	Mar 2021	Mar 2022	Mar 2021	Mar 2022	Mar 2021
Airport Logistics Property Holdings (Pty) Ltd	2 268	–	–	–	13 681	26 693	–	–
Total subsidiaries, associates, special purpose entities and joint ventures	1 303 061	66 443	–	–	1 010 074	996 915	19 504	18 816

The Company provided financial assistance JIA Piazza Park (Pty) Ltd, in terms of section 45 of the Companies Act. The assistance was in the form of rental relief, which amounted to R65 million (2021: R57 million.)

Key management personnel Executive Directors

	Salary		Pension Fund Contributions		Other benefits*		Total	
Figures in R'000	Mar 2022	Mar 2021	Mar 2022	Mar 2021	Mar 2022	Mar 2021	Mar 2022	Mar 2021
N Mpofu	4 203	4 210	386	386	175	168	4 764	4 764
S Mthethwa	2 834	2 665	288	264	430	327	3 552	3 256
	7 037	6 875	674	650	605	495	8 316	8 020

* *Other benefits comprise medical contributions, allocations and fees.*

G. Other (continued)

G.11 Related parties (continued)

Non-executive Directors

Figures in R'000	Resignation Date	Directors' fees Mar 2022	Directors' fees Mar 2021
S Nogxina		770	819
D Hlatshwayo		493	331
P Mokupo	05 November 2021	309	671
N Nokwe-Macamo		529	728
I Phenyane	05 November 2021	287	766
Y Pillay		524	635
N Zikalala Mvelase		616	858
K Esterhuizen		461	533
G Victor		500	629
K Badimo		507	310
		4 996	6 280

G. Other (continued)

G.11 Related parties (continued)

Prescribed officers

	Salary		Pension Fund Contributions		Other benefits*		Total	
Figures in R'000	Mar 2022	Mar 2021	Mar 2022	Mar 2021		Mar 2021	Mar 2022	Mar 2021
B Mbomvu[1]	**2 657**	2 651	**256**	256	**247**	254	**3 160**	3 161
F Sithebe[2]	**255**	3 061	**24**	293	**22**	271	**301**	3 625
M Mncwabe	**2 774**	2 779	**255**	255	**124**	118	**3 153**	3 152
S Ngwenya	**2 492**	2 492	**220**	220	**–**	–	**2 712**	2 712
R Shinners[3]	**2 802**	2 807	**258**	258	**124**	118	**3 184**	3 183
B Matshego[4]	**1 253**	2 508	**128**	257	**525**	633	**1 906**	3 398
C Shilowa	**2 926**	2 926	**258**	258	**–**	5	**3 184**	3 189
L Langa	**2 367**	797	**219**	73	**114**	30	**2 700**	900
M Petros	**3 000**	1 000	**–**	–	**–**	–	**3 000**	1 000
J Khambule[7]	**1 315**	565	**125**	54	**85**	43	**1 525**	662
T Dolomoney[5]	**1 386**	–	**134**	–	**123**	–	**1 643**	–
L Less[6]	**184**	–	**17**	–	**7**	–	**208**	–
	23 411	21 586	**1 894**	1 924	**1 371**	1 472	**26 676**	24 982

1 *Group Executive Governance and Assurance – resigned with effect from 30 April 2022 under the voluntary severance program.*

2 *Chief Operating Officer – resigned with effect from 30 April 2021 under the voluntary severance program.*

3 *Group Executive Corporate Affairs – resigned with effect from 30 April 2022 under the voluntary severance program.*

4 *Group Executive Infrastructure Asset Management – resigned with effect from 30 September 2021 under the voluntary severance program.*

5 *Group Executive Operations Management – appointed 20 September 2021.*

6 *Group Executive Corporate Services – appointed 1 March 2022.*

7 *Formerly Group Executive Commercial – resigned 31 October 2021.*

G. Other (continued)

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

Covid-19 has had a significant impact on the group's operations, cash flows and liquidity for the past two financial years.

The recovery from the Covid-19 pandemic has been uneven, with domestic and regional traffic recovering to 59.3% and 36.1% of pre- pandemic levels, respectively. However international traffic, hampered by the impact of the Omicron variant in the third quarter of the financial year, only recovered to 28.9% of the pre-pandemic level.

The Group incurred a loss after tax of R1 billion for financial year ended 31 March 2022 (2021: R2.6 billion) and as at that date, its assets exceed its liabilities by R19.7 billion (2021: R20.7 billion).

Covid-19 continues to pose a significant threat to global health systems and economic markets.

The sustained impact on the Group has seen a marginal improvement of cashflows as a consequence of:

- Slow traffic recovery, 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, resulting in management not being able to fully quantify the impact at the date of this report. It is expected that the recovery of the industry will be slow owing to the many uncertainties around people's fitness and/or willingness to travel, and the negative economic impact on government, corporates, and individuals.
- Moreover, the potential future waves of infections and lockdowns may continue to strongly affect the recovery of the Group.

The Group has put the following contingency plans and mitigating actions in place to secure its financial sustainability. These plans are reviewed and updated as conditions necessitate:

- The group is in the process of renewing committed short-term facilities of R1.8 billion for a period of 12 months.
- L'Agence Francaise de Development (AFD) has granted the group a grace period until 30 June 2023 relating to required levels of – below 4 times for Net Debt to EBITDA ratio and above 3 times for the EBITDA interest cover. The net debt to EBITDA ratio is projected to reach 5.7 times in FY 2022/23 and 4.1 times in FY2023/24 and EBITDA interest cover ratio is projected at 2.7 times in FY2022/23 and 4.1 times in FY2023/24.
- The Group continues to engage shareholders for financial support, specifically relating to possible further issuances of preference
- shares. The first tranche of preference shares was issued to the major shareholder for R2.3 billion in the 2020/21 financial year.
- It is projected that a total operating expenditure saving of R1.8 billion will be achieved by FY2022/23 and capital expenditure will be limited to a maximum of R1 billion for maintenance and refurbishments, 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:
- Construction contracts - termination costs of R37.8 million were incurred to discontinue capital projects. The project terminations were necessitated by the deterioration in the current and forecast demand for air travel caused by the Covid-19 outbreak. As a result, the Group re-assessed 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.

G. Other (continued)

G.12 Events after the reporting period and going concern (continued)

Cash reserves as of 31 March 2022 amounted to R2.1 billion (2021: R3.2 billion). Together with the estimated cash generated from operational activities and extended credit facilities, this is expected to enable the Group to meet its liquidity needs for at least the next 12months.

Significant events after reporting date

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 Group South Africa SOC Limited (the Group) to purchase its shares in the Group 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 Group opposed this application based on it being fundamentally flawed, irrational and detrimental to other shareholders. Additionally, the Minister of Transport, as the Group'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 Group'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.

The appeal of the rescission order, dated 15 July 2021, was dismissed on 10 April 2022. The Minorities have to date not pursued the matter further. The valuation therefore has no legal status.

The long-stop date for the sale of the Group's stake in Aeroporto de Guarulhos Participações S.A. (GRUPAR) expired on 14 July 2022, after lenders of the prospective buyer, Investimentos e Participações em Infraestrutura S.A. (INVEPAR), declined to approve the consummation of the transaction per the provisions of the sale purchase agreement (SPA) concluded with INVEPAR.

As a result, the SPA has lapsed. Furthermore, the obligations of the concession, including possible equity calls, will revert to the Group.

This has been assessed as a non-adjusting event after reporting date, as the SPA was valid at the reporting date and the long-stop date had not lapsed.

G. Other (continued)

G.13 Irregular expenditure

Figures in R'000	GROUP March 2022	GROUP March 2021	COMPANY March 2022	COMPANY March 2021
Opening balance	**392 492**	1 186 073	**364 340**	1 158 742
Less: irregular expenditure adjustment	**–**	–	**–**	–
Add: irregular expenditure – current year	**36 714**	274 120	**36 714**	273 299
Less: Prior period error		(114 686)	**–**	(114 686)
Less: amounts condoned in the current year	**–**	(4 335)	**–**	(4 335)
Less: amounts condoned in prior years	**–**	(126 537)	**–**	(126 537)
Add: irregular expenditure identified in the current year relating to prior year	**13 034**	6 075	**13 034**	6 075
Less: irregular expenditure removed	**–**	(828 218)	**–**	(828 218)
Irregular expenditure not yet condoned/ written off	**442 240**	392 492	**414 088**	364 340
Current year	**36 714**	274 120	**36 714**	273 299
Prior years	**405 526**	118 372	**377 374**	91 041
Total	**442 240**	392 492	**414 088**	364 340

The irregular expenditure incurred in the current financial year ended is R37 million (2021: R274 million). In addition, R13 million incurred in the financial year ended 31 March 2021 was identified in the current year, relating to costs incurred in excess of an approved rate for a contract.

The Group has implemented National Treasury's Irregular Expenditure Framework through the company's Loss Control Function for detection, assessment, investigation, and performance of determination tests. As a result, the Board of Directors condoned cumulative expenditure of R126 million relating to previous year (2021: R828 million). In addition, R114 million of irregular expenditure was adjusted as a prior period error, since determination tests indicated conclusively that they are not irregular.

The Loss Control Function will continue to investigate the reported irregular expenditure with the aim of appropriately assessing the remaining balance of R442 million. The 80:20 principle has been adopted, wherein the detection, assessment, investigation, and determination investigations of high-value irregular expenditure will be prioritised.

G. Other (continued)

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 Rand thousands	Mar 2022	Mar 2021
Opening balance	77 081	113 129
Add: fruitless and wasteful expenditure – adjustment	–	–
Add: fruitless and wasteful expenditure – current year	3 797	72 352
Less: amounts recovered / written - off	(71 823)	(108 400)
Fruitless and wasteful expenditure not yet closed (awaiting appropriate action)	9 055	77 081
Current year	3 797	72 352
Prior years	5 258	4 729
Add: fruitless and wasteful expenditure – adjustment	–	–
Total	9 055	77 081

Current year

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

- Interest late payments to suppliers (R2.6 million).
- Interest on SARS re-assessments (R53 thousand) and late VAT payment (R242 thousand).
- R989 thousand paid for goods not received.

Interest and penalties levied by SARS from their prior year audits/re-assessments were written-off by the Group's governance structures during the 2022 financial year.

Prior year

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

- interest on revised tax liability resulting from SARS audits. (R28 million).
- penalties on revised tax liability resulting from SARS audits. (R43 million).

Although written-off during 2022, the basis on which SARS imposed these penalties and interest on previous assessments is still being challenged through the courts.

G. Other (continued)

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.

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

Upon completion of capital projects, assets were not transferred from work in progress to the relevant category (mainly computer equipment). As a result, depreciation and accumulated depreciation were understated. The 2021 and 2021 amounts have been restated to correct the error.

Interest on the DBSA loan, which was obtained in the prior financial year to finance capital projects, was restated from finance expense to Property, plant and equipment in line with IAS 23 - Borrowing costs.

Legal costs

The Company paid legal fees on behalf of its 100% subsidiary, ACSA Global Ltd in 2020. These were recognised in the Company's records rather than the subsidiary. The financial statements have been restated to correct that error.

G. Other (continued)

G.16 Prior period errors (continued)

The following tables summarises the impact of the correction of these errors on the Group's financial statements:

Effect on Statement of Financial Position

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Property, Plant and Equipment				
Previously stated	18 638 288	19 216 854	18 592 998	19 165 786
Restatement	(28 169)	(16 307)	(28 169)	(16 307)
Restated amount	18 610 119	19 200 547	18 564 829	19 149 479
Intangible assets				
Previously stated	78 677	97 608	78 654	97 522
Restatement	26	31	26	31
Restated amount	78 703	97 639	78 680	97 553
Investments-current				
Previously stated	861 116	745 314	1 788 334	1 616 007
Restatement	–	–	13 236	13 236
Restated amount	861 116	745 314	1 801 570	1 629 243
Retained income				
Previously stated	19 580 763	22 141 302	18 194 655	21 073 559
Restatement	(35 285)	(27 089)	(22 050)	(13 853)
Restated amount	19 545 478	22 114 213	18 172 605	21 059 706
Deferred tax liability				
Previously stated	295 205	1 550 525	780 424	1 773 225
Restatement	7 141	10 816	7 141	10 816
Restated amount	302 346	1 561 341	787 565	1 784 041

G. Other (continued)

G.16 Prior period errors (continued)

Effect on Statement of Comprehensive Income

	GROUP		COMPANY	
Figures in R'000	March 2022	March 2021	March 2022	March 2021
Operating expenses				
Previously stated	(1 950 080)	(2 627 172)	(1 866 949)	(2 535 730)
Restatement	(816)	–	(817)	13 236
Restated amount	(1 950 896)	(2 627 172)	(1 867 766)	(2 522 494)
Depreciation, amortisation and impairments				
Previously stated	(1 318 943)	(1 077 443)	(1 313 336)	(1 071 550)
Restatement	(16 657)	(17 873)	(16 657)	(17 873)
Restated amount	(1 335 600)	(1 095 316)	(1 329 993)	(1 089 423)
Finance costs				
Previously stated	(662 125)	(660 761)	(661 896)	(660 602)
Restatement	5 602	–	5 602	–
Restated amount	(656 523)	(660 761)	(656 294)	(660 602)
Taxation expense				
Previously stated	1 039 728	(397 802)	934 141	(461 333)
Restatement	3 675	(10 815)	3 675	(10 815)
Restated amount	1 043 403	(408 617)	937 816	(472 148)

GROUP INFORMATION

Country of incorporation and domicile	South Africa	
Company registration number	1993/004149/30	
Non-executive Directors	S Nogxina N Nokwe-Macamo K Esterhuizen P Mokupo D Hlatshwayo	I Phenyane Y Pillay G Victor N Zikalala Mvelase K Badimo
Executive Directors	NZ Mpofu S Mthethwa	
Register office	1 Jones Road Western Precinct Aviation Park O.R. Tambo International Airport Gauteng 1632	
Postal address	PO Box 75480 Gardenview	
Bankers	Standard Bank Nedbank	
Company secretary	Fefekazi Sefara	
Nature of business and principal activities	Airports Company South Africa is mandated to undertake the acquisition, establishment, development, provision, maintenance, management, operation and control of any airport, any part of any airport, or any facility or service at any airport normally related to an airport function.	

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