



**DIRECTORS' REPORT
AND FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2020**

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COMPANY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2020

COMPANY NUMBER	181
COUNTRY OF INCORPORATION	St Helena
INCORPORATED AS	Limited by Guarantee
DIRECTORS	Bruce Wilks Peter Patrickson Janet Lawrence Brian Deadman Gwyneth Howell Tavonga Chikwenhere
REGISTERED OFFICE	Combined Building St Helena Airport Prosperous Bay Plain St Helena Island STHL 1ZZ
CONTACT DETAILS	Combined Building St Helena Airport Prosperous Bay Plain St Helena Island STHL 1ZZ +290 25180 info@sthelenaairport.aero
AUDITORS	Audit St Helena First Floor, New Porteous House Jamestown St Helena Island STHL 1ZZ
BANKERS	Bank of St Helena Market Street Jamestown, St Helena Island
SOLICITORS	St Helena Legal The Consulate Jamestown St Helena Island STHL 1ZZ



STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The Directors have prepared the Strategic Report to provide additional relevant information in respect to the Company's strategy and business objectives.

A. PRINCIPAL ACTIVITIES

The principal activity of the Company is the operation of the St Helena Airport and maintaining Aerodrome Certification in accordance with the terms and conditions of the St Helena Airport Operating Contract in place between St Helena Airport Limited (SHAL) and St Helena Government (the owner of the Airport).

B. BUSINESS REVIEW

STRATEGY

The strategic aim for the Airport is to be an enabler of economic and social growth of Saint Helena, through improved passenger and cargo access, in an environmentally sustainable manner. To this end the following strategic objectives highlight the approach SHAL is taking to achieve its strategic goals:

- Ensure that the aerodrome complies with OTAR Part 139 to permit the issuance of a valid Aerodrome Certificate.
- Maintain and improve standards for safe and secure operations through the implementation of regular audits.
- Improve customer experience by implementing a customer service improvement plan.
- Enable greater community engagement through the implementation of effective communications.
- Develop revenue and improve expenditure efficiencies.
- Strengthen SHAL's resilience through ongoing staff development and business continuity.
- Achieve and maintain Level 2 Airport Carbon Accreditation by 2023.

REGULATORY ENVIRONMENT

Air Safety Support International (ASSI), St Helena's civil aviation regulator, carried out numerous audits and inspections throughout that financial year and we are proud to have remained compliant to ensure continued certification. Over and above the compliance requirements, safety remains paramount at St Helena Airport and we remain steadfast in our commitment to a safety culture across all areas of our operations.

The following laws and regulations govern the operations of St Helena Airport Limited:

- Aviation Navigation (Overseas Territories) Order 2013 (as amended)
- Aviation Security and Piracy (Overseas Territories) Order 2000
- Aviation Ordinance 2015
- Air Navigation (Overseas Territories) (Environmental Standards) Order 2014
- Overseas Territories Aviation Requirements (OTARs) as prescribed by ASSI

MANAGEMENT REVIEW

SHAL's principle source of income remains the SHG Subsidy which covers all its operational expenses. In the year under review the subsidy received was £2,885,321 and internally generated revenue was £202,751. The subsidy received represents a 12% saving on the projected subsidy figure of £3,283,054, resulting from a mixture of increased efficiency savings made through improved supply chain management which reduced procurement costs for items sourced overseas as well as not being able to carry out key capital expenditure that was planned for the final quarter of the year due the Covid-19 related disruptions



STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020

Our community engagement programme was very successful, with Airport staff able to participate in numerous community engagement and outreach programmes including career fairs held at the school and community college, as well as open days and community events that were held at the Airport. The engagement has resulted in the development of a young fire fighters' programme that will be linked to learners' academic progress. The programme is also a step towards increasing awareness and interest in aviation related careers on the Island. Looking ahead, the Company also wants to institute an apprenticeship programme for various operational vocations that are found within the Company. This apprenticeship program will ensure that capacity is built on the island so that most key roles within the airport are occupied by locally qualified staff members in the future.

The passenger traffic continued to show growth during the period under review, increasing by 353 passengers to 9,408 passengers, an overall increase of 4%. The coronavirus pandemic in the last quarter of the financial year resulted in reduced passenger volumes resulting in a single digit increase in overall yearly figures against the trend noted in the other peak periods. Management anticipates that for the short to medium term passenger numbers will be subdued as a result of the slowdown of travel in response to the coronavirus pandemic outbreak. Management is also actively working with both local and international partners to find practical and effective measures that will aid in the passenger numbers recovery plan post the Covid-19 pandemic.

The Strategic Report was approved by the Board of Directors on 06 May 2021 and was signed on its behalf by:



Bruce Wilks - Chairperson



DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

A. DIRECTORS

The Directors shown below held office during the period under review.

Bruce Wilks - Board Chairperson (NED)*	Appointed Jan 2019
Peter Patrickson - NED Safety, Operations & Environment	Appointed Jan 2020
Janet Lawrence - NED Risk and Governance	Appointed Oct 2018
Brian Deadman - NED Finance and Commerce	Appointed April 2019
Gwyneth Howell * CEO and Accountable Manager	Appointed Oct 2018
Tavonga Chikwenhere * Business Manager	Appointed May 2019
Gerald Yon * Operations Manager	Appointed May 2019 - Resigned Jan 2020

+Appointed Chairperson Dec 2019

*Executive Director

B. PRINCIPAL RISKS AND UNCERTAINTIES

The Directors have identified a number of risks and uncertainties facing the Company. The Directors are actively monitoring these issues through various processes as well as investigating mitigating factors to reduce the negative impact they may have on the organisation. The key risks are:

- Inflation differing from assumptions made during the budget and planning processes.
- Changes in the air service provider schedules - this has become prevalent as there are currently fewer flights due to the coronavirus pandemic.
- Changes in legislation affecting the costs of carrying out business. Of particular concern is the additional measures that airports are required to put in place in response to the new health and safety challenges presented by the coronavirus outbreak.
- Reduction in fees and charges income.
- Service demands exceeding resources available.
- Reduced St Helena Government (SHG) subsidy.

C. RESULTS AND OUTLOOK

The results for the period and the financial position at the period-end were considered satisfactory by the Directors, who expect continued growth and stability in the future. Covid-19 has brought with it, numerous challenges to the Airport and aviation industry at large but it has also provided opportunities for St Helena Airport Limited to pause and take stock of its position. Compounded with the unique location of the St Helena Airport, the Board is working closely with management to ensure that the strategic thrust of the Airport remains focussed on building a strong, stable, and resilient asset that facilitates the growth of the Island's economy and allows for ease of access to the rest of the world.

The Directors' Report was approved by the Board of Directors on 06 May 2021 and was signed on its behalf by:



Bruce Wilks - Chairperson



DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

A. STATEMENT OF DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Strategic Report, Directors' Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and Financial Reporting Standard 102 Section 1A. The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Ordinance. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

A. STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The auditor, Audit St Helena, will be proposed for reappointment at the next annual meeting with the member.

The Directors' Responsibility Statement was approved by the Board of Directors on 06 May 2021 and was signed on its behalf by:



.....
Bruce Wilks – Chairperson



.....
Gwyneth Howell- Director & CEO



INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2020

INDEPENDENT AUDITOR'S REPORT

To the Member of St Helena Airport Limited

Opinion

We have audited the financial statements of St Helena Airport Limited (the Company), which comprise the Statement of Financial Position as at 31 March 2020, the Statement of Comprehensive Income and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2020, and of its financial performance and cash flows for the year then ended in accordance with Financial Reporting Standard 102 (FRS 102) Section 1A Small Entities.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethical Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 2(b) to the financial statements which describes the significant judgements and assumptions applied by management in the absence of the St Helena Airport Operating Contract defining these requirements. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Strategic Report and Directors' Report but does not include the financial statement and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2020

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with FRS 102, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located in the Annex to this report. This description forms part of our auditor's report.



Phil Sharman CA CPFA
Chief Auditor

Audit St Helena
First Floor, New Porteous House,
Jamestown, St Helena, STHL 1ZZ

17 May 2021



ANNEX TO THE INDEPENDENT AUDITORS REPORT

Further description of the auditor's responsibilities for the audit of the financial statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019	Notes
	SHP	Restated (6 Months) SHP	
Revenue	202,751	130,835	4
Operational Expenses	(1,261,547)	(458,199)	5
Gross (Loss)/Profit	(1,058,796)	(327,364)	
Administrative expenses	(1,623,774)	(711,758)	6
Other Operating Income	2,885,321	1,169,956	7
Surplus on ordinary activities before taxation	202,751	130,835	
Tax charge for the year	(50,503)	(32,694)	8
Profit for the financial year	152,249	98,141	

The accounting policies and notes on pages 14 to 20 form part of these financial statements



STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2020

	2020 SHP	2019 Restated (6 Months) SHP	Notes
Fixed Assets			
Tangible fixed assets	0	0	2.g
	0	0	
Current Assets			
Debtors	755,767	354,512	11
Cash at bank and in hand	37,214	211,067	
	792,980	565,579	
Current Liabilities (amounts falling due within one year)			
Creditors and accruals	222,589	170,744	12
Loan owed Saint Helena Government, the ultimate parent Company	250,000	250,000	15
Provisions for other payables and charges	70,003	46,694	13
	542,591	467,438	
Net current assets	250,389	98,141	
Total assets less current liabilities	250,389	98,141	
Net assets	250,389	98,141	
Capital and Reserves			
Retained profits/(losses)	250,389	98,141	
Total Shareholders' Equity	250,389	98,141	

The Financial Statements were approved by the Board of Directors on 06 May 2021 and were signed on its behalf by:



Bruce Wilks – Chairperson



Gwyneth Howell- Director & CEO

The accounting policies and notes on pages 14 to 20 form part of these financial statements



STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019 Restated (6 Months)	Notes
	SHP	SHP	
Operating Profit for the year	152,249	98,141	
Adjustments to reconcile profit for the year to net cash flow from operating activities:			
Increase in Debtors	(401,254)	(354,512)	
Increase Creditors and Accruals	51,844	217,438	
Increase in provisions	23,309		
Net cash flows from operating activities	(173,853)	(38,933)	
Cash flows from investing activities			
Net cash used in investing activities	-	-	
Cash flows from financing activities			
SHG Loan received	-	250,000	15
Net cash used in financing activities	-	250,000	
Net increase (decrease) in cash and cash equivalents	(173,853)	211,067	
Cash and cash equivalents at the beginning of year	211,067	-	
Cash and cash equivalents at end of year	37,214	211,067	

The accounting policies and notes on pages 14 to 20 form part of these financial statements



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 General Information

St Helena Airport Limited (the Company) is a limited Company incorporated on the British Overseas Territory of Saint Helena Island and is wholly owned by St Helena Government which is the ultimate parent of the Company.

The Company is incorporated as a limited Company by guarantee to the amount committed by the Department for International Development for the funding of St Helena Airport under a Design, Build and Operate and Handback contract dated 2 November 2011 between the St Helena Government and the Department for International Development.

The address of its registered office and principal place of business is Combined Building, St Helena Airport, Prosperous Bay Plain, St Helena Island, South Atlantic Ocean, STHL 1ZZ. The Company's principal activity is the operation of St Helena Airport.

2 Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

The financial statements are prepared on a going concern basis, under the historic cost convention. After reviewing the Company's forecasts and projections, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

b) Significant Judgements Assumptions and Accounting Estimates

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The principal accounting policies are set out below.

The St Helena Airport Operating Contract entered into between St Helena Government and St Helena Airport Limited sets out the terms of the contractual relationship and respective responsibilities of both parties from October 2018 to May 2026.

Management has made the following judgements and estimates in accordance to the St Helena Airport Operating Contract and also to address areas that the terms do not cover.

1) Financial Reporting Framework

FRS-102 and the 1A small entities reporting exemptions has been selected with the exception that a cash flow statement is required as specified in the agreement.

2) Accounting by the operator as a Service Concession

It has been assumed that the operating agreement should be accounted for as a service concession under FRS-102 section 34.12

3) Revenue Recognition

In accordance to section 12 of the St Helena Airport Operating Contract management have determined the amount due from SHG will be that amount necessary to defray the operating expenditure of SHAL and SHAL will retain all revenues generated through the use of the Airport

c) Accounting convention

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Financial Reporting Standard 102 Section 1A for Small Entities.

d) Revenue and expense recognition

Revenue from sales of goods and services is recognised when the Company delivers the goods or services. Expenditure is recognised when it is incurred, upon delivery of goods or when services are employed. Revenue is measured at fair value of the consideration received or receivable.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

e) Foreign Currency Transactions

St Helena Airport Limited current has a significant number of suppliers that transact in a foreign currency and applied, the provisions of FRS 102:30:7 which states that an entity shall record a foreign currency transaction, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

f) Government Subsidy

Government subsidies are recognised when it is reasonable to expect that the subsidy will be received and that all related conditions will be met, usually on submission of a valid claim for payment. Subsidies of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

g) Tangible Assets

The ownership of the Airport facilities and assets rests with St Helena Government and is accounted for by the Saint Helena Government. Accordingly, there is no recognition of assets associated with the Airport facility in the financial statements of the Company in accordance with FRS102:34:12I. Ownership of the Bremach Fire Trucks actually resides with the Saint Helena Government and not the Company as indicated in the St Helena Airport Operating Agreement dated 16 June 2020.

h) Trade Debtors

Trade debtors are measured at transaction price, less any impairment.

i) Trade Payables

Trade creditors are measured at transaction price.

j) Provisions

Provisions are recognised where there is a present obligation as a result of a past event, it is probable that there will be an outflow of economic benefits to settle this obligation and a reliable estimate of this amount can be made.

k) Pension Arrangements

St Helena Airport Limited currently does not have a pension scheme for its employees, but management is currently exploring the introduction of a pension arrangement.

3 Prior Period Restatement

During the preparation of these financial statements, it was found necessary to restate the financial statements previously published for six months period ended 31 March 2019. The Company signed the St Helena Airport Operating Agreement, which clearly spelled out treatment of transactions, implemented a new accounting package during the financial year which brought to light various accounting errors which are material and it also received additional data that warrant restatement in accordance with the requirements of FRS102:10:19-23.

Adjustment Notes

- 1) Aeronautical Revenue previously reported was overstated as a result of including revenue from fuel charged to privateers as The Company only acts a conduit for the fuel supplier for fuel supplied to privateers.
- 2) Operational expenses were overstated as a result of incorrect classification of costs.
- 3) Administrative expenses were understated due to the incorrect classification of costs to Operational and The Company's expenses incurred with the member were not previously all accounted for.
- 4) Other Operating Income which represents the SHG subsidy was understated as a reflection of previously reported understated total costs.
- 5) The reduced tax liability restatement for the period reflects the revised revenue figure.
- 6) The recognition of stock inherited from Basil Read was not warranted and going forward this will be treated as stock on consignment from the Member in line with concession contracts as the now signed St Helena Airport Operating Contract
- 7) The Creditors and Accruals were understated as a result of the understated expenses for the period.
- 8) The balancing figure in the previous set of accounts is no longer required with the adoption of the aforementioned adjustments.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

3.1 Restatement of Statement of Comprehensive Income

	2019 (6 Months) As previously reported SHP	Adj	Adj Note	2019 Restated (6 Months) SHP
Revenue	139,540	8,705	1	130,835
Operational Expenses	(606,496)	(148,297)	2	(458,199)
Gross (Loss)/Profit	(466,956)			(327,364)
Administrative expenses	(543,136)	165,021	3	(711,758)
Other Operating Income	1,149,632	(16,724)	4	1,169,956
Surplus on ordinary activities before taxation	139,540			130,835
Tax charge for the year	(34,885)	(2,191)	5	(32,694)
Profit for the financial year	104,655			98,141

3.2 Restatement of Statement of Financial Position

	2019 (6 Months) As previously reported SHP	Adj	Adj Note	2019 Restated (6 Months) SHP
Fixed Assets				
Tangible fixed assets	-			-
Current Assets				
Stocks	1	1	6	-
Debtors	242,276	(108,636)		354,512
Cash at bank and in hand	211,067			211,067
	453,344			565,579
Current Liabilities (amounts falling due within one year)				
Creditors and accruals	135,273	(31,871)	7	170,744
Loan owed St Helena Government, the parent Company	250,000			250,000
Provisions for other payables and charges	48,885	2,191	5	46,694
	434,158			467,438
Net current assets	19,186			98,141
Total assets less current liabilities	19,186			98,141
Net assets	19,186			98,141
Capital and Reserves				
Inherited Capital Reserve	(85,469)	(85,469)	8	-
Retained profits/(losses)	104,655			98,141
Total Shareholders' Equity	19,186			98,141



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

4 Turnover

	2020	2019 Restated (6 Months)
	SHP	SHP
Aeronautical Revenue	202,010	130,776
Non-aeronautical Revenue	741	59
	202,751	130,835

5 Operational Expenses

Included all direct costs associated with the running of the Airport

	2020	2019 Restated (6 Months)
	SHP	SHP
Contract Expenses	727,693	260,543
Maintenance Expenses	499,977	197,656
Asset additions, renewals and replacements*	33,877	-
	1,261,547	458,199

*Being assets purchased, renewed, or replaced by the operator on behalf of the owner as part of its maintenance activities.

6 Administrative expenses

Administrative expenses during the year included:

	2020	2019 Restated (6 Months)
	SHP	SHP
Staff Costs	885,147	371,816
Office and other administrative costs	714,927	325,941
Audit	23,700	14,000
	1,623,774	711,758

7 Other Operating Income

Other Income include subsidies from DfID through St Helena Government to support the Company's revenues in light of the current subdued consumer base and the cost of service delivery.

	2020	2019 Restated (6 Months)
	SHP	SHP
SHG Subsidy	2,885,321	1,169,956
Total Other Income	2,885,321	1,169,956



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

8 Company Tax

Company tax represents tax payable on income from Fees and charges. Surplus from the subsidy is not charged tax but retained in accordance with the requirements of the St Helena Airport Operating Contract.

	2020	2019 Restated (6 Months)	Totals Tax Liability
	SHP	SHP	SHP
Tax	50,503	32,694	83,196

9 Average Number of Employees

The average monthly number of employees during the period was as follows:

	2020 No.	2019 No.
Rescue and Fire-Fighting Service (RFFS)	11	10
Security	4	4
Compliance	1	-
Operations	1	-
Communications, Navigation and Surveillance (CNS)	5	2
Administration	5	6
	27	22

10 Stocks

The ex-Basil Read stock held at the Airport is on consignment from the member as SHAL operates a concession contract. Most of the stock is leftover material from the construction phase of the Airport and SHAL as the operator has no prospect of using the stock in its operations.

11 Debtors

Debtors include accrued income and are amounts owed by our customers for goods we have delivered or services we have provided. These balances are valued net of expected irrecoverable debts.

	2020	2019 Restated (6 Months)
	SHP	SHP
Trade Debtors	61,355	54,530
Other Debtors*	574,779	216,374
Prepayments	120,183	85,974
	756,317	356,878
Provision for doubtful debts	(550)	(2,365)
	755,767	354,513
Amounts falling due within one year		
	755,767	354,513
Total Debtors	755,767	354,513

*Includes amount owed by St Helena Government, the parent Company, for payments made by the Company on behalf of St Helena Government.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

12 Creditors and Accruals

Trade and other payables are principally amounts owed to our suppliers. Deferred income represents monies received from customers in advance of the delivery of goods or the performance of services by the Company.

	2020 SHP	2019 Restated (6 Months) SHP
Trade Payables	173,133	156,986
Accruals	16,762	13,758
Tax	32,694	-
Amounts falling due within one year	222,589	170,744
Amounts falling due after more than one year:	-	-
Total Creditors	222,589	170,744

13 Provisions for other payables and charges

	2020 SHP	2019 Restated (6 Months) SHP
Audit Fees	19,500	14,000
Tax	50,503	32,694
	70,003	46,694

14 Financial risk management

The Company faces two main types of financial risk - foreign exchange currency exposure and liquidity risk. Having no debt, the Company's interest rate risk is only limited to bank interest income on bank balances, which is not considered a significant risk.

Foreign exchange risk

The Company bears foreign exchange risk each time materials and supplies are ordered from outside of St Helena. Almost all of the materials and parts used in the operations of the Company are imported from South Africa and the United Kingdom. While imports from UK do not present any exchange risk, those from South Africa do present an exchange risk.

Liquidity risk

The objective of the Company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. While the Company expects to meet its financial obligations through operating cash flows, this ability is currently reliant upon the Government subsidy which the Company receives.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 Related Party Disclosure

Related party activities consist of transactions between St Helena Airport Limited, its Member St Helena Government and other parties which meet the definition of related party. The details of transactions between related parties are disclosed below:

	2020	2019 Restated (6 Months)
1. St Helena Government - Parent	SHP	SHP
Revenue - Direct Subsidy	2,885,321	1,168,782
Loan owed St Helena Government, the parent Company	250,000	250,000
Receivable from St Helena Government, the parent Company	574,779	216,374
2. Connect St Helena Limited		
Expense	353,615	119,704
Closing Balance due to Connect St Helena	57,254	58,487
3. Solomon and Company (St Helena) Plc		
Expense	232,464	98,492
Closing Balance due to Solomon and Company (St Helena) Plc	1,415	15,036

16 Subsequent Events

The World Health Organisation (WHO) declared COVID-19 a pandemic on the 11th of March 2020. This resulted in the last regular commercial flight occurring on the 21st of March 2020. This service has not resumed to date with infrequent repatriation flights being used as a means to travel to and from the island. This has significantly reduced the number of flights arriving on island post year end with a material impact on revenue and operating profit. Revenue is expected to reduce by an estimated 75% in the 2020/21 year as a result.

