

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

6. Other Information

6.1 CURRENT/NON-CURRENT DISTINCTION FOR ASSETS AND LIABILITIES

	2021 \$'000	2020 \$'000
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	791,556	517,808
Trade and other receivables	66,725	32,743
Prepayments	13,919	8,377
Inventories	2,127	2,091
Assets held for sale	45	445
Other current assets	100	4,024
Total no more than 12 months	874,472	565,488
More than 12 months		
Prepayments	18,828	27,876
Property, plant and equipment	882,750	957,855
Intangible assets	76,084	87,373
Assets under construction	624,176	501,036
Deferred tax assets	15,794	15,743
Defined benefit fund asset	185,600	143,538
Other non-current financial assets	8,738	13,345
Total more than 12 months	1,811,970	1,746,766
Total assets	2,686,442	2,312,254
Liabilities expected to be settled in:		
No more than 12 months		
Trade and other payables	107,045	121,495
Employee provisions	203,271	195,547
Income tax payable	155,927	816
Other provisions	26,040	27,900
Borrowings	134,855	479,593
Other current financial liabilities	1,895	1,739
Other current liabilities	13,445	13,596
Total no more than 12 months	642,478	840,686
More than 12 months		
Employee provisions	38,425	45,196
Other provisions	79,493	77,082
Borrowings	922,245	671,599
Other non-current financial liabilities	17,481	19,105
Other non-current liabilities	125,948	161,880
Total more than 12 months	1,183,592	974,862
Total liabilities	1,826,070	1,815,548

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6.2 REMUNERATION OF AUDITORS

	2021 \$'000	2020 \$'000
Remuneration of auditors		
Auditing services provided by the Australian National Audit Office	341,000	341,000

6.3 MONIES HELD ON BEHALF OF THIRD PARTIES

Airservices has been contracted by the Solomon Islands Civil Aviation Authority and the Republic of Nauru to provide airspace management and accounts receivable services. The contracts require Airservices to retain cash received and to remit funds at a later date to the Solomon Islands and Nauru Governments, as required under the respective agreements. At balance date, the money held on behalf of third parties totalled \$0.4m (2020: \$0.3m) for the Solomon Islands and \$0.03m (2020: \$0.6m) for Nauru.

6.4 EVENTS AFTER THE REPORTING DATE

Airservices is undertaking a Retirement Incentive Scheme (RIS) for employees in our Air Traffic Control and Aviation Rescue Fire Fighting workforces, who are expected (based on historical retirement ages) to retire before 2024-2025. The RIS provides an incentive for employees to bring forward their retirement while air traffic is at reduced levels and enables Airservices to employ, train and develop new people to replace those who have retired before air traffic returns to pre-pandemic levels.

On 8 July 2021, Airservices obtained a Class Ruling (CR 2021/43) from the Australian Tax Office. This Ruling permits concessional tax treatment of RIS incentive payments for eligible Airservices employees. Retirements under the scheme are expected to be finalized before 30 June 2022.

As part of the October 2020 Federal Budget, a new legislation *Your Future Your Super Act 2021* (YFYS), came into effect from 1 July 2021. Under the YFYS reforms, the Australian Prudential Regulation Authority (APRA) is required to conduct an annual performance test for MySuper products. On 31 August 2021, APRA published a list of thirteen funds that failed this inaugural performance test, including AvSuper's Growth (MySuper) option product. The result of this test does not affect the valuation of the AvSuper Defined Benefit fund obligation as at 30 June 2021 (refer to Note 4.2 Defined benefit fund asset). However, as Principal Employer for the AvSuper fund and as the employer of a significant portion of AvSuper's membership, Airservices has engaged with AvSuper on this legislative change and is working with AvSuper to understand how this may impact AvSuper's strategy going forward.