





Bula! Welcome to our Fiji Airports 2022 Annual Report: Fiji Airports – What a Rebound!

This report provides an insight into a year of recovery, travel rebound, resilience and adaptation for Fiji Airports as we worked through a post COVID recovery.



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Letter to the Prime Minister

1st August, 2024

Office of the Prime Minister, Public Enterprises, Civil Service, Foreign Affairs 4th Floor, New Government Buildings
Suva, Fiji

Dear Honourable Prime Minister,

Fiji Airports Annual Report 2022

On behalf of Fiji Airports (FA) Board of Directors, I am pleased to present the Company's 2022 Annual Report in accordance with Section 58 of the Public Enterprise Act 2019.

This report encompasses the Company's operational accomplishments and audited financial statements for the year ending 2022. Although the challenges of COVID are now largely in the past, 2022 has been a year marked by recovery, displaying positive trends as traffic gradually rebounded, albeit still below the levels seen in 2019. With the majority of markets reopened, aside from Asia, there has been notable strength in traffic, particularly from Australia, New Zealand, and the USA. The decision by Fiji Airways to commence service to Vancouver in November 2022 underscores their confidence in the North American market, and we are committed to working closely with them to ensure the success of this new route.

Despite the encouraging signs of recovery, Fiji Airports proceeded with caution, ensuring a prudent approach during this transitional period. The years 2020 and 2021 presented significant challenges to Fiji Airports, both financially and operationally. Notably, amidst these challenges, Fiji Airports achieved a significant milestone with the completion of the Nausori Runway, financed internally. Furthermore, in 2022 our Air Traffic Management division successfully transitioned to 'Surveillance' monitoring of the Nadi Flight Information Region (FIR), a milestone a year in the making.

In 2022, Fiji Airports recorded a net profit of \$32,029,855 after taking into account an income tax expense of \$3,829,075. In comparison, in 2021 we made a net loss of \$3,760,218 after taking into account a tax benefit of \$10,338,824. In 2019, Fiji Airports recorded a net profit of \$65,163,300 after taking into account a tax expense of \$15,609,870.

Our ongoing focus is to support the recovery of the aviation industry and make a positive contribution to the economy, community, and environment in Fiji. As travel resumes, we are committed to fulfilling our purpose of supporting the recovery of the tourism industry.

Yours sincerely,

Hasmukh Patel Chairman

2022 Key Numbers

Difference (\$)	Difference (%)	2022	2021		
Total International Arrival & Departure Passenger Movements					
1.5 million	1888%	1.6 million	81 thousand		
Total Aircraft Movement (Tonnes)					
0.6 million	198%	0.9 million	0.3 million		
Total Revenue					
\$72.6 million	238%	\$103.0 million	\$30.4 million		
Total Expenditure					
\$22.6 million	51%	\$67.2 million	\$44.5 million		
Shareholders Fund					
3.8 million	1%	\$450.3 million	\$446.5 million		
Return on Shareholders fund before Social Obligation		6.6% (2022)	0.51% (2021)		

Management Report

Fiji Airports is committed to creating a seamless, stress-free, and luxurious experience at every touchpoint on its customer journey as the travelling public rediscovers air travel.



Cola vina riki! Greetings from the Fiji Airports family!

When Fiji re-opened its international borders in December 2021, our staff and stakeholders at Nadi International Airport worked hard to attract travellers back. It was essential that we upgrade our services and facilities to deliver a fresh, appealing, and seamless travel experience.

The Bula vibe at Nadi International Airport created a calm and safe space for travellers rediscovering air travel. 2022 was a significant year for Fiji Airports and the aviation industry in general.

We are pleased to present our 2022 Annual Report: FIJI AIRPORTS – WHAT A REBOUND! It has been a long time coming, as the pandemic changed not only Fiji Airports but the global aviation industry.

Fiji Airport's performance in 2022 is a remarkable achievement and an inspiring comeback story, considering the challenges of the last two years. Fiji Airports is committed to creating a seamless, stressfree, and luxurious experience at every touchpoint on its customer journey as the travelling public rediscovers air travel.

Like our visitors, Fiji Airports is on its own journey, one that has been planned, anticipated, rescheduled, and is now underway once again. At the heart of this journey, is our work to transform how our customers experience Nadi International Airport and our 14 outer station airports – everyone from travellers to airlines to our industry partners, and the airport community in general.

Nadi International Airport welcomed 1.61 million international passengers and 731 thousand domestic passengers in 2022, and we anticipate our passenger numbers to grow in 2023 with additional airlines and routes joining the schedule. While we expected a full recovery and rebound, we are unlikely to reach the pre-COVID levels of 2019; however, we are confident that this gap is closing.

In August, we were pleased to welcome Rowan Chalmers to Fiji Airports as Chief Executive and Fiji Airports acknowledge Amit Singh, General Manager Air Traffic Management and Operations, Isei Tudreu for holding the fort as acting CEO while we navigated through the waves of rebound.

Rowan steered the organisation through the reopening of the border, the recovery of international and domestic travel and the restart of our infrastructure development program.

We started the year with a long list of challenges and ended with a renewed focus on the future. In the first six months, we experienced Fiji's extended lockdown, border closures and the community outbreak of a new COVID-19 variant, halting the recovery and impacted our ability to restart aeronautical infrastructure projects.

In the second half of the year, the gradual easing of border restrictions brought international travel back from countries with low-risk statuses. Our recovery in 2022 also gave us an insight into business and operations for the future with a strong sustainable airport.

A major challenge and opportunity for Fiji Airports is the redevelopment of the infrastructure supporting domestic travel. The current domestic terminal, built more than 50 years ago, is nearing its end-of-life. While we have continued to invest in the facility to accommodate growth in travel, the needs of travellers, and changes in security and baggage requirements, we now face the need for a generational reinvestment to position Fiji Airports for the future.

Our master plan includes expanding our international operation to create a combined domestic and international jet terminal – a pathway that will position Fiji Airports in the long run. We are currently consulting with our airline customers about development of the new facility, along with the upgrade of associated baggage systems and other airside and landside systems and infrastructure.

Capital enabling works are already underway to support this development.

At Fiji Airports, we also want to lead the way with a highly engaged workforce which reflects the diversity of our community. The first half of the 2022 financial year was all about managing through lockdowns and border closures, but with the return of travel in the second half of the year, we revitalised projects and are starting to rebuild the team to ensure we are well-positioned for the ongoing recovery.

All of our new roles are activity-driven to ensure we're taking a prudent approach and aligning closely with the recovery of aviation and our infrastructure programme. We are also focused on the roles that are critical to the continued safe and secure operation of the airport, maintaining experienced teams and numbers.

The pandemic transformed the way people live and work, including for many at Fiji Airports. With our people split across different sites and the introduction of lockdowns and work bubbles to protect our key operations teams, the way our people work and collaborate together has evolved and changed over the past two years.

For two years our front-line employees have grappled with an ever-changing environment, including working through the rise of the Covid-19 Delta and Omicron variants. We have continued to respond quickly with new health, safety, and wellbeing protocols to protect our employees, particularly front-line and specialist emergency workers who are key to keeping the airport running safely.

Fiji Airports have big ambitions focusing on building strong partnerships within our airport ecosystem to ensure a strong and sustainable future for our customers, staff, investors, our community, and Fiji. As we look to the future with hope for a full recovery to prepandemic levels in the 2023–2024 calendar year, we are hopeful of a stronger recovery, yet our outlook remains conservative.

After another challenging year, we are especially thankful to our capable and passionate employees who continue to make your journeys possible at our airports.

To our customers, we know the restart of travel hasn't been perfect. Thank you for your patience and support as we have ramped up activities alongside airlines and our aviation partners. We would also like to take this opportunity to thank our investors for continuing to support Fiji Airports despite the difficulties we have faced in recent years, along with the Board for their unwavering commitment and support. As the recovery continues, we look forward to leading us into a new year!

Vina du riki!

Management of Fiji Airports

Operational Review

Through a year of highs and lows, Fiji Airports has remained resilient and in good spirits. Our investment in strong airline relationships and industry partners has continued, and we are well positioned for a return to growth.

Fiji Airports has continued working closely with government agencies, airlines and other airports to weather the challenges of COVID-19, respond to health and safety needs, and implement changes to the Government's Alert Level and Traffic Light response systems.

Our relationships with airlines, other airports, industry partners and government departments have never been stronger as we have worked together to come up with solutions to the tremendous challenges presented by the global pandemic.

While international travel has reopened, some temporary challenges remain. These include ensuring the resilience of not only Fiji Airports staff during COVID-19 outbreaks and isolation requirements but the many other agencies on-site at the airport who collectively make air travel possible. We have worked with our airport and terminal stakeholders to discuss resilience plans under worst case scenarios.

Even under best-case scenarios, scaling up resources to meet the demands of increased travel is challenging and we are working hard to limit any impacts on passengers. We also worked with government agencies to ensure these processes are streamlined as much as possible and to advocate for these to remain in place only for as long as they offer health benefits to protect travellers.

Our staff have worked extremely hard to understand and meet all regulatory requirements in a constantly changing environment. This has meant participation in government working groups at operational levels, maintaining strict levels of cleanliness, hygiene and mask use, meeting vaccination mandates, and clearly communicating rule changes to customers and Airport stakeholders.

As the pandemic continued to evolve, we were ready to implement any further changes that came our way with hope for a return to near-normality and a more stable operating environment in the year to come.

Nadi International Airport is Fiji's main international airport. It's the airport that most travellers will arrive in when flying from overseas to Fiji.

Facilities at Nadi International Airport:

Luggage storage

Airport Iounge Car park Free Wifi Retail outlets

Duty-free retail



Cafes & restaurants

Lost & found

Banking services & ATMs Currency exchange bureau Airport information desk

Fiji Airways contracted to manage Fiji Airports Operations

Fiji Airways, Fiji's national airline had been selected for a management contract to run the operations of Fiji Airports Limited. Through this agreement, Fiji Airways provided strategic leadership and manages the airport ecosystem under the policies and guidance of Fiji Airports Board of Directors and its shareholders.



The core task of an airport is the provision of necessary infrastructure required for aircraft operations, the management of terminals, ensuring the provision of efficient ground handling, cargo services, air traffic management, and compliance with all regulatory, safety, and security legislation.

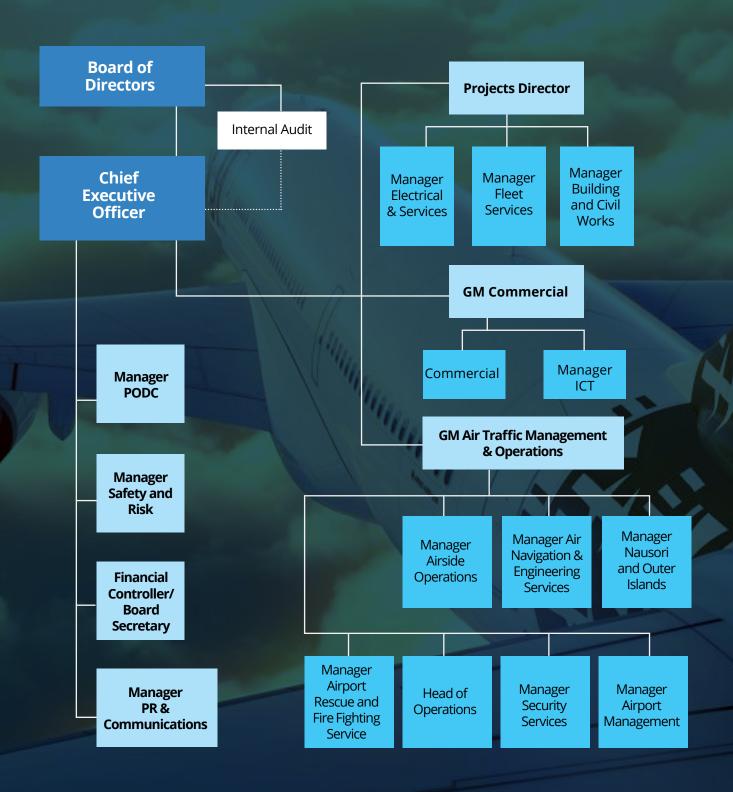
It should also deliver a pleasant and welcoming quality customer experience, engaging retail, and food and beverage services, along with a safe and secure environment for workers and travellers including baggage processing and check-in services.

The addition of Fiji Airways expertise to the Fiji Airports team unites these organisations to work as one, for the benefit of the whole country and at the same time creates a myriad of new opportunities for the Fiji Airports team. Ensuring that Fiji Airports is well positioned to

recover from the recent shocks to the aviation industry and prosper in a new operating environment will help support the employment, retention, and development of its staff. Much of the work undertaken by Fiji Airports is technically complex and creating more of these skilled roles is important as it has multiplier effects on the economy.

This new direction will ensure that infrastructure improvements are made across the group with new facilities to enhance the traveller experience to be built at outer island airports (Savusavu, Taveuni, Labasa), Suva Nausori and Nadi International Airport in the coming years. At the same time, we will create new and closer collaboration with various stakeholders across Fijian aviation to create a common purpose and vision for all involved in Fijian aviation.

Organisation Structure



About Fiji Airports

If 2022 has taught us anything, it is that despite having a well-designed and thought-out strategic business plan and sound mitigations to protect our organisation against any major crisis, nothing could have fully prepared us for the disruption that COVID-19 would cause to our business and our workforce.

The second wave of the pandemic continued to halt air travel as countries continued to look at border closures as a blanket primary pandemic response. Air passenger traffic took an immediate hit, but regardless of traffic slowing down, Fiji Airports still had important work to do.

Nadi International Airport is Fiji Airport's pride! It is also the gateway and a hub that has enabled the movement of almost a million passengers per year (pre COVID-19), executing its business vision of globally connecting the World to Fiji and her people.

It is the eyes and ears of civil aviation in Fiji and the guiding light for over 100,000 aircraft that pass through its international Flight Information Region (FIR) each year. Fiji's economy benefits from the access it provides to over 2 million passengers yearly and its services reflect the very best in worldwide travel.

Nadi International Airport welcomes more than 2.1 million international passengers and close to 300,000 domestic passengers annually. It also handles over 1.3 million tons of freight, services 20 airlines and connects



Fiji to 15 cities, internationally. Nadi International Airport also provides an international standard shopping and dining experience for both International and Domestic travellers.

Fiji Airports is a fully owned Government Commercial Company established on 12 April 1999 under the Public Enterprise Act, 1996. It operates 15 airports in the Fiji Islands including Nadi and Nausori International airports, and 13 other domestic airports which are located on islands scattered over Fiji's maritime zone. Fiji Airports also provides Air Traffic Management (ATM) services within the Nadi Flight Information Region (Nadi FIR) which includes the sovereign air spaces of Tuvalu, New Caledonia, Kiribati and Vanuatu. Airports Fiji Limited (AFL) headquarters is located at the AFL compound in Namaka, Nadi.



Our Customers and Partners

Our customers and partners include our employees, passengers, airlines, aviation regulators, the aviation and tourism industry, the general public, tenants, service suppliers, transport operators, and government agencies. Fiji Airports works collaboratively with all industry partners and government agencies in support of government policies focused on economic, regional and tourism recovery, border control efficiency, Covid-19 safe measures and aviation security and safety regulations.



Our Vision

Connecting the World to Fiji and her people!

Our Key Strategic Objectives

- Growing passenger numbers and enhancing the passenger experience,
- Identifying the best people for the job, building capacity through a growth mindset,
- Driving value for money infrastructure investments,
- Building stronger partner and supplier relationships, and
- Future proofing driven master planning and its implementation.

Behavioural Traits

- Driven and passionate
- Clarity of understanding
- Action, solution and growth mindset
- Knowing and embracing our business
- Loyalty
- Team player mentality
- Responsive, agile, and adaptive to change
- Attention to detail
- Ability to identify gaps, risks and close out problems
- Dynamic, challenging, and open minded
- Positive energy
- Analytical skills, lateral and critical thinking
- Professional in all aspects of work
- Objective, factual and fair
- Customer focused
- Tenacity and persistence to achieve goals
- Strong sense of ownership
- Commercial acumen
- Integrity and truth in all matters





Our Values

Our core values – S T E E R towards;

- Safety, Security & Sustainability
- Teamwork & Delivery
- Effective Communication
- Excellence in Service –
 Enhancing Customer Satisfaction
- Resilience in our People & Infrastructure

Our People

Entirely owned by the Fijian Government, Fiji Airports operates under the Public Enterprise Act of 1996. It reports to the Minister for Public Enterprises regarding commercial performance and to the Minister for Civil Aviation.

The Board of Directors oversees the company's strategic direction and governance. Board members are appointed by the Fijian government. The Management Team, led by a CEO and a team of executives, is responsible for managing the day-to-day operations of the company.

Fiji Airports' core businesses are:

- Airport Operations: Owning, managing, and maintaining 15 airports across Fiji, including Nadi International Airport (the main interna tional gateway) and Nausori International Airport.
- Air Traffic Management (ATM) Services:
 Providing air traffic control services within the Nadi Flight Information Region (FIR), covering Fiji's airspace and parts of neighbouring countries.

Airport Landside Operations and Customer Service

Fiji Airports manages Nadi International Airport, the main international airport in Fiji. Its Landside Operations and Customer Service department is responsible for ensuring a smooth and positive experience for passengers arriving, departing, or transiting through the airport terminal.

Here are some of the functions the Landside Operations and Customer Service department might be responsible for:

- Passenger Meet & Greet Assisting arriving and departing passengers with information and directions.
- Baggage Handling Ensuring smooth baggage flow from check-in to baggage claim.
- Lost and Found Dealing with lost and found items within the terminal building.
- Terminal Cleaning and Maintenance -Maintaining a clean and comfortable environment within the terminal.
- Retail and Concession Management Overseeing concessionaires and ensuring a
 positive customer experience with shops
 and restaurants.
- Passenger Assistance Providing assistance to passengers with disabilities, families with young children, or those requiring special needs.
- Security Screening While overall security falls under a separate department, landside operations might be involved in coordinating passenger flow for security checks.
- Information Desks Providing information and answering passenger inquiries about the airport, flights, and local services.







Aviation Security Services



The Nadi and Nausori airports are classified as Security Airports, manned by Airport Security 24/7 under Annex 17, Chapter 3.2. According to 3.2.1, each Contracting State shall require each airport serving civil aviation to establish, implement and maintain a written airport security programme appropriate to meet the requirements of the national civil aviation security program.



Each airport is equipped with certified security equipment which is audited annually by internal and external auditors. The functions and duties of security officers are clearly highlighted in the Civil Aviation (Security) Act 1994, Part 4, subsection 23. No Significant Security Concern (SSeC) has been raised for Fiji, thanks to the performance and implementation of measures by Fiji Airports.

Air Traffic Management Operations



In April 2021, Fiji Airports commissioned the new Aurora Air Traffic Management (ATM) System based at the Nadi Air Traffic Management Centre. The new Aurora System integrates Oceanic, Approach, and Tower Control capabilities and includes a new ATC Simulator to train air traffic controllers in an ADS-B surveillance environment.

This system integrates industry-leading procedural airspace management with the functionalities and tools needed to manage traffic in a surveillance environment and is without equal in the industry in terms of its capability to manage mixed airspaces, ease of use, and ability to improve the efficiency of the airspace. The system upgrade modernises our ATM system

and provides air traffic controllers with the latest ATM technology including electronic flight strips, advanced flight and surveillance data processing and training capabilities.

It is one of the world's best ATM systems for managing procedural control in Oceanic Airspace integrated with the capabilities and tools needed to manage traffic in the domestic environment. This approach allows for optimal fuel-efficient routing in the procedural environment with reduced separation minima for airspace efficiency and gives controllers the tools they need to provide ADS-B based surveillance in enroute and approach phases of flight.

In October 2022, Fiji Airports introduced Surveillance Control using ADS-B technology in the Fiji Domestic Airspace, becoming the first in the world to transition from Procedural Control to Surveillance Control without RADAR. Fiji has also successfully implemented the ICAO (International Civil Aviation Organization) Global Reporting Format (GRF) for our two international airports Nadi and Nausori in November 2021. This implementation involved careful trials with international partners, documentation, equipment, and training required for the staff to ensure competency and regulatory compliance.

New projects and initiatives in Air Traffic Management (ATM) include the transition from Aeronautical

Information Service (AIS) to Aeronautical Information Management (AIM), introduction of Remote Tower Technology, and implementation of System Wide Information Management (SWIM).

The Fiji Airports Air Traffic Management team is breaking barriers in gender representation with 40% female representation in a traditionally male-dominated workforce.

Fiji Airports is committed to providing state of the art ATM equipment and services that guarantee operational safety and efficiency. Our new ATM system, commissioned in 2020, is amongst one of the most advanced systems in the world.

Training Report 2022 – Fiji Airports Aviation Academy

The Academy conducted/facilitated a total of 187 training sessions with a total of 1406 personnel in 2022. Of these, 13 training sessions were fully approved with 2 requiring a Restricted Aviation Training Certification. The rest of the training sessions were refreshers, remedials and awareness sessions, a requirement for compliance and capacity building.

Some highlights/milestones for 2022, as follows:







Aeronautical Business

Fiji Airports revenue depends on passenger and aircraft movements. COVID-19 has impacted the tourism industry of Fiji and our business with the cessation of tourism in Fiji for the past 20 months. This impact has been particularly severe since April 2021 when COVID-19 community transmission in Fiji resulted in the further suspension of international passenger flights as well as domestic interisland flights. Fiji's international borders reopened to Australia and USA on 01 December, and we have welcomed the return of international tourists to our airports. This return brings in much needed revenue yet also incurs increased expenses associated with our operations. When passenger numbers do not exceed 30% of our pre-COVID movements, we continue to degrade our cash position over time. There has been gradual relaxation of COVID-19 related restrictions based on vaccination rates.







Air Navigation Engineering Services (ANES)

ANES at Fiji Airport are responsible for tasks related to:

- Maintaining and troubleshooting ground-based navigation equipment: This includes systems like Instrument Landing Systems (ILS), Very High-Frequency Omnirange (VOR), and Distance Measuring Equipment (DME), which are crucial for guiding aircraft during landing and takeoff.
- Calibrating and ensuring the accuracy of navigation aids: Regular calibration ensures these systems provide precise information to pilots and air traffic controllers.
- Maintaining communication systems: This could involve VHF radio systems used for communication between air traffic control and the aircraft.
- Supporting air traffic control operations:
 ANES provides technical support to air traffic controllers by ensuring the functionality of navigation and communication systems.
- Staying updated on new technologies: The aviation industry constantly evolves, so ANES might be involved in researching and implementing new air navigation technologies.







Airside Operations

Fiji Airports Airside Operations has turned to Australian airport systems and processes innovator AeroAscent to keep it on the cutting edge of airport operations, apps and intelligence. Fiji Airports has partnered with the Gold Coast-based global innovation company that specialises in enhancing airport performance and improving the customer experience through its unique and disruptive mobile apps. This partnership follows an in-depth analysis of the airport's operations and an assessment of its current and future 'airport intelligence' needs. This contract will deliver a suite of innovative apps that boost efficiency, business intelligence, risk management, customer experience, and overall performance.





Around 25 key staff on the airfield at our 15 airports will use this app to monitor and manage key aspects of ground operations. This will allow them to input vital information in a standardised way, adding video, photos, GPS coordinates and time stamps. All of this information provides important intelligence to improve business processes and serves as evidence of activities in a safety-sensitive and heavily regulated environment.





Aviation Rescue Fire Fighting Services (ARFFS)

ARFFS responds to a huge range of emergency situations across the Fiji Airports precincts. These activities include aviation firefighting, industrial firefighting, road, marine, and medical emergency response, all undertaken to protect lives and property and maintain safe operations at our 15 airports.

As of 2022, we have two women fire officers, both based at the Nadi International Airport Fire Station. Fiji Airports through ARFFS is committed to our campaign to recruit more females into ARFFS and will continue to target women in recruitment.











The ARFFS team at Nausori International Airport conducted its biannual full-scale emergency mock exercise with stakeholders and emergency agencies to test response procedures and protocols. This year, the emergency exercise focused on the recovery phase of a simulated aircraft crash landing of a domestic flight. The emergency exercise used a mock aircraft fuselage with debris and injured passengers. It was a valuable opportunity for all agencies to understand the investigation processes and roles and responsibilities each agency has, as well as testing their own response.

In early 2022, Fiji Airports took a fresh approach to recruiting firefighters, aiming to reach a diverse range of prospective recruits and helping applicants succeed through a physically demanding selection process.

The 2022 recruitment campaign focused on raising awareness of what it is like to live and work at the fire station at Nadi International Airport, Nausori International Airport and its 13 other outer stations, and what working as part of ARFFS entails day-to-day.

Oversight of the regulatory framework

The regulatory framework is monitored continuously by the CAAF in the course of its usual regulatory business. Any proposed amendments to the primary and secondary legislation will be submitted to the government for approval and promulgation. Changes to the standards documents, AIC's, and AIP's will be approved and published by the CAAF, except the AIP which will be published by the Airports Fiji Limited or the ANSP approved by the state and certified by the CAAF.



Safety and Risk Management



In 2022, Nadi airport was awarded the "Gold" Green Airport award by the Airport Council International (ACI) in the less than 5 million passenger per annum category for its outstanding achievement in the management of carbon emissions. Nadi airport renewed its Level 3 Airport Carbon Accreditation with ACI after demonstrating and independently verified by an approved verifier that it continued to reduce its carbon emissions for the previous year. The airport was granted an annual renewal for the period from 8 August 2022 - 7 August 2023.

The SRM team organises monthly RAMP/Wildlife meetings with stakeholders for both Nadi and Nausori and conducts annual internal safety audits for all our 15 aerodromes. Reports are shared with the relevant managers and monitored accordingly until closure by our internal Quality Assurance Officers. All our aerodromes were certified by CAAF. Ono I Lau airport was certified by CAAF for the first time ever on December 1st, 2022, after satisfying the minimum aerodrome requirements. The airport can now facilitate Twin Otter (DHC 6) or similar type aircraft.

Airports Fiji has established an on-line Safety Portal where staff can report any safety concerns and view the progress of their report online until closure.

Freedoms of the Air

First Freedom of the Air - the right or privilege, in respect of scheduled international air services, granted by one State to another State or States to fly across its territory without landing (also known as a First Freedom Right).

Second Freedom of the Air - the right or privilege, in respect of scheduled international air services, granted by one State to another State or States to land in its territory for non-traffic purposes (also known as a Second Freedom Right).

Third Freedom of The Air - the right or privilege, in respect of scheduled international air services, granted by one State to another State to put down, in the territory of the first State, traffic coming from the home State of the carrier (also known as a Third Freedom Right).

Fourth Freedom of The Air - the right or privilege, in respect of scheduled international air services, granted by one State to another State to take on, in the territory of the first State, traffic destined for the home State of the carrier (also known as a Fourth Freedom Right).

Fifth Freedom of The Air - the right or privilege, in respect of scheduled international air services, granted by one State to another State to put down and to take on, in the territory of the first State, traffic coming from or destined to a third State (also known as a Fifth Freedom Right).

ICAO characterizes all "freedoms" beyond the Fifth as "so-called" because only the first five "freedoms" have been officially recognized as such by international treaty.

Sixth Freedom of The Air - the right or privilege, in respect of scheduled international air services, of transporting, via the home State of the carrier, traffic moving between two other States (also known as a Sixth Freedom Right). The so-called Sixth Freedom of the Air, unlike the first five freedoms, is not incorporated as such into any widely recognized air service agreements such as the "Five Freedoms Agreement".

Seventh Freedom of The Air - the right or privilege, in respect of scheduled international air services, granted by one State to another State, of transporting traffic between the territory of the granting State and any third State with no requirement to include on such operation any point in the territory of the recipient State, i.e the service need not connect to or be an extension of any service to/from the home State of the carrier.

Eighth Freedom of The Air- the right or privilege, in respect of scheduled international air services, of transporting cabotage traffic between two points in the territory of the granting State on a service which originates or terminates in the home country of the foreign carrier or (in connection with the so-called Seventh Freedom of the Air) outside the territory of the granting State (also known as a Eighth Freedom Right or "consecutive cabotage").

Ninth Freedom of The Air - the right or privilege of transporting cabotage traffic of the granting State on a service performed entirely within the territory of the granting State (also known as a Ninth Freedom Right or "stand alone" cabotage).

Source: Manual on the Regulation of International Air Transport (Doc 9626, Part 4)

Corporate

With the reopening of the international borders and the ramp-up in flight operations post COVID-19 pandemic, we experienced a resurgence in passenger traffic and potential relief for resumption of revenue generation across various business segments. While the reopening was a strong indication of our resilience to getting through the pandemic, challenges directly related to COVID-19, particularly the change in consumer buying behaviour patterns, were a substantial deterrent to our tenants. In response, we worked closely with them to create tailored, fair, and equitable concessions that reflect the specific impact of COVID-19 on their businesses by continuing to offer assistance in the form of rental and concession abatements. However, as the year progressed, we observed signs of recovery and adaptation within the industry, with opportunities of emerging business growth.









As we look to the future, we remain committed to driving innovation and value creation in our commercial, non-aeronautical activities through continued collaboration with tenants. We aim to adapt to changing market dynamics and consumer preferences while exploring new technological revenue opportunities to enhance operational efficiency and also customer experience.



By leveraging the reopening of borders, enhancing tenant support, and fostering collaborative partnerships, we successfully navigated through the challenges posed by the pandemic and positioned ourselves for future growth. As we embark on the journey ahead, we remain steadfast in our commitment to delivering value to our stakeholders and achieving sustainable, long-term success.







Corporate Communications and Public Relations

Fiji Airports adopts an open and proactive communication policy. To promote effective communication with stakeholders and the public, the Fiji Airports website contains up-to-date and comprehensive information about Fiji Airports and its services. Fiji Airports also uses social media platforms, such as Facebook, Instagram, YouTube, LinkedIn, and Twitter, as well as a monthly newsletter and traditional print and broadcast media to disseminate information.

Fiji Airports keeps the public informed of its new service offerings, growth, and development through the mass media by organising press conferences, briefings, giving interviews, responding to enquiries, and issuing press releases and statements. Meetings, forums, and airport visits are held to foster two-way communication with the media, business partners, the aviation industry, and other stakeholders.

2022 Projects

Fiji Airports Capital Works Program is based on longterm asset management planning (Master Planning). It identifies critical asset renewals that will replace the organisation's ageing asset base over time to maintain the integrity of Fiji Airports infrastructure, systems, and equipment. It also incorporates programs and initiatives to deliver new assets to enhance services and support growing capacity.

Given the challenging business conditions that are expected in the coming years and the need to actively manage debt and financing requirements, specific capital plans have been developed focusing on key business activities of the company.

Major projects progressed during 2022

 Japan offers grant for improvement works at Fiji's Nadi Airport

Fiji Airports had secured a \$3m (FJD6.3m) grant from the Government of Japan for improvements at Nadi International Airport, which resumed international operations late last year (2021). The grant aimed to enhance the airport's Covid-19 readiness including improving its capacity to contain the transmission of the virus. It will also provide a Covid-19 testing facility for tourists, with plans for the acquisition of automated reverse transcription-polymerase chain reaction (RT-PCR) test machines. The grant also supported the construction of a new lounge, isolation room and boarding gate. Furthermore, it will fund equipment that will facilitate infection prevention and disease control. The grant has been provided under the Japan Fund for Prosperous and Resilient Asia and the Pacific, which was launched to drive Asian Development Bank's (ADB) projects to help lower poverty and support associated social development activities in the region.

 Fiji Airports Ltd will be expanding its commercial activities in Nadi and diversifying its business to be more flexible with aims to promote alternative revenue streams.

Fiji Airports owns land primarily in Nadi which they would be developing for future use. There was a significant decline in traffic both air movements throughout the airspace and visitors visiting Fiji. It fell from 2.29 million to just over 400,000. So the decline in volumes had an impact not only in the business revenue but asset and balance sheet as well. The operating cost also reduced from \$73 million in 2019 to \$51 million, a reduction of about 30%.

Manufacturing Projects

Fiji Airports allocated significant funds to capital projects, however it postponed most projects in 2020 to preserve cash flow. The only two major projects that continued before the pandemic was the upgrade of the Nausori runway which was completed in 2021 and the continued expansion of aircraft parking capacity at the Nadi airport. There were other development works done at the outer island airports totalling \$4.1 million.





Board of Directors



Board Chairman



Management Team















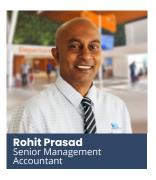




















Corporate Governance Practices

Role of the Board

The Board is responsible for charting the Company's strategic direction, setting objectives for infrastructure upgrades, developing a fair framework for human resources, establishing clear goals and mechanisms to monitor performance.

Amongst its responsibilities, the Board also reviews the yearly business plan, corporate plan, operating and capital budgets and non-budgeted capital expenditure.

Many of the plans implemented over the last several years have seen a remarkable turnaround in profits, cash flows and capital project deliveries.

Composition of the Board

As of 31st December 2022 the Board comprises the Chairperson Mr Hasmukh Patel, and one non-executive independent director, Mr Viliame Vodonaivalu. Director, Nemia Dawai had resigned in October 2022.

Mr Hasmukh Patel was appointed to the Board in February 2021 and was appointed as Chairperson in June 2022.

The Ministry for Economy, Civil Service and Communications appoints the directors. Under the articles of Fiji Airports, the maximum number of directors are seven unless otherwise specified by the Ministry for Economy, Civil Service and Communications.

Directors Code of Conduct

The establishment of a Corporate Code of Conduct and Ethics is designed to promote honest and ethical conduct, including ethical handling of conflicts of interest, appropriate, fair, accurate and timely full disclosure in the Company's periodic reports, and compliance with applicable Governmental rules and regulations.

The Board periodically reviews and assesses the adequacy of the Code of Ethics and implements any modification as necessary.

The Board of Directors are bound by section 6.13 of the Articles of the Company and the individual terms of their respective contract letters.

Primary Objective of Public Enterprise

The Primary Objective of Public Enterprise is provided under section 18 of Public Enterprise Act that states:

(1) The primary objective of a public enterprise is to be a successful business.

- (2) A public enterprise must conduct its business and operations with a view to being a successful business.
- (3) A public enterprise is a successful business if it is at least as efficient and profitable as comparable businesses in the private sector.

Statutory Duties of the Board

In addition to the above, the Board of Directors of Fiji Airports, collectively and individually, have agreed on the fulfilment of the following duties towards the Company:

- To exercise the care and diligence of a reasonable person;
- To exercise their power and discharge their duties in good faith and for a proper purpose;
- To refrain from improper use of their position for personal gain, and
- To refrain from making use of inside information for personal gain.

Fiduciary Duties of Directors

The directors of Fiji Airports also owe the following fiduciary duties to the Company. These fiduciary duties form the Code of Ethics of Fiji Airports.

A fiduciary relationship imposes an obligation of utmost good faith on the directors by putting the interests of the Company first, and the Fiji Airports Directors have pledged to uphold this principle at all times.

The fiduciary duties of the directors have the following four dimensions:

- To act in good faith in the best interests of the company;
- To exercise powers for a proper purpose;
- To retain discretion;
- To avoid conflict of interest.

Board Meetings

The Board held six regular meetings during the financial year ended 31 December 2022. The regular business of the Board during its meetings covers corporate governance, financial performance and risk management, business investments, project oversight and strategic planning matters.

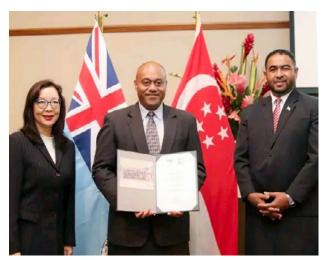
Director's Remuneration

As per section 5.6 of the Company's Articles of Association, the Minister for Economy retains the ultimate authority to determine the remuneration and benefits given to the directors of the Company.

A total fee of \$30,564 was paid to the directors for their services during the year in accordance with the remuneration and benefits determined by the Minister of Economy. A further sum of \$11,632 was paid for other expenses, mainly for travel and accommodation that were incurred during the course of their duties. Directors were also covered under the Company's Directors and Officers Insurance Policy.





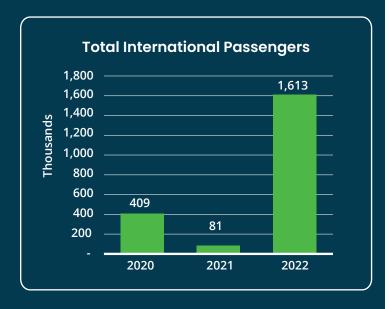


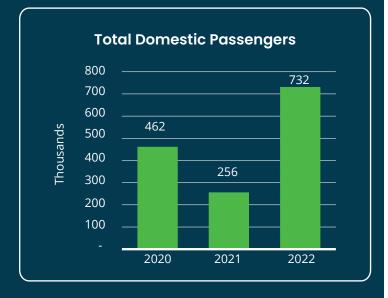


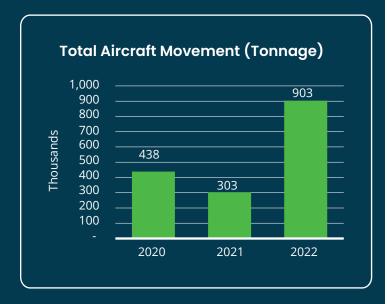
Key Statistics

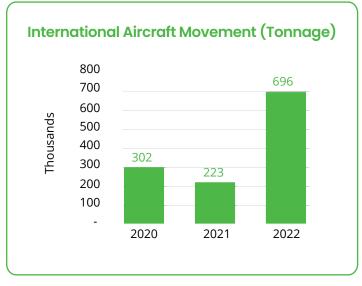
Passenger and Aircraft Statistics

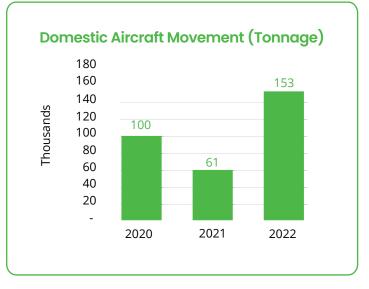
Year	2020	2021	2022	
International Passenger Movements				
International Arrivals	201,014	44,376	803,109	
International Departures	208,147	36,771	810,355	
Total Int'l Movement	409,161	81,147	1,613,464	
Growth % on International Passengers	-81.5%	-80.2%	1888.3%	
Excludes Private Jet Movements.				
Domestic Passenger Movements Domestic Arrivals	220 727	127.006	265 606	
	230,737 230,776	127,996	365,606 365,943	
Domestic Departures Total Domestic Passengers	461,513	128,348 256,344	731,549	
Growth % on Domestic Passengers	-48.6%	-44.5%	185.4%	
Note Movement is inclusive of Crew.	-40.0%	-44.5%	165.4%	
Note movement is inclusive of crew.				
Aircraft Movements				
Int'l aircraft Movements	3,930	2,283	10,225	
	-73.7%	-41.9%	347.9%	
Domestic aircraft Movements	23,307	11,700	42,377	
	-50.8%	-49.8%	262.2%	
Other	26,851	19,483	24,195	
	-20%	-27.4%	24.20%	
Total aircraft Movements	54,088	33,466	76,797	
Growth%	-43.6%	-38.1%	129.5%	
MCTOW (Maximum certified take-off weight	• 1			
International MCTOW	301,909	222,791	695,661	
international MCTOW	-68.9%	-26.2%	212.2%	
Domestic MCTOW (Nadi/ Nausori)	100,489	60,540	152,921	
Domestic Wellow (Madir Madsorr)	-48.6%	-39.8%	152.6%	
Regional Airport MCTOW	36,328	19,757	54,628	
Regional All port increw	-51.0%	-45.6%	176.5%	
Total MCTOW	438,726	303,088	903,210	
Growth%	-64.6%	-30.9%	198.0%	
	3 1.370	30.370	133.070	
Air Navigation Service Units				
Air Navigation Service Units	1,765,879	1,382,792	2,793,830	
Growth%	-57.6%	-21.7%	102.0%	













FIJI AIRPORTS LIMITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31 2022

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FIJI AIRPORTS LIMITED DIRECTORS' REPORT

FOR THE YEAR ENDED DECEMBER 31 2022

In accordance with a resolution of the Board of Directors, the Directors herewith submit the statement of financial position of Airports Fiji Pte Limited ("The Company") as at 31 December 2022 and the related statement of profit or loss and other comprehensive income, statements of changes in equity and cash flows for the year ended on that date and report as follows:

Directors

The Directors of the Company in office during the year and up to the date of this report were:

- Mr. Geoffrey N Shaw Chairman (term expired on 4 June 2022)
- Mr. Hasmukh Patel appointed as Chairman on 5 June 2022
- Mr. Naushad Ali appointed on 17 April 2023, appointed as Deputy Chairman on 25 May 2023
- Mr. Viliame Vodonaivalu term expired on 17 Apr 2023
- Mr. Pankaj Singh appointed on 17 December 2021, resigned on 9 February 2022
- Mr. Nemia Dawai appointed on 1 March 2022, resigned on 31 October 2022
- Mr. Mark Morris Halabe appointed on 17 April 2023
- Mr. Bhavick Kapadia appointed on 17 April 2023
- Mr. Jona Sevura appointed on 17 April 2023
- Ms. Ro Teimumu Kepa appointed on 11 August 2023, resigned on 23 October 2023

State of affairs

In the opinion of the Directors, the accompanying statement of financial position gives a true and fair view of the state of affairs of the Company as at 31 December 2022 and the accompanying statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows give a true and fair view of the results of the Company for the year then ended.

Principal activities

The principal activities of the Company during the financial year included provision of air navigation services, the operation and management of the Nadi International Airport and other airports throughout Fiji.

There were no significant changes in the nature of these activities during the financial year.

Trading results

The net profit of the Company for the year after taking into account an income tax expense of \$3,826,075 (2021: income tax benefit of \$10,338,824) was \$32,029,855 (2021 net loss: \$3,760,218).

Dividend

It was resolved and declared on 25 May 2023 that interim dividend of \$10,000,000 to be paid out for 2022 (2021: \$Nil).

Current and non-current assets

The Directors took reasonable steps before the Company's financial statements were made out to ascertain that the current and non-current assets of the Company were shown in the accounting records at a value equal to or below the value that would be expected to be realised in the ordinary course of business.

At the date of this report, the Directors are not aware of any circumstances which would render the values attributable to the current and non-current assets in the financial statements to be misleading.

FIJI AIRPORTS LIMITED DIRECTORS' REPORT CONTINUED

FOR THE YEAR ENDED DECEMBER 31 2022

Basis of Accounting - Going concern

The Directors consider the Company to be a going concern. The Directors believe that the basis of preparation of the financial statement is appropriate and the Company will be able to continue in operation for at least 12 months from the date of this report.

Bad and doubtful debts

The Directors took reasonable steps before the financial statements were made out to ascertain that all known bad debts were written off and adequate allowance was made for impairment losses.

At the date of this report, the Directors are not aware of any circumstances which would render the above assessment inadequate to any substantial extent.

Related party transactions

All related party transactions have been adequately recorded in the financial statements.

Other circumstances

As at the date of this report:

- (i) no charge on the assets of the Company has been given since the end of the financial year to secure the liabilities of any other person;
- (ii) no contingent liabilities have arisen since the end of the financial year for which the Company could become liable; and
- (iii) no contingent liabilities or other liabilities of the Company have become or are likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

As at the date of this report, the directors are not aware of any circumstances that have arisen, not otherwise dealt with in this report or the Company's financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.

Unusual transactions

The results of the Company's operations during the financial year have not, in the opinion of the Directors, been substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the financial statements.

Directors' benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than a benefit disclosed in the financial statements and/or included in the aggregate amount of emoluments received or due and receivable by directors shown in the financial statements or received as the fixed salary of a full-time employee of the Company or of a related corporation) by reason of contract made by the Company or by a related corporation with the director or with a firm of which he is a member, or with a company in which he has substantial financial interest.

FIJI AIRPORTS LIMITED DIRECTORS' REPORT CONTINUED

FOR THE YEAR ENDED DECEMBER 31 2022

Significant events

As part of the Public Enterprise program, it was announced by the Minister that the Fiji Airports CEO position would be filled by an Executive appointed from a Management Services Entity which is a subsidiary of Fiji Airways. The agreement came into effect from September 2022.

Other than the above, there has not arisen during the year any significant event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Company, the results of those operations or the state of affairs of the Company in during the financial year.

Events subsequent to balance date

Fiji Airports and Fiji Airways Management Services agreement

In March 2023, the agreement between Fiji Airports and Fiji Airways Management Services ceased.

Interim dividend

Interim dividend of \$10,000,000 was declared on 25 May 2023 and paid during the year.

Change in income tax rate

On 30 June 2023, an increase in the corporate rate from 20% to 25% was substantively enacted, effective from tax year 2023. This increase does not affect the amounts of current or deferred taxes recognised at 31 December 2022. However, this change will increase the Company's future current tax charge accordingly. If the new tax rate were applied to calculate taxable temporary differences and tax losses recognised as at 31 December 2022 the effect would be that net deferred liabilities would increase by \$8,400,753.

Other than the above, there has not arisen in the interval between the end of the year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

For and on behalf of the board and in accordance with a resolution of the directors.

Dated this 17 day of November 2023.

Director Director

FIJI AIRPORTS LIMITED DIRECTORS' DECLARATION

FOR THE YEAR ENDED DECEMBER 31 2022

The declaration by directors is required by the Companies Act 2015.

The directors of the Company have made a resolution that declares:

- a) In the opinion of the directors, the financial statements of the Company for the financial year ended 31 December 2022:
 - i. comply with the International Financial Reporting Standards and give a true and fair view of the fincial position of the Company as at 31 December 2022 and of the performance and cash flows of the Company for the year ended 31 December 2022; and
 - ii. have been prepared in accordance with the Companies Act 2015.
- b) The directors have received independence declaration by auditors as required by Section 395 of the Companies Act 2015; and
- c) At the date of this declaration, in the opinion of the directors, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

For and on behalf of the board and in accordance with a resolution of the board of directors.

Dated this _____ day of _____ day of ______ 2023.

Director Director

OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



Level 1, Modyl Plaza Karsanji Street, Vatuwaqa P. O. Box 2214, Government Buildings Suva, Fiji



Telephone: (679) 8921519 E-mail: info@auditorgeneral.gov.fj Website: http://www.oag.gov.fj



AIRPORTS FIJI (PTE) LIMITED

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF AIRPORTS FIJI (PTE) LIMITED

As auditor for the audit of Airports Fiji (PTE) Limited for the financial year 31 December 2022, I declare to the best of my knowledge and belief that there have been:

- (a) No contravention of the auditor independence requirements of the Companies Act, 2015 in relation to the audit; and
- (b) No contravention of any applicable code of conduct in relation to the audit.

This declaration is in respect to Airports Fiji (PTE) Limited during the year.

Sairusi Dukuno

50.

ACTING AUDITOR-GENERAL

OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



Level 1, Modyl Plaza Karsanji Street, Vatuwaqa P. O. Box 2214, Government Buildings Suva, Fiji



Telephone: (679) 8921519 E-mail: info@auditorgeneral.gov.fj Website: http://www.oag.gov.fj



INDEPENDENT AUDITOR'S REPORT

Airports Fiji PTE Limited

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of Airports Fiji PTE Limited ("the Company"), which comprise the Statement of Financial Position as at 31 December 2022, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are further described in the *Auditor's Responsibilities* for the *Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the International Ethics Standards Board for Accountant's *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Directors and Management are responsible for the other information. The other information comprises the Annual report but does not include the financial statements and the auditor's report thereon.

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

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

Responsibilities of the Management and Directors for Financial Statements

The Management and Directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as the Management and Directors 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 and Directors are 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 the Management and Directors either intend to liquidate the Company or to cease operations, or have 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

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA 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 the financial statements.

As part of an audit in accordance with ISA, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Directors.
- Conclude on the appropriateness of the Management's and Directors' use of 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 the Company's ability 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 or, if such disclosures, are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company 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.

Auditor's Responsibilities for the Audit of the Financial Statements (con't)

- I communicate with the Management and Directors 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.
- I also provide those charged with governance 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, related safeguards.

Report on Other Legal and Regulatory Requirements

In my opinion, the financial statements have been prepared in accordance with the requirements of the Companies Act 2015 and Public Enterprises Act 2019 in all material respects, and:

- a) I have been given all information, explanations and assistance necessary for the conduct of the audit; and
- the company has kept financial records sufficient to enable the financial statements to be prepared and audited.

Sairusi Dukuno
ACTING AUDITOR-GENERAL

TIN *

Suva, Fiji 23 November 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31 2022

		2022	2021
	Note	\$	\$
			Restated *
Revenue	4 (a)	100,187,480	27,976,568
Other income	4 (b)	2,204,525	1,279,526
Other expenses	5	(34,314,493)	(25,156,679)
Operating expenses	6	(12,816,515)	(6,121,428)
Impairment loss on trade and other receivables	24 (i)	(3,291,868)	(467,508)
Personnel expenses	7	(13,178,139)	(9,901,316)
Operating profit / (loss)	_	38,790,990	(12,390,837)
Finance income	8 (a)	629,791	1,182,266
Finance costs	8 (b)	(3,564,851)	(2,890,471)
Profit / (loss) before income tax	_	35,855,930	(14,099,042)
Income tax (expense) / benefit	9 (a)	(3,826,075)	10,338,824
Profit / (loss) for the year	_	32,029,855	(3,760,218)
Other comprehensive income for the year, net of income tax	14 (a)	10,086,595	-
Total comprehensive income / (loss) income for the year	_	42,116,450	(3,760,218)

^{*} The comparative information is restated on account of correction of errors. See Note 25.

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

FIJI AIRPORTS LIMITED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31 2022

	Share Capital	Asset Revaluation Reserve	Retained Earnings	Total
	\$	\$	\$	\$
Balance at 1 January 2021	92,300,180	165,802,114	191,692,140	449,794,434
Adjustment (Note 25)	-	-	458,711	458,711
	92,300,180	165,802,114	192,150,851	450,253,145
Total comprehensive income for the year				
Loss for the year	-	-	(3,760,218)	(3,760,218)
Other comprehensive income for the year, net of income tax	-	-	-	-
Total comprehensive income for the year			(3,760,218)	(3,760,218)
Transactions with owners of the Company				
Dividends declared and paid (Note 20 (b))	-	-	-	-
Total transactions with owners recognized directly in equity	-	-	-	-
Balance at 31 December 2021	92,300,180	165,802,114	188,390,633	446,492,927
Balance at 1 January 2022	92,300,180	165,802,114	188,390,633	446,492,927
Total comprehensive income for the year				
Profit for the year	-	-	32,029,855	32,029,855
Other comprehensive income for the year,	-	10,086,595	-	10,086,595
net of income tax		40.000.505	22 020 055	42.446.450
Total comprehensive income for the year		10,086,595	32,029,855	42,116,450
Transactions with owners of the company				
Dividends declared and paid (Note 20 (b))	-	-	-	-
Total transactions with owners recognized directly in equity	-	-	-	-
Balance at 31 December 2022	92,300,180	175,888,709	220,420,488	488,609,377

The above statements of changes in equity should be read in conjunction with the accompanying notes.

FIJI AIRPORTS LIMITED STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED DECEMBER 31 2022

		2022	2021	2020
	Note	\$	\$	\$
ASSETS			Restated *	Restated *
Current assets				
Cash on hand and at bank	10	112,199,854	63,830,847	62,018,528
Trade receivables	11	17,008,710	5,611,272	3,651,123
Inventories	12	666,444	617,391	606,102
Other receivables and prepayments	13	4,209,368	4,938,233	5,585,542
Current tax asset	9 (d)	465,039	402,104	-
Total current assets		134,549,415	75,399,847	71,861,295
Non-current assets				
Property, plant and equipment	14	482,166,055	487,160,058	488,876,559
Right-of-use assets	17 (a)(i)	7,657,760	7,313,663	7,444,065
Total non-current assets		489,823,815	494,473,721	496,320,624
TOTAL ASSETS		624,373,230	569,873,568	568,181,919
LIABILITIES				
Current liabilities				
Trade and other payables	15	10,845,300	9,403,744	7,646,341
Loans and borrowings	16	4,907,333	-	11,241,149
Lease liabilities	17 (a)(ii)	54,417	54,417	51,779
Employee benefits	18	676,999	792,250	740,483
Deferred income	19	52,457	52,452	148,972
Current tax liability	9 (d)		-	1,073,478
Total current liabilities		16,536,506	10,302,863	20,902,202
Non-current liabilities				
Borrowings	16	79,861,249	80,485,024	55,067,612
Lease liabilities	17 (a)(ii)	5,403,713	4,925,631	4,979,374
Deferred income	19	359,372	411,834	484,432
Deferred tax liability	9 (c)	33,603,013	27,255,289	36,495,154
Total non-current liabilities		119,227,347	113,077,778	97,026,572
TOTAL LIABILITIES		135,763,853	123,380,641	117,928,774
NET ASSETS		488,609,377	446,492,927	450,253,145

^{*} The comparative information is restated on account of correction of errors. See Note 25.

The above statement of financial position should be read in conjunction with the accompanying notes.

FOR THE YEAR ENDED DECEMBER 31 2022

		2022	2021	2020
	Note	\$	\$	\$
SHAREHOLDERS' EQUITY			Restated *	Restated *
Share capital	20 (a)	92,300,180	92,300,180	92,300,180
Asset revaluation reserve	14 (a)	175,888,709	165,802,114	165,802,114
Retained earnings		220,420,488	188,390,633	192,150,851
TOTAL SHAREHOLDERS' EQUITY		488,609,377	446,492,927	450,253,145

^{*} The comparative information is restated on account of correction of errors. See Note 25.

For and on behalf of the board and in accordance with a resolution of the directors.

Director Director

The above statement of financial position should be read in conjunction with the accompanying notes.

FIJI AIRPORTS LIMITED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31 2022

		2022	2021
	Note	\$	\$
Cash flows from operating activities			
Receipts from customers		88,379,107	27,423,289
Payments to suppliers and employees		(33,936,033)	(18,809,106)
Cash generated from operations		54,443,074	8,614,183
Income tax and interest WHT paid	9 (d)	(62,935)	(376,623)
Interest received - operating account		629,791	1,182,266
Interest paid		(3,564,851)	(2,890,471)
Net cash from operating activities	_	51,445,079	6,529,355
Cash flows from investing activities			
Proceeds from withdrawal of term deposits		-	-
Payment for property, plant and equipment		(7,142,180)	(18,518,044)
Net cash used in investing activities		(7,142,180)	(18,518,044)
Cash flows from financing activities			
Proceeds from borrowings	16	4,283,558	14,485,024
Repayment of borrowings	16	-	(308,761)
Payment for lease liabilities	17(ii)	(217,450)	(375,255)
Net cash (used in) / from financing activities		4,066,108	13,801,008
Net increase in cash and cash equivalents		48,369,007	1,812,319
Cash and cash equivalents at beginning of year	_	63,830,847	62,018,528
Cash and cash equivalents at end of year	10	112,199,854	63,830,847

The above statement of cash flows should be read in conjunction with the accompanying notes.

FIJI AIRPORTS LIMITED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 1. REPORTING ENTITY

Airports Fiji Pte Limited (the "Company") is a government owned entity incorporated under the Companies Act and a government commercial company under the Public Enterprise Act of 1996, domiciled in Fiji. The registered office is located at AFL Compound, Nadi Airport, Fiji.

The principal activity of the Company during the financial year included provision of air navigation services, the operation and management of the Nadi International Airport and other airports throughout Fiji.

There were no significant changes in the nature of these activities during the financial year.

NOTE 2. BASIS OF PREPARATION

(a) Statement of compliance

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis and adjusted by the revaluation increments of property, plant and equipment at fair value through other comprehensive Income (FVOCI).

(c) Functional and presentation currency

The financial statements are presented in Fiji dollars, rounded to the nearest dollar, which is the Company's functional currency.

(d) Use of estimates and judgements

In preparing these financial statements in conformity with IFRS, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

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

Note 3 (i) - accounting for government grants

Note 3 (m)(i) - recoverability of trade receivables

Note 3 (m)(ii) - impairment of property, plant and equipment

Note 3 (q) - useful life of property, plant and equipment

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below and have been consistently applied to all years presented.

(a) Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand and cash in banks that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(b) Foreign currency transactions

Transactions in foreign currencies are translated to Fiji dollars at exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to Fiji dollars at the reporting date and differences are recognised profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

(c) Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over a product or service to a customer.

(i) Nature of services

The Company principally generates revenue from managing of airports around the country, air traffic management services. The services provided are on credit to customers and the customers are billed on a monthly basis and customers pay on a monthly basis.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers including significant payment terms and the related revenue recognition policies.

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Revenue from contracts with customers (continued)

(i) Nature of services (continued)

Services	Nature, timing of satisfaction of performance obligations and significant payment terms
Air Navigation	Air navigation is provision of navigation services provided through Fiji's control towers to airlines that enter and use Fiji airspace. The date that the customer utilises the Fiji airspace and navigation service is provided is recorded by the control towers for the entire month. At the end of a month an invoice is generated for each customer for navigation services provided in a month based on the number of days. Invoices are usually payable within 30 days. Revenue for the entire month is recognized at the time the invoice is raised.
Airport Security, airport development, and departure tax share	The Company is responsible for providing an airport and passenger facilities and services from where an international passenger can depart for their destination. The performance obligation is satisfied each time a passenger utilises the services at the airport and departs on a flight.
	Airport security charges, airport development charges and departure tax are included in airline tickets. The charges for airport security and airport development are collected by the airline Companies on behalf of the Company and remitted to the Company each month based on the number of passengers departing the country in a month. Invoices are raised at month end and are usually payable within 30 days. Departure tax is remitted by the airline companies to the Fiji Revenue & Customs Service which gives a share of \$10 for every departing passenger to the Company. Revenue is recognised at month end.
Landing	The Company is required to provide services of runway, taxiway and fire rescue services for landing and take-off to aircraft at the airport. As an aircraft has landed or taken off the provision of the service is complete. Landing information is collated on a daily basis for a month and invoices for landing fees are issued on a monthly basis. The invoices are usually payable within 30 days. Revenue for the entire month is recognized at the time the invoice is raised.
Parking	Invoices for providing parking bays and incineration services for aircraft at the airport is raised on a monthly basis. For each day in a month for every customer a record is maintained for parking and incineration services. Invoices are raised on a monthly basis and are usually payable within 30 days. Revenue for the entire month is recognized at the time the invoice is raised.
Terminal navigation aid	Terminal navigation aid is the provision of terminal navigation services to aircraft coming into the terminal area around the Nadi and Nausori airport. A record is maintained for which customer this service has been provided on a daily basis for each month. Invoices are raised on a monthly basis based on the number of days in the month the service was provided and are usually payable within 30 days.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Revenue from contracts with customers (continued)

(i) Nature of services (continued)

Services	Nature, timing of satisfaction of performance obligations and significant payment terms
Car park	The Company provides a car park for customers that come to the airport. A walk-in customer that utilises the airport car park collects a ticket on the entrance to the car park and pays based on the hours the car park was utilised at the time of leaving the car park. Revenue is recognised at that point in time.
	Customers that regularly use the car park have an agreement with the Company for a fixed charge per month. These customers are provided with an access card which is swiped at an electronic machine at the airport. Revenue is recognised on a monthly basis for these customers.

(d) Other revenue

Other sources of revenue include concessions income from renting out space at the airports and rental of other property.

Concessions and rental income is recognised on a straight line basis over the applicable lease terms.

(e) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except for items recognised in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit nor loss.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the reporting date.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Income tax (continued)

Deferred tax (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be used. 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; such reductions are reversed when the probability of future taxable profits improves.

(f) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are declared by the Board of Directors.

(g) Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings and bank overdraft and are recognised in profit or loss using the effective interest method.

(h) Investment property

Investment property is measured at cost less accumulated depreciation and impairment.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Buildings and improvements - Shorter of 40 years and term of land lease

(i) Government grants and deferred income

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant, on a systematic basis, to the costs that it is intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Deferred income represents the housing estate transferred from the Civil Aviation Authority of Fiji to AFL by order of the Government. This deferred income is recognised in profit or loss over the useful life of the housing estate.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Value Added Tax

Revenues, expenses and assets are recognised net of the amount of Value Added Tax (VAT) except where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

The VAT component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(k) Financial instruments

(i) Recognition and measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and measurement

On initial recognition, a financial asset is classified as measured at amortised cost, FVOCI or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- · it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(ii) Classification and measurement (continued)

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include
 whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate
 profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows
 or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial Assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(ii) Classification and measurement (continued)

Financial Assets: Subsequent measurement and gains and loss

Financial assets that are measured at amortised costs 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.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified at FVTPL if it is classified as held-for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit and loss. Any gains or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial Assets

The Company 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 substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial Liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(I) Ordinary shares

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

(m) Impairment

(i) Non-derivative financial assets

The Company recognises loss allowances for ECLs on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL:

• other receivables and cash at bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

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

The Company considers another receivable or cash balance to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade". The Company considers this to be BB- or higher per Standard and Poors.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment (continued)

(i) Non-derivative financial assets (continued)

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flow due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Credit-impaired financial assets

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment (continued)

(ii) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit, or CGU").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount cannot exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

(n) Trade payables, provisions and other payables

Trade and other payables are stated at cost. A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(o) Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

(p) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their use, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in the year in which they are incurred.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Property, plant and equipment

Property, plant and equipment are stated at revalued amounts, less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are performed by external independent valuers with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Any revaluation increase arising on the revaluation of such property, plant and equipment is credited as other comprehensive income in the statement of profit or loss and other comprehensive income and recorded as revaluation reserve in the statement of changes in equity.

Decreases that off-set previous increases of the same asset are charged against other comprehensive income and revaluation reserves in the equity; all other decreases are charged as expense in the statement of profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the asset revaluation reserve is transferred to retained earnings.

(i) Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(ii) Depreciation

Depreciation is calculated to write off the value of items of property, plant and equipment less their estimated residual values using the straight- line method over the estimated useful life of the asset, and is recognised in profit or loss.

The estimated useful lives of the Company's assets for the current and comparative period are as follows:

Infrastructure
 Buildings and Improvements
 Plant and Equipment
 Motor Vehicles
 2-80 years
 3-80 years
 4-25 years
 8 years

Office furniture and fittings
 8 years and replacement basis

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

Profits and losses on disposals are determined by comparing the proceeds with the carrying amount and are taken into account in determining the results for the year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset this may be specified explicitly or implicitly, and should be physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The company has this right when it has the decision- making rights that are most relevant to changing how and for what purpose that asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either the Company has the right to operate the asset or the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand- alone prices.

(i) As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date and plus any initial direct costs incurred.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end at the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- · fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Leases (continued)

(i) As a lessee (continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use has been reduced to zero. The Company presents right-of-use assets and lease liabilities separately in the statement of financial position. Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of property that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognises lease payments received under operating leases as income on a straight line basis over the lease term as part of "other revenue".

(s) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is based on the weighted average cost principle, and includes expenditure incurred in acquiring the inventories and other cost incurred in bringing them to their existing location and condition. Allowance for inventory obsolescence is recorded based on a review of inventories.

Inventories considered obsolete or not in usable condition are written off in the period in which they are identified.

FIJI AIRPORTS LIMITED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Employee benefits

Defined contribution plan

Contributions are paid to the Fiji National Provident Fund or nominated superannuation funds on behalf of employees to secure retirement benefits. Costs are included in profit or loss as the services are rendered by employees.

Wages and salaries and annual leave

Liabilities for wages and salaries expected to be settled within 12 months of the reporting date are recognised in other payables on the statement of financial position. Annual leave with respect to employees' services up to the reporting date, measured at the amounts expected to be paid when the liabilities are settled, are accrued for under employee benefits.

(u) Comparative figures

Comparative figures have been amended where necessary, for changes in presentation in the current year.

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 4. REVENUE AND OTHER INCOME

	2022	2021
	\$	\$
(a) Revenue		
Revenue from contracts with customers		
Air navigation charges	26,421,384	13,142,817
Airport security and development fee	12,026,986	632,458
Domestic passenger service charge	1,622,664	424,876
Landing and parking fees- domestic	754,412	384,600
Landing and parking fees - international	17,976,138	6,259,463
Departure tax share	5,258,957	325,071
Terminal navigation aid charges	4,898,620	1,738,166
Car park charges	848,345	79,627
	69,807,506	22,987,078
Other revenue		
Concessions	24,152,470	1,844,314
Rental - offices and warehouses	4,620,404	3,032,604
Rental - check-in-counter	1,607,100	112,572
	30,379,974	4,989,490
Total revenue	100,187,480	27,976,568
(b) Other income		
Electricity recharge	1,095,910	539,935
Government grant	-	96,520
Deferred income	52,457	52,457
Other income	1,056,158	590,614
	2,204,525	1,279,526
NOTE 5. OTHER EXPENSES		Restated
Auditors' remuneration	8,405	31,531
Board expenses	11,632	15,704
Contract costs	5,619,873	1,711,402
Depreciation - property, plant and equipment (Note 14)	24,371,295	19,861,011
Depreciation - right-of-use assets (Note 17)	152,952	138,091
Directors' remuneration	30,564	32,323
Insurance	2,967,089	2,909,243
Land rental	13,000	67,264
Management fee	270,000	- -
Sundry cost and supplies	666,790	359,219
Travel and accommodation	202,893	30,891
	34,314,493	25,156,679

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 6. OPERATING EXPENSES

	2022	2021
	\$	\$
		Restated
Interest on right-of-use assets	265,960	251,676
Meteorological costs	321,098	-
Post and telecommunications	724,401	464,510
Utilities	4,612,078	2,163,299
Other costs	3,993,456	1,948,648
Repairs and maintenance	2,899,522	1,293,295
	12,816,515	6,121,428
NOTE 7. PERSONNEL EXPENSES		
Wages and salaries	11,655,053	9,081,371
Contribution to Fiji National Provident Fund	812,086	434,194
Key management compensation - short term benefits	364,882	238,595
Contribution to Fiji National Provident Fund - KMC	9,816	4,332
FNU levy	117,899	94,669
Other employee benefits	218,403	48,155
	13,178,139	9,901,316
NOTE 8. FINANCE INCOME AND COSTS		
(a) Finance income		
Interest income	629,791	1,182,266
(b) Finance costs		
Interest expense - borrowings	3,485,165	2,810,785
Amortised financing cost	79,686	79,686
	3,564,851	2,890,471
NOTE 9. INCOME TAX		
(a) Income tax expense recognised in profit or loss		
Current tax expense		
Over provision in prior years	<u> </u>	(1,098,959)
Deferred tax benefit	-	(1,030,339)
Origination and reversal of temporary difference	3,764,896	(9,239,865)
Under provision in prior years	61,179	-
	3,826,075	(9,239,865)
Income tax expense	3,826,075	(10,338,824)
·	-121	· -,,,

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 9. INCOME TAX (CONTINUED)

		2022	2021
		\$	\$
(b) Reconciliation of effective tax			
Profit before income tax		35,855,930	(14,649,494)
Prima facie income tax expense at 20%		7,171,186	(2,929,899)
Effect of permanent differences		(3,839,241)	(8,396,184)
Over provision in prior years	_	494,130	987,259
(a) Described deferred toy liability, not	=	3,826,075	(10,338,824)
(c) Recognised deferred tax liability, net			
Trade receivables		1,095,755	437,382
Inventories		16,586	16,586
Employee benefits		135,400	158,450
Difference between Right-of-use Assets and Lease Liabilities		(439,926)	(466,723)
Property, plant and equipment		(45,606,229)	(41,819,486)
Tax losses	_	11,195,401	14,418,502
	_	(33,603,013)	(27,255,289)
Movement in temporary differences during the year			
	1 January 2022	Movement	31 December 2022
Trade receivables	437,382	658,373	1,095,755
Inventories	16,586	-	16,586
Employee Benefits	158,450	(23,050)	135,400
Difference between Right-of-use Asset and Lease liability	(466,723)	26,797	(439,926)
Property, plant and equipment	(368,957)	(1,265,088)	(1,634,045)
Tax losses	14,418,502	(3,223,101)	11,195,401
Recognised in profit or loss	14,195,240	(3,826,069)	10,369,171
Deferred tax liability on revaluation gain on Property, plant and equipment (Note 14(a))	(41,450,529)	(2,521,655)	(43,972,184)
	(27,255,289)	(6,347,724)	(33,603,013)
Trade receivables	5,020,599	(4,583,217)	437,382
Inventories	16,586	-	16,586
Employee Benefits	148,097	10,353	158,450
Difference between Right-of-use Asset and Lease liability	(482,582)	15,859	(466,723)
Property, plant and equipment	252,675	(621,632)	(368,957)
Tax losses		14,418,502	14,418,502
Recognised in profit or loss	4,955,375	9,239,865	14,195,240
Deferred tax liability on revaluation gain on Property,			
plant and aguinment (Note 14 (a))	(44, 450, 500)		(41 450 530)
plant and equipment (Note 14 (a))	(41,450,529)	-	(41,450,529)

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 9. INCOME TAX (CONTINUED)

	2022	2021
	\$	\$
(d) Current tax (asset) / Liability		
Balance 1 January	(402,104)	1,073,478
Interest withholding tax paid	(62,935)	(118,210)
Under / (over) provision in prior years	-	(1,098,959)
Payments made during the year	-	(258,413)
Balance 31 December	(465,039)	(402,104)
NOTE 10. CASH AND CASH EQUIVALENTS		
Cash on hand	2,285	2,235
Cash at bank	112,197,569	63,828,612
Cash and cash equivalents in the statement of cash flows	112,199,854	63,830,847
NOTE 11. TRADE RECEIVABLES		
NOTE 11. TRADE RECEIVABLES		
	22,487,486	7,798,181
Trade receivables	(5,478,776)	(2,186,909)
Trade receivables		(2,186,909)
Trade receivables mpairment allowance	(5,478,776)	(2,186,909)
Trade receivables Impairment allowance NOTE 12. INVENTORIES	(5,478,776)	(2,186,909) 5,611,272
Trade receivables Impairment allowance NOTE 12. INVENTORIES Fuel	(5,478,776) 17,008,710	(2,186,909) 5,611,272 3,507
Trade receivables Impairment allowance NOTE 12. INVENTORIES Fuel Electrical	(5,478,776) 17,008,710 2,784	(2,186,909) 5,611,272 3,507 386,737
Trade receivables Impairment allowance NOTE 12. INVENTORIES Fuel Electrical	(5,478,776) 17,008,710 2,784 400,324	(2,186,909) 5,611,272 3,507 386,737 310,078
Trade receivables Impairment allowance NOTE 12. INVENTORIES Fuel Electrical Telecom	(5,478,776) 17,008,710 2,784 400,324 346,267	3,507 386,737 310,078
Trade receivables Impairment allowance NOTE 12. INVENTORIES Fuel Electrical Telecom Less: allowance for inventory obsolescence	(5,478,776) 17,008,710 2,784 400,324 346,267 749,375	(2,186,909) 5,611,272 3,507 386,737 310,078 700,322 (82,931)
Trade receivables Impairment allowance NOTE 12. INVENTORIES Fuel Electrical Telecom Less: allowance for inventory obsolescence Total Inventories, net	(5,478,776) 17,008,710 2,784 400,324 346,267 749,375 (82,931)	(2,186,909) 5,611,272 3,507 386,737 310,078 700,322 (82,931)
Trade receivables Impairment allowance NOTE 12. INVENTORIES Fuel Electrical Telecom Less: allowance for inventory obsolescence Total Inventories, net NOTE 13. OTHER RECEIVABLES AND PREPAYMENTS	(5,478,776) 17,008,710 2,784 400,324 346,267 749,375 (82,931)	(2,186,909) 5,611,272 3,507 386,737 310,078 700,322 (82,931) 617,391
Trade receivables Impairment allowance NOTE 12. INVENTORIES Fuel Electrical Telecom Less: allowance for inventory obsolescence Total Inventories, net NOTE 13. OTHER RECEIVABLES AND PREPAYMENTS Prepayments	(5,478,776) 17,008,710 2,784 400,324 346,267 749,375 (82,931) 666,444	7,798,181 (2,186,909) 5,611,272 3,507 386,737 310,078 700,322 (82,931) 617,391 2,555,908 1,153,835
Trade receivables Impairment allowance NOTE 12. INVENTORIES Fuel Electrical Telecom Less: allowance for inventory obsolescence Total Inventories, net NOTE 13. OTHER RECEIVABLES AND PREPAYMENTS Prepayments Deposits Other receivables	(5,478,776) 17,008,710 2,784 400,324 346,267 749,375 (82,931) 666,444 3,009,288	(2,186,909) 5,611,272 3,507 386,737 310,078 700,322 (82,931) 617,391

4,938,233

4,209,368

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued FIJI AIRPORTS LIMITED

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 14. PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings	Plant and Equipment	Infrastructure	Motor Vehicles	Work In Progress	Total
	₩.	₩.	₩	₩	₩	₩
Cost						
At 1 January 2021	238,260,945	57,495,128	190,345,543	7,651,796	57,479,280	551,232,692
Additions		273,204	1	1	18,244,840	18,518,044
Transfers in/ (out)	240,094	1,716,401	58,467,739	1	(60,797,768)	(373,534)
At 31 December 2021	238,501,039	59,484,733	248,813,282	7,651,796	14,926,352	569,377,202
Additions	39,197	6,747,312	355,671	1	•	7,142,180
Disposals		(6,903)	1	1	•	(6,903)
Transfers in/ (out)		1,395,154	(372,033)	1	(1,395,154)	(372,033)
Revaluation adjustment	(35,174,816)	(16,344,596)	(39,412,220)	(3,042,759)	•	(93,974,391)
At 31 December 2022	203,365,420	51,275,700	209,384,700	4,609,037	13,531,198	482,166,055
Depreciation and impairment						
At 1 January 2021	30,381,746	14,663,035	14,545,253	2,766,099	•	62,356,133
Depreciation Charge	5,701,473	7,846,265	5,382,740	930,533		19,861,011
Disposals	•	•	ı	1	1	ı
At 31 December 2021	36,083,219	22,509,300	19,927,993	3,696,632		82,217,144
Depreciation Charge	5,533,546	8,230,870	9,677,487	929,392		24,371,295
Disposals		(2,798)	ı	1		(5,798)
Revaluation adjustment	(41,616,765)	(30,734,372)	(29,605,480)	(4,626,024)	•	(106,582,641)
At 31 December 2022	•	•	1	1	•	1
Net book value:						
At 31 December 2021	202,417,820	36,975,433	228,885,289	3,955,164	14,926,352	487,160,058
At 31 December 2022	203,365,420	51,275,700	209,384,700	4,609,037	13,531,198	482,166,055

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Effective from 1 January 2018, property, plant and equipment are stated at revalued amounts, less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are performed by external independent valuers to assess the fair values of the assets. The directors work closely with the external valuers to establish the appropriate valuation techniques and inputs to the valuation method.

Latest independent valuation was carried out by registered valuer, Marsh Valuation Services, Pacific (Marsh) for a complete valuation of buildings, infrastructure, plant and equipment and motor vehicles in December 2022.

Revaluation surplus amounting to \$10,086,595 (2021: Nil) has been recorded in other comprehensive income for the year and accumulated in Asset Revaluation Reserve in equity.

NOTE 15. TRADE AND OTHER PAYABLES

	2022	2021
	\$	\$
		Restated
Trade payables	7,187,432	6,998,527
Advance deposits	1,513,637	1,464,060
Income received in advance	61,019	61,019
Other payables	2,083,212	880,138
	10,845,300	9,403,744

NOTE 16. LOANS AND BORROWINGS

	2022	2021
	\$	\$
Bank Loans		
Balance at 1 January	80,485,024	66,308,761
Drawdowns	4,283,558	14,485,024
Repayments	-	(308,761)
Balance at 31 December	84,768,582	80,485,024
Classified as follows:		
Current	4,907,333	-
Non-current	79,861,249	80,485,024
	84,768,582	80,485,024

Bank Loans

(a) Interest accruals

The loan balance of \$84,768,582 excludes the December 2022 interest and other loan charges of \$292,007 payable as at 31 December 2022 (2021: \$273,077). The interest and other loan charges of \$292,007 (2021: \$273,077) has been recorded in the trade payables account in Note 15.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 16. LOANS AND BORROWINGS (CONTINUED)

(b) Loan facilities

Fiji Airports has refinanced its existing loan facility and has taken an additional sum of FJD 40,000,000 for capital works upgrade. The loan facility has been financed through Australia and New Zealand Banking Group (ANZ Bank) in partnership with Australian Infrastructure Financing Facility for the Pacific (AIFFP).

Management have obtained a confirmation from the Bank, that for the period up to June 2023 repayment of loan will be at interest only repayments and thereafter will be inclusive of interest and principal repayment amounting to \$802,000 (2021: \$837,438). A variable interest rate of 4.25% is charged on the loan facility.

The loan is secured by:

- (i) Registered first fixed and floating charge by Airports Fiji Pte Limited over all its assets and undertakings including uncalled and called but unpaid capital;
- (ii) Registered first mortgage #765062 by Airports Fiji Pte Limited over Crown Lease No. 3469;
- (iii) Negative pledge provided by Airports Fiji Pte Limited;
- (iv) Guarantee issue by Export Finance Australia (EFA) for 100% of all loans undertaken from ANZ; and
- (v) A cash reserve account for the sum of \$14,034,630 was held for interest payment only for two years.

NOTE 17. LEASES

(a) As a lessee

The Company leases land around the country for the various airports, information about leases for which the Company is a lessee is presented below:

(i) Right-of-use assets

	2022	2021
	\$	\$
Land		
Balance at 1 January	7,313,663	7,444,065
Additions during the year	497,049	7,689
Depreciation charge for the year	(152,952)	(138,091)
Balance at 31 December	7,657,760	7,313,663
(ii) Lease Liabilities		
Maturity analysis - contractual undiscounted cash flows		
Less than one year	333,158	303,506
One to five years	1,308,634	1,214,026
More than five years	15,941,578	14,862,454
Total undiscounted liabilities at 31 December	17,583,370	16,379,986

FOR THE YEAR ENDED DECEMBER 31 20222

NOTE 17. LEASES (CONTINUED)

	2022	2021
	\$	\$
(ii) Lease Liabilities (continued) Lease liabilities included in the statement of financial position		
Current	54,417	54,417
Non-current Non-current	5,403,713	4,925,631
	5,458,130	4,980,048
Amounts recognised to profit or loss		
Interest on lease liabilities	265,960	251,676
Expenses relating to leases of low- value assets - Land rental	13,000	67,264
	278,960	318,940
Amounts recognised in statement of cash flows		
Total cash outflow for leases	217,450	375,255

Land leases

The Company leases land for the operation of the various airports. The leases for land typically are for a period of 9 to 99 years and a few land leases contain upfront lease payments. The leases do not have an option to renew. The lease payments are fixed yearly payments to be paid half yearly in equal instalments each year. Lease payments are reassessed after certain number of years.

(b) As a lessor

Lease income from lease contracts in which the Company acts as a lessor is disclosed in Note 4 as "other revenue". These are operating leases.

The Company leases out space and equipment at the various airports around the country. The Company classifies these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	2022	2021
	\$	\$
Less than one year	24,152,470	23,193,538
One to five years	87,163,007	68,663,475
More than five years	52,686,774	49,115,643
Total undiscounted lease payments	164,002,251	140,972,656

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 18. EMPLOYEE BENEFITS

	2022	2021
	\$	\$
Annual leave		
Balance at 1 January	792,250	740,483
Charge to profit or loss	671,328	615,925
Utilised during the year	(786,579)	(564,158)
Balance at 31 December	676,999	792,250
NOTE 19. DEFERRED INCOME		
Housing Estate		
Balance at 1 January	464,286	536,884
Recognised in profit or loss	(52,457)	(52,457)
Adjustment	-	(20,141)
Balance at 31 December	411,829	464,286
Government grants		
Balance at 1 January	-	96,520
Recognised in profit or loss	-	(96,520)
Balance at 31 December	-	-
Classified as follows:		
Current	52,457	52,452
Non-current	359,372	411,834
	411,829	464,286

Deferred income represents the housing estate transferred from Civil Aviation Authority of Fiji to AFL by order of the government and government grants. These deferred income is recognised in profit or loss over the useful life of the housing estate and government grants. In December 2017, the balance useful life for housing estate has been determined as 3 to 17 years. Accordingly, the housing estate and government grants is being depreciated over 3 to 17 years and 8 years, respectively.

NOTE 20. SHARE CAPITAL

	2022	2021
	\$	\$
(a) Paid up capital		
92,300,180 ordinary shares	92,300,180	92,300,180

(b) Dividends

Interim dividend of \$10,000,000 was declared on 25 May 2023 and paid during the year (2021: \$Nil).

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 21. COMMITMENTS

	2022	2021
	\$	\$
Approved and committed	18,232,554	21,250,161
Approved but not committed	42,559,413	18,199,366
	60,791,967	39,449,527

Capital expenditure are primarily in respect to upgrade of the runway at Nausori Airport, Nadi Airport baggage handling upgrade, Lounge expansions and upgrades to Labasa and Savusavu Airport terminals and various other outer island Airport Terminals.

NOTE 22. CONTINGENT LIABILITIES

The Company is vigorously defending several claims received from suppliers amounting to \$3,500,000 (2021: \$1,015,269). The Directors do not consider that these claims have merit and no provision has been recognised in these financial statements as the Directors do not consider it probable that a loss will arise.

NOTE 23. RELATED PARTIES

(a) Directors

The Directors of the Company in office during the year and up to the date of this report were:

- Mr. Geoffrey N Shaw Chairman (term expired on 4 June 2022)
- Mr. Hasmukh Patel appointed as Chairman on 5 June 2022
- Mr. Naushad Ali appointed on 17 April 2023, appointed as Deputy Chairman on 25 May 2023
- Mr. Viliame Vodonaivalu term expired on 17 Apr 2023
- Mr. Pankaj Singh appointed on 17 December 2021, resigned on 9 February 2022
- Mr. Nemia Dawai appointed on 1 March 2022, resigned on 31 October 2022
- Mr. Mark Morris Halabe appointed on 17 April 2023
- Mr. Bhavick Kapadia appointed on 17 April 2023
- Mr. Jona Sevura appointed on 17 April 2023
- Ms. Ro Teimumu Kepa appointed on 11 August 2023, resigned on 23 October 2023

	2022	2021
	\$	\$
Directors' remuneration		
Fees	30,564	32,323
Other benefits	11,632	15,704
	42,196	48,027

(b) Identity of related parties

The Company is a commercial enterprise wholly owned and controlled by the Government of Fiji. Government includes the government agencies and similar bodies whether local or national. Other related parties include government-related entities which are controlled, jointly controlled or significantly influenced by the Government of Fiji.

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 23. RELATED PARTIES (CONTINUED)

	2022	2021
	\$	\$
(c) Amounts receivable/ (payable) to related parties		Restated
Fiji Airways	4,938,168	2,494,739
Fiji Meteorological Services	(321,098)	-

Amounts payable to related parties are unsecured, interest-free and repayable on demand.

(d) Transactions with related parties

During the year, the Company entered into various transactions with related parties. The aggregate value of major transactions with the related parties during the year is as follows:

Fiji Government		
iTaukei Land Trust Board (TLTB) - Land rental expense	217,450	375,255
Fiji Airways		
Aeronautical and rental revenue	33,275,814	10,491,441
Aeronautical and rental revenue - discount during the year	3,720,674	2,145,950
Management fee	(270,000)	
Fiji Meteorological Services		
Reimbursement of Meteorological office operating cost	321,098	
Civil Aviation Authority of Fiji (CAAF)		
Airport License & Inspection Fee	281,886	302,844
Airport License & Inspection Fee - waiver received	-	306,309
Fiji National Provident Fund		

(e) Transactions with key management personnel

Post employment benefit plan - Superannuation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. During the year 2022 and in 2021, Acting CEO, General Manager Air Traffic management and General Manager Commercial (May 2022) were the executives identified as key management personnel, with the greatest authority and responsibility for the planning, directing and controlling the activities of the Company.

821,902

In addition to their salaries, the Company also provides non-cash benefits to key management personnel.

Transactions with key management personnel are on terms that are no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to third parties at arm's length. Key management personnel compensation (excluding Directors remuneration as disclosed in Note 23 (a) is disclosed in Note 7.

438,526

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 24. RISK MANAGEMENT

Overview

The Company has exposure to the following risks:

- (i) Credit risk;
- (ii) Liquidity risk;
- (iii) Market risk; and
- (iv) Operational risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

Risk management framework

The Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are documented in the Company's Finance policy and procedures manual. Risk management is carried out by executive management. Executive management identifies, evaluates and monitors financial risks in close to operation with the operating units.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash at bank, trade receivable and investment in debt securities.

The carrying amounts of financial assets and contract assets represent the maximum credit exposure. Impairment losses on financial assets and contract assets recognised in profit or loss were as follows:

	2022	2021
	\$	\$
Cash at bank	112,197,569	63,828,612
Trade receivables	17,008,710	5,611,272
Other receivables (excluding prepayments)	1,200,080	2,382,325
	130,406,359	71,822,209

Trade receivables

The Company has agreements in place with its customers for the various types of revenue. These customers are mainly reputable airline companies both domestic and international using Fiji's airspace and duty free stores. These customers have been transacting with the Company for a number of years with minimal impairment loss recognised against these customers. The Company limits its exposure to credit risk from trade receivables by establishing payment period of 30 days.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 24. RISK MANAGEMENT CONTINUED

(i) Credit risk (continued)

Trade receivables (continued)

Impairment loss on financial assets recognised in profit or loss were as follows:

	2022	2021
	\$	\$
Impairment loss on trade and other receivables	3,291,868	467,508
	3,291,868	467,508

Expected credit losses assessment for trade receivables

The Company uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers as at 31 December 2022.

31 December 2022	Weighted- average loss rate	Gross carrying amount	Loss allowance	Credit impaired
Current (not past due)	6.53%	9,639,290	(629,175)	No
31 to 61 days past due	16.60%	7,045,344	(1,169,211)	No
62 to 89 days past due	28.34%	1,556,466	(441,170)	No
90 to 120 days past due	54.01%	496,548	(268,162)	No
More than 120 days past due	60.85%	1,989,429	(1,210,649)	No
Specific provision		1,760,409	(1,760,409)	
	_	22,487,486	(5,478,776)	

Loss rates are based on actual credit loss experience over the past two years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Company's view of economic conditions over the expected lives of trade receivables. Scalar factors are based on actual and GDP growth rates.

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 24. RISK MANAGEMENT CONTINUED

(i) Credit risk (continued)

Expected credit losses assessment for trade receivables (continued)

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers as at 31 December 2021.

31 December 2021	Weighted- average loss rate	Gross carrying amount	Loss allowance	Credit impaired
Current (not next due)	4.710/	4.072.125	(101 (55)	No
Current (not past due)	4.71%	4,072,125	(191,655)	No
31 to 61 days past due	11.48%	1,648,341	(189,197)	No
62 to 89 days past due	22.05%	148,042	(32,642)	No
90 to 120 days past due	42.42%	19,492	(8,269)	No
More than 120 days past due	49.81%	288,944	(143,909)	No
Specific provision rental relief proided to tentants		1,621,237	(1,621,237)	
		7,798,181	(2,186,909)	

Loss rates are based on actual credit loss experience over the past two years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Company's view of economic conditions over the expected lives of trade receivables. Scalar factors are based on actual and GDP growth rates.

Cash and cash equivalents

The Company held cash of \$112,199,854 (2021: \$63,828,612). Cash are held with banks which are rated A1, Aa3 and Bb3 based on Standard & Poors and Moody's ratings.

Impairment on cash and cash equivalents has been measured on the 12 month expected loss basis and reflects short term maturities of the exposures. (The Company considers that its cash have low credit ratings of the counterparties).

The amount of impairment allowance at 31 December 2022 is Nil (2021: Nil).

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 24. RISK MANAGEMENT CONTINUED

(ii) Liquidity risk (continued)

The following are the remaining contractual maturities of financial liabilities at the reporting date:

	Contractual cash flows				
Financial liabilities	Carrying	Total	6 months or	6-12 months	More than 1
	amount		less		year
		\$	\$	\$	\$
31 December 2022					
Trade and other payables	10,845,300	10,845,300	10,845,300	-	-
Loans and borrowings	84,768,582	225,725,126	112,862,563	4,812,000	108,050,563
Lease liabilities	5,458,130	17,583,370	166,579	166,579	17,250,212
_	101,072,012	254,153,796	123,874,442	4,978,579	125,300,775
31 December 2021					
Trade and other payables	10,412,907	10,412,907	10,412,907	-	-
Loans and borrowings	80,485,024	99,535,038	1,710,307	1,710,307	96,114,424
Lease liabilities	4,980,048	16,379,986	151,753	151,753	16,076,480
_	95,877,979	126,327,931	12,274,967	1,862,060	112,190,904

The Company is required to make interest only payments till the end of the availability period and thereafter principal plus interest payments (refer 17 (i)). The principal amount to be paid will only be determined by the bank at the end of the availability period. The interest rate is subject to the Company's selection of variable rate and or fixed rate at the end of the availability period. For the purpose of calculating the contractual maturities, the rate for the duration of the loan has been assumed at the current rate.

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

Interest rate risk refers to the possibility that the fair value of future cash flows of financial instrument will fluctuate because of changes in market interest rates. The Company adopts a policy of ensuring that its exposure to changes in interest rates on borrowings is on a fixed-rate basis over a period of time, and reviewed periodically with the Bank, taking into account assets with exposure to changes in interest rates. The Company also invests excess cash in term deposits to manage the risk of changes in market interest rate exposed to the Company due to loans and borrowings.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS Continued

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 24. RISK MANAGEMENT CONTINUED

(ii) Market risk (continued)

Interest rate risk (continued)

Exposure to interest rate risk

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was:

	2022	2021
	\$	\$
Fixed rate instruments		
Loan from ANZ Banking Group Limited and Export Finance Australia (i)	84,768,582	80,485,024

(i) The Company is required to make interest only payments till the end of the availability period and thereafter principal plus interest payments (Note 16). The principal amount to be paid will only be determined by the bank at the end of the availability period. The interest rate is subject to the Company's selection of variable rate and or fixed rate at the end of the availability period. As a result the sensitivity analysis has not been disclosed.

Foreign currency risk

The Company is exposed to foreign currency risk as a result of transactions denominated in foreign currencies arising from normal trading activities. Where significant settlements are required to be done in currencies other than the Fiji dollar, the Company seeks quotations from recognised banks and uses the most favourable exchange rate for the purposes of the settlement. The Company does not have significant exposure to foreign currency risk.

Regulatory risk

The Company's profitability can be impacted by regulatory agencies established which govern the business sector in Fiji. Specifically prices for aeronautical services and air navigation service fees are regulated by Fijian Competition and Consumer Commission.

The salaries and wages payable to workers are subject to relevant Wages Regulations 2017 and Employment Relations Act.

(iv) Operational risk

Operational risk is the risk of loss arising from systems failure, human error, and fraud to external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial crisis. The Company cannot expect to eliminate all operational risk, but through a control framework and by monitoring and responding to potential risks, the Company is able to manage risks. Controls include effective segregation of duties, access, authorization and reconciliation procedures, staff education and assessment procedures.

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 25. RESTATEMENT AND CORRECTION OF ERRORS

During the year ended 31 December 2022 the company did restatement of prior periods. This was done to comply with International Accounting Standards (IAS) 8.42 Accounting Policies, Changes in Accounting Estimates and Errors which requires an entity to correct all material prior period errors retrospectively in the first set of financial statements authorised for issue after their discovery by; restating the comparative amounts for the prior period(s) presented in which the error occurred; or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

In February 2023, the Directors were issued a circular from the Permanent Secretary for Infrastructure & Meteorological Service who confirmed that the monthly fee for provision of aviation weather services for the months of March 2020 to May 2022 will be waived due to the impacts of Covid-19 pandemic. The Company noted that monthly fee for provision of aviation weather services from Fiji Meteorological Service for the months of March 2020 to December 2021 were reversed in the incorrect period (2022).

In accordance with IAS 8.42 Accounting Policies, Changes in Accounting Estimates and Errors, the company has accounted for the error by adjusting the opening balance of each affected component of the equity for earliest prior period presented and the other comparative amount.

During 2022, the Company noted that monthly fee for provision of aviation weather services from Fiji Meteorological Service for the months of March 2020 to December 2021 were reversed in the incorrect period (2022).

The errors have been corrected by restating each of the affected financial statement line items for prior periods.

The following tables summarise the impacts on the Company's financial statements.

Statement of financial position | Impact of restatement and correction of errors

	As previously reported	Adjustments	As restated
2020	\$	\$	\$
Trade and other payables	(8,105,052)	458,711	(7,646,341)
Total liabilities	(8,105,052)	458,711	(7,646,341)
•			
Retained earnings	(191,692,140)	(458,711)	(192,150,851)
Total equity	(191,692,140)	(458,711)	(192,150,851)
•			
2021			
Trade and other payables	(10,412,907)	1,009,163	(9,403,744)
Total liabilities	(10,412,907)	1,009,163	(9,403,744)
•			
Retained earnings	(187,381,470)	(1,009,163)	(188,390,633)
Total equity	(187,381,470)	(1,009,163)	(188,390,633)
•			

FOR THE YEAR ENDED DECEMBER 31 2022

NOTE 25. RESTATEMENT AND CORRECTION OF ERRORS CONTINUED

Statement of financial performance					
	As previously reported	Adjustments	As restated		
2021	\$	\$	\$		
Operating expenses	6,671,880	(550,452)	6,121,428		
Net loss for the year	4,310,670	(550,452)	3,760,218		
Total comprehensive income	4,310,670	(550,452)	3,760,218		

NOTE 26. CAPITAL MANAGEMENT

The Company's capital includes share capital and retained earnings.

The Company's policy is to maintain a strong capital base so as to maintain creditor confidence and to sustain future development of the business.

The Company is not subject to any externally imposed capital requirements. The Company's policies with respect to capital management are reviewed regularly by the Board of Directors.

There have been no material changes in the Company's management of capital during the year.

NOTE 27. FAIR VALUE ESTIMATION

The carrying value of trade and other receivables, trade and other payables and loans and borrowings are assessed to approximate their fair values.

NOTE 28. SUBSEQUENT EVENTS

Fiji Airports and Fiji Airways Management Services agreement

In March 2023, the agreement between Fiji Airports and Fiji Airways Management Services ceased.

Interim dividend

Interim dividend of \$10,000,000 was declared on 25 May 2023 and paid during the year.

Change in income tax rate

On 30 June 2023, an increase in the corporate rate from 20% to 25% was substantively enacted, effective from tax year 2023. This increase does not affect the amounts of current or deferred taxes recognised at 31 December 2022. However, this change will increase the Company's future current tax charge accordingly. If the new tax rate were applied to calculate taxable temporary differences and tax losses recognised as at 31 December 2022 the effect would be that net deferred liabilities would increase by \$8,301,913.

Other than the above, there has not arisen in the interval between the end of the year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

ADDITIONAL FINANCIAL INFORMATION DETAILED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED DECEMBER 31 2022

	2022	2021
	\$	\$
Revenue		
Air navigation charges	26,421,384	13,142,817
Airport security and development fee	12,026,986	632,458
Concessions	24,152,470	1,844,314
Domestic passenger service charge	1,622,664	424,876
Landing and parking fees - domestic	754,412	384,600
Landing and parking fees - international	17,976,138	6,259,463
Departure tax share	5,258,957	325,071
Rental - offices and warehouses	4,620,404	3,032,604
Rental - check-in-counter	1,607,100	112,572
Terminal navigation aid charges	4,898,620	1,738,166
Electricity recharge	1,095,910	539,935
Government grant	-	96,520
Deferred income	52,457	52,457
Identification card charges	151,908	118,075
Left luggage charges	86,286	1,946
Interest on term deposit	629,791	1,182,266
Sundry income	817,964	470,593
Car park charges	848,345	79,627
Total income	103,021,796	30,438,360
Expenses		
Airport inspection and license fees	287,778	112,840
Auditors' remuneration	8,405	31,531
Bank charges	5,342	16,506
Board expenses	11,632	15,704
Consultancy	1,099,035	482,247
Contract costs	5,619,873	1,711,402
Depreciation – property, plant and equipment	24,371,295	19,861,011
Depreciation – right-of-use assets	152,952	138,091
Directors' remuneration	30,564	32,323
Doubtful debts (impairment loss in trade and other receivables)	3,291,868	467,508
Insurance	2,967,089	2,909,243
Interest - loan	3,564,851	2,890,471
Interest – right-of-use	265,960	251,676
Land rental	13,000	67,264
Management fee	270,000	-
Meteorological costs	321,098	-
Other expenses	458,722	280,976
Post and telecommunications	724,401	464,510
Repairs and maintenance	2,899,522	1,293,295
Balance carried forward to page 49	46,363,387	31,026,598

ADDITIONAL FINANCIAL INFORMATION DETAILED STATEMENT OF PROFIT OR LOSS CONTINUED

FOR THE YEAR ENDED DECEMBER 31 2022

	2022	2021
	\$	\$
Expenses (continued)		
Balance brought forward from page 48	46,363,387	31,026,598
Island States share of Air Traffic Management income	1,321,149	657,105
Sundry costs and supplies	666,790	359,219
Training and conference	121,988	20,810
Travel and accommodation	202,893	30,891
Utilities and services	4,612,078	2,163,299
Vehicle and fuel costs	699,442	378,164
Wages and salaries	13,178,139	9,901,316
Total expenditure	67,165,866	44,537,402
Operating profit before tax	35,855,930	(14,099,042)





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