



**DIRECTOR'S REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2021**

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COMPANY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2021

| | |
|---------------------------------|---|
| COMPANY NUMBER | 181 |
| COUNTRY OF INCORPORATION | St Helena |
| INCORPORATED AS | Limited by Guarantee |
| DIRECTORS | Bruce Wilks Peter Patrickson Carolyn Thomas 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 |



DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report and the audited financial statements of the company for the year ended 31 March 2021.

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 |
| Carolyn Thomas- NED Risk and Governance | Appointed Aug 2020 |
| 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 |

*Appointed Chairperson Dec 2019

*Executive Director

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).

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.

BUSINESS REVIEW

A. STRATEGY

The Company continues to focus on being 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 Company 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.
- Maintain and improve Level 1 Airport Carbon Accreditation.



DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

B. COVID-19

The COVID-19 pandemic has remained the single biggest challenge the aviation industry has faced with passenger volumes reducing to near zero as countries and borders have restricted the movement of people. St Helena Airport has also experienced similar challenges faced in the industry and during the year under review witnessed significant reductions in traffic.

With the strategic goals listed above and Covid-19 pandemic in mind SHAL will continue to work closely with the St Helena Government to ensure that we maintain air access availability and capability. SHAL will continue to introduce and maintain a range of control measures and new operating processes throughout our airports operation to mitigate the risk of infection and transmission of Covid-19.

C. REGULATORY ENVIRONMENT

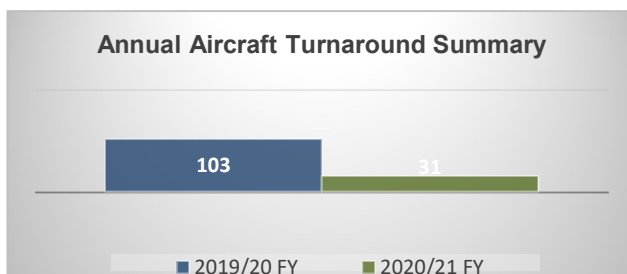
The Company continues to work closely with Air Safety Support International (ASSI), St Helena's civil aviation regulator. Due to the Covid-19 pandemic and related travel restrictions numerous onsite audits and inspections that were scheduled for the period under review have either been rescheduled or undertaken remotely. SHAL continues to maintain compliance with all the laws and regulations govern the operations of the airport. 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

D. FINANCIAL PERFORMANCE

SHAL's principal source of income remains the SHG Subsidy which covers all its operational expenses. In the year under review the subsidy received was £2,906,505 and internally generated revenue was £66,287. The subsidy received represents a 11.47% saving on the projected subsidy figure of £3,283,054 for the period. The major factors for this positive variance were the limited number of flights to the island which meant that service providers who would normally come onto the Island did not come during the year. Secondly, despite the initial procurement challenges brought on by the Covid-19 pandemic, SHAL has been proactive in developing procurement relationships and avenues that have resulted in reduced procurement costs for goods supplied to the organisation.



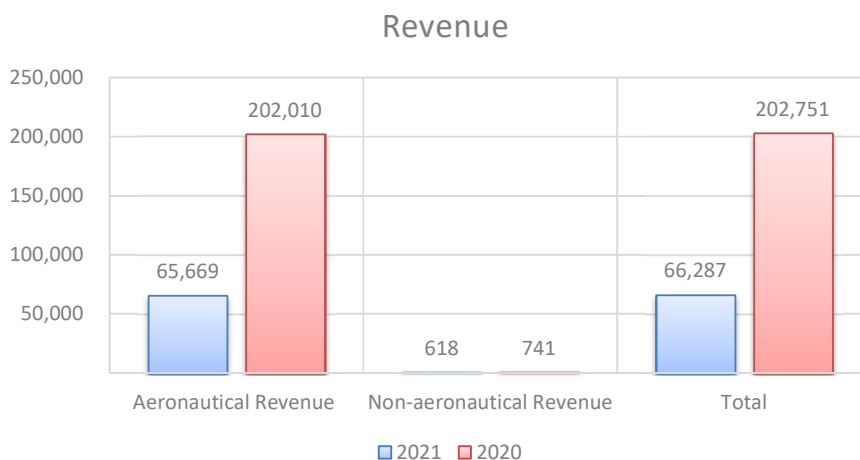
The total aircraft turnarounds for the year dropped from 103 to 31 year on year. This is a clear indicator of the operational challenges brought on by the Covid-19 pandemic. The 70% decline in aircraft movements has also



DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

translated to the massive drop in our aeronautical revenue and non-aeronautical revenues which fell from £202,751 to £66,287.



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 05 November 2021 and was signed on its behalf by:



Bruce Wilks - Chairperson



DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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.

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 05 November 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 2021

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 2021, 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 2021, 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 Matters

1. Significant judgements and assumptions applied by management

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.

2. Material uncertainty related to going concern

We draw attention to note 16 in the financial statements which indicates that the Company is dependent on recurrent funding from the Saint Helena Government (SHG) to maintain the continued operations of the Company. Whilst there is an operating agreement between SHG and the Company to provide financial support, the level of financial support for the year ending 31 March 2023 has yet to be finalised. In the absence of sufficient financial support, the Company would not be in a position to meet its liabilities as they



INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2021

become due without a significant curtailment of services. As stated in note 16 these circumstances indicate that a material uncertainty exists which may cast doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of these two matters.

Other Information

Management is responsible for the other information. The other information comprises the 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.

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.



INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021

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.



Brendon Hunt
Acting Chief Auditor
Audit St Helena
First Floor, New Porteous House,
Jamestown, St Helena, STHL 1ZZ
08 November 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.



FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

| | 2021 SHP | 2020 SHP | Notes |
|---|--------------------|--------------------|-------------------|
| Revenue | 66,287 | 202,751 | 3 |
| Operational Expenses | (1,244,354) | (1,261,547) | 4 |
| Gross Loss | (1,178,067) | (1,058,796) | |
| Administrative expenses | (1,662,151) | (1,623,774) | 5 |
| Other Operating Income | 2,906,505 | 2,885,321 | 6 |
| Surplus on ordinary activities before taxation | 66,287 | 202,751 | |
| Tax charge for the year | (16,417) | (50,503) | 7 |
| Profit for the financial year | 49,870 | 152,249 | |

The accounting policies and notes on pages 15 to 19 form part of these financial statements



STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

| | 2021 SHP | 2020 SHP | Notes |
|--|----------------|----------------|---------------------|
| Fixed Assets | | | |
| Tangible fixed assets | - | - | 2.g |
| | - | - | |
| Current Assets | | | |
| Debtors | 248,103 | 755,766 | 10 |
| Cash at bank and in hand | 348,745 | 37,214 | |
| | 596,848 | 792,980 | |
| Current Liabilities (amounts falling due within one year) | | | |
| Creditors and accruals | 277,089 | 222,588 | 11 |
| Loan owed Saint Helena Government, the ultimate parent Company | - | 250,000 | 14 |
| Provisions for other payables and charges | 19,500 | 70,003 | 12 |
| | 296,589 | 542,591 | |
| Net current assets | 300,259 | 250,389 | |
| Total assets less current liabilities | 300,259 | 250,389 | |
| Net assets | 300,259 | 250,389 | |
| Capital and Reserves | | | |
| Retained Earnings Reserves | 300,259 | 250,389 | 15 |
| Total Shareholders' Equity | 300,259 | 250,389 | |

The Financial Statements were approved by the Board of Directors on 05 November 2021 and were signed on its behalf by:



Bruce Wilks – Chairperson



Gwyneth Howell- Director & CEO

The accounting policies and notes on pages 15 to 19 form part of these financial statements



STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2021

| | 2021 SHP | 2020 SHP | Notes |
|--|------------------|------------------|--------------------|
| Operating Profit for the year | 49,870 | 152,249 | |
| Adjustments to reconcile profit for the year to net cash flow from operating activities: | | | |
| (Increase)/Decrease in Debtors | 507,664 | (401,254) | |
| Increase/(Decrease) in Creditors and Accruals | 54,500 | 51,844 | |
| Increase/(Decrease) in provisions | (50,503) | 23,309 | |
| Net cash flows from operating activities | 561,531 | (173,853) | |
| Cash flows from investing activities | | | |
| Net cash used in investing activities | - | - | |
| Cash flows from financing activities | | | |
| SHG Loan Repaid | (250,000) | - | 15 |
| Net cash used in financing activities | (250,000) | - | |
| Net increase (decrease) in cash and cash equivalents | 311,531 | (173,853) | |
| Cash and cash equivalents at the beginning of year | 37,214 | 211,067 | |
| Cash and cash equivalents at end of year | 348,745 | 37,214 | |

The accounting policies and notes on pages 15 to 19 form part of these financial statements



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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

These financial statements, have been prepared on the historical cost basis in accordance with the Financial Reporting Standards (FRS 102).

b. Going Concern

The Financial Statements are prepared on a going concern basis after reviewing the company's forecasts and projections. However, in doing so the Directors are aware of the condition which give rise to the material uncertainty as disclosed in note 16.

c. 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 with 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 with 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

d. 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.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

e. **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.

f. **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.

g. **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.

h. **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.

i. **Trade Debtors**

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

j. **Trade Payables**

Trade creditors are measured at transaction price.

k. **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.

l. **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 **Turnover**

| | 2021 SHP | 2020 SHP |
|--------------------------|---------------|----------------|
| Aeronautical Revenue | 65,669 | 202,010 |
| Non-aeronautical Revenue | 618 | 741 |
| | 66,287 | 202,751 |

4 **Operational Expenses**

Included all direct costs associated with the running of the Airport

| | 2021 SHP | 2020 SHP |
|--|------------------|------------------|
| Contract Expenses | 472,743 | 727,693 |
| Maintenance Expenses | 570,326 | 499,977 |
| Asset additions, renewals, and replacements* | 201,285 | 33,877 |
| | 1,244,354 | 1,261,547 |

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



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

5 Administrative expenses

Administrative expenses during the year included:

| | 2021 SHP | 2020 SHP |
|---------------------------------------|------------------|------------------|
| Staff Costs | 903,550 | 885,147 |
| Office and other administrative costs | 737,900 | 714,927 |
| Audit | 20,700 | 23,700 |
| | 1,662,151 | 1,623,774 |

6 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.

| | 2021 SHP | 2020 SHP |
|---------------------------|------------------|------------------|
| SHG Subsidy | 2,906,505 | 2,885,321 |
| Total Other Income | 2,906,505 | 2,885,321 |

7 Taxation

Company tax represents tax payable on income from Fees and charges. Surplus from the subsidy is not charged tax.

| | 2021 SHP | 2020 SHP |
|-----|-------------|-------------|
| Tax | 16,417 | 50,503 |

8 Average Number of Employees

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

| | 2021 No. | 2020 No. |
|---|-------------|-------------|
| Administration | 5 | 5 |
| Apprentices | 1 | - |
| Communications, Navigation and Surveillance (CNS) | 5 | 5 |
| Compliance | 1 | 1 |
| Operations | 1 | 1 |
| Rescue and Fire-Fighting Service (RFFS) | 11 | 11 |
| Security | 4 | 4 |
| | 28 | 27 |

9 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.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

10 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.

| | 2021 SHP | 2020 SHP |
|-------------------------------------|----------------|----------------|
| Trade Debtors | 24,458 | 61,355 |
| Other Debtors* | 68,873 | 574,779 |
| Prepayments | 154,771 | 120,183 |
| | 248,103 | 756,317 |
| Provision for doubtful debts | - | (550) |
| Amounts falling due within one year | 248,103 | 755,767 |
| Total Debtors | 248,103 | 755,767 |

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

11 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.

| | 2021 SHP | 2020 SHP |
|---|----------------|----------------|
| Trade Payables | 192,665 | 173,133 |
| Accruals | 20,529 | 16,762 |
| Tax | 63,895 | 32,694 |
| Amounts falling due within one year | 277,089 | 222,589 |
| Amounts falling due after more than one year: | | |
| Total Creditors | 277,089 | 222,589 |

12 Provisions for other payables and charges

| | Audit Fees SHP | Tax SHP | Total SHP |
|---------------------------------------|-------------------|------------|--------------|
| Balance at 1 April 2020 | 19,500 | 50,503 | 70,003 |
| Additions for the period | 19,500 | | 19,500 |
| Amounts Charged against the provision | (19,500) | (50,503) | (70,003) |
| Balance at 31 March 2021 | 19,500 | - | 19,500 |

13 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.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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.

14 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:

| | 2021 SHP | 2020 SHP |
|--|-------------|-------------|
| 1. St Helena Government-Parent | | |
| Revenue - Direct Subsidy | 2,906,505 | 2,885,321 |
| Loan owed St Helena Government, the parent Company | - | 250,000 |
| Receivable from St Helena Government, the parent Company | 68,873 | 574,779 |
| 2. Connect St Helena Limited | | |
| Expense | 221,924 | 353,615 |
| Closing Balance due to Connect St Helena | 60,297 | 57,254 |
| 3. Solomon and Company (St Helena) Plc | | |
| Expense | 74,407 | 232,464 |
| Closing Balance due to Solomon and Company (St Helena) Plc | 1,017 | 1,415 |

4. Key Management Personal Compensation

For the purpose of this report, Key Management Personnel are members of the leadership team who have the authority and responsibility for planning, directing, and controlling the activities of the consolidated entity of SHAL either directly or indirectly. They include all Directors of the Board (executive and non-executive) and Senior Management Staff.

The total compensation for Key Management Personal in the year was £ 383,961 (2020: £389,601)

15 Retained Earnings Reserves

| | SHP |
|-----------------------------|---------|
| Balance as at 31 March 2020 | 250,389 |
| Profit for the year | 49,870 |
| Balance as at 31 March 2021 | 300,259 |

16 Going Concern Disclosure

The financial statements have been prepared on a going concern basis, which assumes that SHAL has adequate resources to continue operational existence for the foreseeable future.

The St Helena Government has a responsibility to provide funding to support the ongoing operations and maintenance of the airport by SHAL in accordance with the SHG and SHAL signed operating agreement. The level of support for the financial year ending 31 March 2023 is yet to be formally received from SHG. Until such a time the letter of support has been received and level of funding confirmed for the 2022/23 financial year, there remains a level of material uncertainty over future funding.

