WELLINGTON INTERNATIONAL AIRPORT LIMITED

Consolidated Financial Statements
for the Six Months Ended 30 September 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Note	**6 months 30 Sep 2021 $000 Unaudited**	6 months 30 Sep 2020 $000 Unaudited	12 months 31 Mar 2021 $000 Audited
Aircraft movement and terminal charges		27,432	11,312	33,973
Retail and trading activities		16,238	7,951	22,148
Property rent and lease income		6,997	6,539	12,666
Total revenue		**50,667**	**25,802**	**68,787**
Operating expenses	A2	(14,274)	(10,319)	(22,136)
Employee remuneration and benefits		(4,933)	(4,558)	(10,693)
Subvention payment	D1	-	(37,501)	(38,094)
Total operating and other expenditure		**(19,207)**	**(52,378)**	**(70,923)**
Investment properties revaluation net increase	B2	2,500	3,895	4,945
Depreciation	B1	(14,417)	(13,516)	(29,648)
Gain/(loss) on sale of property, plant and equipment	B1	(108)	-	(649)
Revaluation increase of property, plant and equipment	B1	-	-	4,399
Operating earnings before financing expense		**19,435**	**(36,197)**	**(23,089)**
Interest income		154	169	723
Interest expense		(12,650)	(13,088)	(27,198)
Other finance (expense)/income		(321)	573	1,444
Net financing expense		**(12,817)**	**(12,346)**	**(25,031)**
Net profit/(loss) from continuing operations before taxation		**6,618**	**(48,543)**	**(48,120)**
Taxation (expense)/income		(3,619)	18,699	12,404
Net profit/(loss) after taxation		**2,999**	**(29,844)**	**(35,716)**
Other comprehensive income				
Items that will not be reclassified to profit or loss:				
Property, plant and equipment revaluation		61,035	-	77,828
Income tax on property, plant and equipment revaluation		(10,930)	-	(301)
Total items that will not be reclassified to profit or loss		50,105	-	77,527
Items that may subsequently be reclassified to profit or loss:				
Fair value movements recognised in the cash flow hedge reserve		5,225	(4,657)	2,842
Tax effect of movements in the cash flow hedge reserve		(1,463)	1,304	(796)
Total items that may subsequently be reclassified to profit or loss		3,762	(3,353)	2,046
Total other comprehensive income		**53,867**	**(3,353)**	**79,573**
Total comprehensive income		**56,866**	**(33,197)**	**43,857**

The accompanying notes form part of and are to be read in conjunction with these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Note	Capital	Asset Revaluation Reserve	Cash Flow Hedge Reserve	Retained Earnings	Total Equity
		Attributable to Equity Holders				
		$000	$000	$000	$000	$000
Balance as at 1 April 2021		**9,050**	**584,305**	**(10,234)**	**89,606**	**672,727**
Comprehensive income						
Net profit/(loss)		-	-	-	2,999	2,999
Other comprehensive income		-	50,105	3,762	-	53,867
Total comprehensive income		**-**	**50,105**	**3,762**	**2,999**	**56,866**
Total contributions by and distributions to owners		**-**	**-**	**-**	**-**	**-**
Unaudited balance as at 30 September 2021		**9,050**	**634,410**	**(6,472)**	**92,605**	**729,593**
Balance as at 1 April 2020		**9,050**	**506,778**	**(12,280)**	**137,383**	**640,931**
Comprehensive income						
Net profit/(loss)		-	-	-	(29,844)	(29,844)
Other comprehensive income		-	-	(3,353)	-	(3,353)
Total comprehensive income		**-**	**-**	**(3,353)**	**(29,844)**	**(33,197)**
Contributions by and distributions to owners						
Dividends to equity holders	D1	-	-	-	(12,061)	(12,061)
Total contributions by and distributions to owners		**-**	**-**	**-**	**(12,061)**	**(12,061)**
Unaudited balance as at 30 September 2020		**9,050**	**506,778**	**(15,634)**	**95,478**	**595,673**
Balance as at 1 April 2020		**9,050**	**506,778**	**(12,280)**	**137,383**	**640,931**
Comprehensive income						
Net profit/(loss)		-	-	-	(35,716)	(35,716)
Other comprehensive income		-	77,527	2,046	-	79,573
Total comprehensive income		**-**	**77,527**	**2,046**	**(35,716)**	**43,857**
Contributions by and distributions to owners						
Dividends to equity holders	D1	-	-	-	(12,061)	(12,061)
Total contributions by and distributions to owners		**-**	**-**	**-**	**(12,061)**	**(12,061)**
Audited balance as at 31 March 2021		**9,050**	**584,305**	**(10,234)**	**89,606**	**672,727**

The accompanying notes form part of and are to be read in conjunction with these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2021

	Note	**30 Sep 2021 $000 Unaudited**	30 Sep 2020 $000 Unaudited	31 Mar 2021 $000 Audited
Cash and cash equivalents		16,008	9,633	30,835
Short-term deposits		30,000	75,000	50,000
Receivables		7,765	9,425	9,949
Prepayments and sundry receivables		3,190	3,037	5,562
Current tax asset		-	3,388	460
Current assets		**56,963**	**100,483**	**96,806**
Property, plant and equipment	B1	1,346,958	1,204,354	1,293,163
Investment properties	B2	99,524	95,974	97,024
Derivative financial instruments		9,551	25,071	8,977
Non current assets		**1,456,033**	**1,325,399**	**1,399,164**
Total assets		**1,512,996**	**1,425,882**	**1,495,970**
Trade and other payables		1,140	639	1,437
Current tax payable		280	-	-
Accruals and other liabilities		9,665	9,166	10,174
Accrued employee benefits		2,071	1,170	1,060
Derivative financial instruments		-	786	306
Loans and borrowings	C1	-	105,000	105,000
Current liabilities		**13,156**	**116,761**	**117,977**
Deferred taxation		117,128	96,275	101,860
Lease liabilities		10,381	10,616	10,500
Derivative financial instruments		7,301	19,882	12,216
Loans and borrowings	C1	635,437	586,675	580,690
Non current liabilities		**770,247**	**713,448**	**705,266**
Attributable to shareholders		729,593	595,673	672,727
Total equity		**729,593**	**595,673**	**672,727**
Total equity and liabilities		**1,512,996**	**1,425,882**	**1,495,970**

The accompanying notes form part of and are to be read in conjunction with these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Note	6 months 30 Sep 2021 $000 Unaudited	6 months 30 Sep 2020 $000 Unaudited	12 months 31 Mar 2021 $000 Audited
Cash flows from operating activities				
Cash was provided from:				
Receipts from customers		52,851	30,440	72,900
Interest received		154	169	723
Cash was disbursed to:				
Payments to suppliers and employees		(15,584)	(20,763)	(39,625)
Interest paid		(12,152)	(13,418)	(26,794)
Subvention payment	D1	-	(37,501)	(38,094)
Net cash flows from operating activities		**25,269**	**(41,073)**	**(30,890)**
Cash flows from investing activities				
Cash was disbursed to:				
Purchase of property, plant and equipment		(7,284)	(11,478)	(35,036)
Net cash flows from investing activities		**(7,284)**	**(11,478)**	**(35,036)**
Cash flows from financing activities				
Cash was provided from:				
Issue of bonds		125,000	100,000	100,000
Drawdown of bank facilities		-	60,000	70,000
Maturity of short-term deposits		50,000	-	-
Cash was disbursed to:				
Investment in short-term deposits		(30,000)	(75,000)	(50,000)
Repayment of bonds		(75,000)	(25,000)	(25,000)
Repayment of bank facilities		(70,000)	-	-
Repayment of commercial paper		(30,000)	-	-
Debt issue costs		(2,692)	(1,262)	(1,570)
Dividend payment	D1	-	(12,061)	(12,061)
Repayment of lease liabilities		(120)	(114)	(229)
Net cash flows from financing activities		**(32,812)**	**46,563**	**81,140**
Net increase/(decrease) in cash and cash equivalents		(14,827)	(5,988)	15,214
Cash and cash equivalents balance at the beginning of the period		30,835	15,621	15,621
Cash and cash equivalents balance at the end of the period		**16,008**	**9,633**	**30,835**

Reconciliation of net profit after taxation to net cash flows from operating activities:		6 months 30 Sep 2021 $000 Unaudited	6 months 30 Sep 2020 $000 Unaudited	12 months 31 Mar 2021 $000 Audited
Net profit/(loss) after taxation		**2,999**	**(29,844)**	**(35,716)**
Other finance income/(expense)		321	(573)	(1,444)
Depreciation	B1	14,417	13,516	29,648
Investment properties revaluation net increase	B2	(2,500)	(3,895)	(4,945)
Other movements not involving cash flows		3,495	(19,032)	(15,751)
Movements in working capital		6,537	(1,245)	(2,682)
Net cash flows from operating activities		**25,269**	**(41,073)**	**(30,890)**

The accompanying notes form part of and are to be read in conjunction with these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

REPORTING ENTITY

The unaudited, condensed and consolidated half year financial statements presented are those of the Wellington International Airport Limited Group (the Group), comprising Wellington International Airport Limited (WIAL and/or the Company) and its subsidiaries: Wellington Airport Noise Treatment Limited (WANT Limited - which provides noise mitigation activities to manage the impact of noise generated from the airport on the surrounding community), Whare Manaakitanga Limited (Rydges Wellington Airport hotel company) and Meitaki Limited (captive insurance company incorporated in the Cook Islands).

The Group operates predominantly in Wellington, New Zealand, providing integrated airport and commercial facilities and services to various airlines and other airport users. The Group also operates a commercial retail park adjacent to the airport site.

STATUTORY BASE

The parent company, WIAL, is a profit oriented company incorporated and domiciled in New Zealand as a limited liability company registered under the Companies Act 1993. The company has bonds listed on the NZX Debt Market (NZDX) and on that basis meets the definition of a Reporting Entity under the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013.

BASIS OF PREPARATION

These financial statements for the six month period to 30 September 2021 have been prepared using Generally Accepted Accounting Practice in New Zealand (NZ GAAP) and comply with IAS 34: *Interim Financial Reporting* and NZ IAS 34: *Interim Financial Reporting*, as appropriate for a for-profit entity.

These financial statements have been prepared in accordance with the accounting policies stated in the Group's published Annual Report for the year ended 31 March 2021 and should be read in conjunction with the Annual Report. Where relevant, prior year amounts have been reclassified for consistency with the current year presentation. This has no impact on the reported results.

Accounting estimates and judgements

Unless otherwise stated, the key accounting estimates and judgements are consistent with those used in preparing the financial statements for the year ended 31 March 2021 as published in the 2021 Annual Report.

COVID-19

COVID-19 continues to have a significant impact on the aviation industry and on WIAL's business. In July 2021 when domestic travel was relatively unrestricted, domestic traffic had recovered to 93% of the level of July 2019. In September 2021, following the reimposition of restrictions, traffic was down to 45% of the pre-COVID-19 2019 level. The longer term effects of COVID-19 remain uncertain, as the potential impacts of the pandemic continue to evolve.

With regards to these half year financial statements, COVID-19 has specifically impacted certain areas of financial reporting and have required the Group to make estimates or judgements. There remains uncertainty around forecast domestic and international air travel from the ongoing impacts of COVID-19, and on WIAL's cash flows as a consequence. The Group is forecasting a recovery back to pre-COVID-19 passenger levels over the next few years. Forecasts are based on the information available to the Group at the time of preparing these financial statements and are based on reference to various data sources including airlines, IATA and travel and tourism bodies. Further disclosure of the material impacts of COVID-19 are included in the relevant notes in these financial statements.

The Group received wage subsidy contributions from the NZ Government during the period ended 30 September 2021, which has been recognised in the 'Employee remuneration and benefits' line in the Consolidated Statement of Comprehensive Income. The NZ Government also provides aviation sector support, but this was directed at airlines and airports with international freight services, and was not available to the Group.

NOTES CATEGORIES

The summary notes include information which is required to understand the consolidated half year financial statements and is material and relevant to the operations, financial position and performance of the Group.

A. FINANCIAL PERFORMANCE

A1. Segment reporting and non-NZ GAAP measure

Operating segments are identified based on the nature of the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker of the Group has been identified as the Chief Executive Officer. Based on the internal reporting to the Chief Executive Officer, the Group is considered to have one operating segment.

The Group refers to a non-NZ GAAP financial measure of earnings before interest, tax, depreciation, amortisation, change in fair value of financial instruments, revaluations and impairments of PPE, gain/(loss) on sale of assets (EBITDAF) and subvention payment within these consolidated financial statements. The Board and management consider it a useful non-NZ GAAP financial measure as it shows the contribution to earnings prior to non-cash items, cost of financing and subvention and is used by management, in conjunction with other measures, to monitor financial performance. The limited use of this non-NZ GAAP measure is intended to supplement NZ GAAP measures and is not a substitute for NZ GAAP measures. As these measures are not defined by NZ GAAP, NZ IFRS, or any other body of accounting standards, the Group's calculations may differ from similarly titled measures presented by other companies.

	6 months 30 Sep 2021	6 months 30 Sep 2020	12 months 31 Mar 2021
	$000	$000	$000
	Unaudited	Unaudited	Audited
Net profit/(loss) after taxation	**2,999**	**(29,844)**	**(35,716)**
Subvention payment	-	37,501	38,094
Net financing expense	12,817	12,346	25,031
Taxation expense/(income)	3,619	(18,699)	(12,404)
Depreciation	14,417	13,516	29,648
Investment properties revaluation net increase	(2,500)	(3,895)	(4,945)
(Gain)/Loss on sale of property, plant and equipment	108	-	649
Revaluation increase of property, plant and equipment	-	-	(4,399)
EBITDAF before subvention payment	**31,460**	**10,925**	**35,958**

A2. Operating expenses

	6 months 30 Sep 2021	6 months 30 Sep 2020	12 months 31 Mar 2021
	$000	$000	$000
	Unaudited	Unaudited	Audited
Fees paid to auditors:			
Audit of statutory financial statements	74	71	175
Taxation and other services	32	59	72
Regulatory and assurance services *(Note 1)*	17	17	34
Directors' fees	297	215	505
Regulatory compliance and airline pricing consultation	191	191	282
Marketing and development	568	429	828
Cleaning and energy	1,482	1,184	2,565
Rates and insurance	4,550	3,884	8,343
Repairs and maintenance	936	952	1,855
Software support	767	717	1,496
Noise mitigation program	657	256	609
Expected credit loss provision	-	50	50
Administration and other expenses	4,703	2,294	5,322
Total operating expenses	**14,274**	**10,319**	**22,136**

Note 1 - Includes audit of WIAL's regulatory Annual Disclosures.

B. FIXED ASSETS

B1. Property, plant and equipment	6 months 30 Sep 2021	6 months 30 Sep 2020	12 months 31 Mar 2021
	$000	$000	$000
	Unaudited	Unaudited	Audited
Opening balance	**1,293,163**	**1,206,427**	**1,206,427**
Additions	7,177	11,443	34,157
Disposals	-	-	-
Depreciation	(14,417)	(13,516)	(29,648)
Movement in asset revaluation	61,035	-	82,226
Impairment losses	-	-	-
Closing balance	**1,346,958**	**1,204,354**	**1,293,163**

Assessment of Fair Value

Fair value is determined by independent external valuation experts, or by management, using recognised valuation techniques. Independent external valuations are undertaken on a systematic basis at least every five years. In the intervening years and at each reporting date, a material change assessment of each asset class is performed to assess whether carrying amount differ materially from fair value. Further details of the valuations, including the last independent external valuations performed for each asset class, are set out in the 2021 Annual Report.

As at 30 September 2021, the Group made an assessment of whether the carrying amounts of assets differed materially from fair value. This assessment is undertaken by management and based on the latest available information at the time of preparation of these financial statements, and includes passenger and cashflow forecasts. It also includes reference to key indices including the capital goods price index and construction index, internal discounted cash flow models, land values and investment property (as relevant to each class of asset) as an indicator of material change in fair value of property plant and equipment. Based on this assessment and with reference to the relevant indices, the following adjustments to carrying value were made as at 30 September 2021:

Land

The Group's assessment of land includes reference to NZ and Wellington house price indices published by Real Estate Institute of NZ, changes in commercial and industrial property values and consideration of other key inputs. Based on this assessment, the Group has indexed the carrying value of land resulting in an increase to carrying value of $22 million (30 September 2020: nil, 31 March 2021: $76.8 million) being recognised in the Asset Revaluation Reserve and Other Comprehensive Income.

Buildings

Buildings are assessed as three main components; (a) Specialised buildings, (b) Vehicle business assets and (c) Hotel business assets.

(a) Specialised buildings - based on the Group's assessment which includes reference to the cost of construction including the capital goods price index and consumers price index, a valuation uplift of $13.9 million (30 September 2020: nil, 31 March 2021: nil) has been recognised in Asset Revaluation Reserve and Other Comprehensive Income.

(b) Vehicle business assets - based on the Group's assessment which includes reference to passenger forecasts and discounted cash flow modelling, a valuation uplift of $13.0 million (30 September 2020: nil, 31 March 2021: nil) has been recognised in Asset Revaluation Reserve and Other Comprehensive Income.

(c) Hotel business assets - based on the Group's assessment which includes reference to passenger forecasts and discounted cash flow modelling, no material change in the carrying value of these assets was identified (30 September 2020: nil, 31 March 2021: $5.5 million).

Civil Assets

Based on the Group's assessment which includes reference to the cost of construction including the Waka Kotahi Construction index and the Producers Price index, a valuation uplift of $12.1 million (30 September 2020: nil, 31 March 2021: nil) has been recognised in Asset Revaluation Reserve and Other Comprehensive Income.

COVID-19

Due to COVID-19, there remains uncertainty around forecast domestic and international air travel and consequently on WIAL’s cash flows. Whilst passenger numbers are recovering, the Group has forecast a significant reduction in passengers for the year ending 31 March 2022 (when compared to pre-COVID-19 levels), along with a recovery back to pre-COVID-19 levels forecast to occur in the next few years. These forecasts are based on the information available to the Group at the time of preparing these financial statements and are based on reference to various data sources including airlines, IATA and travel and tourism bodies.

The Group’s estimates of passengers, recovery and growth rates remain uncertain and are dependant on a number of factors. This includes any potential future restrictions on travel, for example as a result of further COVID-19 outbreaks or changing of alert levels, border controls for international travel, public demand and behaviour with respect to travel and airline scheduling. Material changes in any of these factors might have a material impact on the Group’s estimates of income and cashflows used in the above assessments of fair value as at 30 September 2021. In addition, the longer-term effects of COVID-19 on WIAL’s business remain uncertain and the potential impacts of the pandemic continue to evolve.

Capitalised borrowing costs

For the period ended 30 September 2021, capitalised borrowing costs relating to capital work in progress amounted to $0.6 million (30 September 2020: $0.7 million, 31 March 2021: $1.2 million), with an average capitalisation rate of 3.7% (30 September 2020: 4.1%, 31 March 2021: 4.0%).

B2. Investment properties

As at 30 September 2021, the fair value of investment properties owned by the Group were assessed by independent valuers Jones Lang Lasalle (JLL). This valuation estimated a fair value of $88.6 million (30 September 2020: $85.1 million, 31 March 2021: $86.1 million) which resulted in a valuation increase of $2.5 million (30 September 2020: $3.9 million, 31 March 2021: $4.9 million). This valuation increase is recognised in profit or loss in the Consolidated Statement of Comprehensive Income.

The investment property balance as at 30 September 2021 also includes Right-of-Use assets as defined under NZ IFRS 16 of $10.9 million (30 September 2020: $10.9 million, 31 March 2021: $10.9 million).

As part of the valuation process, the Group has provided information to JLL including current tenants, rent agreements and lease terms based on information available at the time of preparing these financial statements. This valuation is based on a discounted cash flow and capitalisation rate approach.

C. FUNDING

C1. Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to and management of interest rate and foreign currency risk, refer to the 2021 Annual Report.

	Issue Date	Maturity	Interest Rate	6 months 30 Sep 2021 $000 Unaudited	6 months 30 Sep 2020 $000 Unaudited	12 months 31 Mar 2021 $000 Audited
Commercial paper	Sep-20	Dec-20	0.64%	-	30,000	30,000
Drawn bank facilities	Aug-20	Refer below	1.18%	-	60,000	70,000
Retail bonds WIA020	Nov-13	May-21	6.25%	-	75,000	75,000
Retail bonds WIA030	May-16	May-23	4.25%	75,000	75,000	75,000
Retail bonds WIA040	Aug-16	Aug-24	4.00%	60,000	60,000	60,000
Retail bonds WIA050	Dec-16	Jun-25	5.00%	70,000	70,000	70,000
Retail bonds WIA060	Apr-19	Apr-30	4.00%	100,340	103,894	101,860
Retail bonds WIA070	Aug-20	Aug-26	2.50%	100,000	100,000	100,000
Retail bonds WIA080	Sep-21	Sep-31	3.32%	124,857	-	-
USPP Notes - Series A (US$36 million)	Jul-17	Jul-27	3.47%	55,417	61,388	54,197
USPP Notes - Series B (US$36 million)	Jul-17	Jul-29	3.59%	55,417	61,388	54,197
Total borrowings at face value				**641,031**	**696,670**	**690,254**
Unamortised transaction costs				(5,594)	(4,995)	(4,564)
Carrying value of borrowings				**635,437**	**691,675**	**685,690**
Current				-	105,000	105,000
Non-current				635,437	586,675	580,690

Financial covenants
As at 30 September 2021 WIAL had bank facilities amounting to $170 million, with no drawn bank debt. These facilities and the US$72 million USPP Notes have similar financial covenants, with which WIAL was compliant as at 30 September 2021.

Shareholder support
WIAL's shareholders have committed to provide WIAL with $75.8 million (66% Infratil and 34% Wellington City Council) of support in the form of redeemable preference shares for which WIAL's option to draw down expires 30 June 2022. This support remains undrawn as at 30 September 2021.

Bank facilities
As at 30 September 2021, WIAL's four banks provided $170 million of facilities (30 September 2020: $170 million, 31 March 2021: $170 million). $70 million matures May 2022, $30 million matures June 2022, $45 million matures May 2023, and $25 million matures August 2023. As at 30 September 2021 WIAL's total drawn facilities are $nil (30 September 2020: $60 million, 31 March 2021: $70 million). The Group's debt includes unsecured and unsubordinated bank facilities with a negative pledge arrangement, which with limited exceptions does not permit the borrower to grant any security over its assets. The bank facilities require the borrower to maintain certain levels of shareholder funds and operate within defined performance and gearing ratios. The banking arrangements also include restrictions over the sale or disposal of certain assets.

Bonds
The Trust Deeds for the bonds require the Group to operate within defined performance and debt gearing ratios. The arrangements under the Trust Deeds create restrictions over the sale or disposal of certain assets. As at 30 September 2021, the bonds had a fair value of $530.2 million (30 September 2020: $517.1 million, 31 March 2021: $507.4 million). During the period the Group issued $125 million of retail bonds (WIA080 issued on 24 September 2021) at a coupon rate of 3.32%, which fully repaid bank debt and surplus funds are currently held in cash and short-term deposits.

USPP notes
On 27 July 2017 WIAL completed its inaugural United States Private Placement (USPP) note issuance, securing US$72 million of long term debt. The USPP comprised two equal tranches, a US$36 million 10 year note with a coupon of 3.47% and a US$36 million 12 year note with a coupon of 3.59%. In conjunction with the USPP issuance, WIAL entered into Cross Currency Interest Rate Swaps (CCIRS) to hedge the exposure to foreign currency risk over the term of the notes. As at 30 September 2021, the USPP notes had a fair value of $110.8 million (30 September 2020: $123.2 million, 31 March 2021: $112.5 million). This debt is carried in the consolidated statement of financial position at amortised cost, translated to New Zealand dollars using foreign exchange rates at balance date.

D. OTHER NOTES

D1. Related parties

WIAL is 66% owned by NZ Airports Limited, which is wholly owned by Infratil Limited. Wellington City Council owns the remaining 34% of the Company.

	6 months 30 Sep 2021	6 months 30 Sep 2020	12 months 31 Mar 2021
	$000	$000	$000
Transactions made during the period	**Unaudited**	Unaudited	Audited
Infratil and its subsidiaries			
Infratil Group - subvention payment	-	(37,501)	(38,094)
Infratil Limited - Insurance and other costs	(5)	(195)	(248)
Vodafone New Zealand Limited - commercial rents and other costs	20	38	73
Pacific Radiology Limited - commercial rents	24	-	-
H.R.L. Morrison & Co Limited			
Directors' fees	(165)	(114)	(277)
Consulting and other fees	(5)	(4)	(4)
Wellington City Council			
Dividend payment	-	(12,061)	(12,061)
Directors' fees	(39)	(28)	(87)
Rates	(2,148)	(1,867)	(3,837)
Grants, consents and other fees	(332)	(29)	(127)

	6 months 30 Sep 2021	6 months 30 Sep 2020	12 months 31 Mar 2021
	$000	$000	$000
Balance receivable/(payable) as at the end of the period	**Unaudited**	Unaudited	Audited
Infratil and its subsidiaries	14	-	16
H.R.L. Morrison & Co Limited	-	-	-
Wellington City Council	-	4	(84)

D2. Capital commitments

	6 months 30 Sep 2021	6 months 30 Sep 2020	12 months 31 Mar 2021
	$000	$000	$000
	Unaudited	Unaudited	Audited
Contracted but not provided for	**21,000**	**26,024**	**21,306**

The commitments contracted but not provided for includes the purchase of land from the Miramar Golf Club. The Group has paid a deposit for part of the land held by Miramar Golf Club with the remainder of $21 million to be paid upon WIAL taking occupation of the land.

D3. Contingent and subsequent events

The Group is in negotiations with a contractor on one of its projects in relation to closing out works and costs. These remain ongoing with the final outcome, timing and expected settlement amounts being unknown at 30 September 2021 and at the date of these financial statements being released (30 September 2020: Nil, 31 March 2021: Nil).

There were no events after the reporting date requiring adjustment or disclosure.

D4. Changes in financial reporting standards

In April 2021, the International Financial Reporting Standards Interpretations Committee (IFRIC) issued a final agenda decision for configuration or customisation costs in a cloud computing arrangement. The decision discusses whether configuration or customisation expenditure relating to cloud computing arrangements is able to be recognised as an intangible asset and if not, over what time period the expenditure is expensed.

The Group's accounting policy has historically been to capitalise all costs related to cloud computing arrangements as intangible assets in the Statement of Financial Position. The adoption of this agenda decision could result in a reclassification of these intangible assets to either a prepaid asset in the Statement of Financial Position and/or recognition as an expense in the Statement of Comprehensive Income, impacting both the current and/or prior periods presented.

As at 30 September 2021, the Group has not adopted this IFRIC agenda decision. The Group has yet to complete its assessment of the impact of the IFRIC decision however, the preliminary analysis indicates the impact is not material. The Group expects to adopt this IFRIC agenda decision in its financial statements for the year ending 31 March 2022.

The Group is also monitoring the External Reporting Board's (XRB) development of its climate related disclosures framework and consultation process. The new standard is expected to come into effect from 1 January 2023, and is therefore mandatorily applicable for the Group for its financial year ending 31 March 2024. Given the early stages of development, the impact of the new climate related disclosure standards on the Groups financial statements is not currently known.