airports authority of jamaica

Thinking Development. Moving Ahead

ANNUAL REPORT 2012 - 2013

Airport History

The Airports Authority of Jamaica (AAJ) was established in 1974, under the Airports Authority Act as an independent statutory body to manage and operate both the Norman Manley International and Sangster International Airports. In 1990 the AAJ was given the operational responsibility for the four domestic aerodromes namely; Tinson Pen in Kingston, Ken Jones in Portland, Boscobel in St Mary and Negril in Westmoreland.

Sangster International Airport (SIA) was privatised in April 2003 and is now operated by a private consortium, MBJ Airports Limited (MBJ), under a thirty-year concession agreement with the AAJ. NMIA Airports Ltd (NMIAL), a wholly owned subsidiary of AAJ, was established in October 2003, as the airport operator for the Norman Manley International Airport (NMIA) under a thirty-year concession agreement with the AAJ.

Vision Statement

"To build and sustain a world-class airport system, which facilitates private investment and partnership and positions Jamaica's airports as the gateway to the Caribbean and the Americas."

Mission Statement

"To develop a modern, safe and profitable airport system that is environmentally responsible, provides world-class service, and contributes substantially to the national economy while promoting the expansion of air transportation and its related industries."

Corporate Core Values

In an atmosphere of honesty, fairness, and integrity, we commit to our core organizational values – People, Customer Focus, Integrity, Financial Management, Regulatory and Statutory Requirements, Safety and Security and Environment. These values are detailed below:

PEOPLE
We will treat each person fairly with respect and dignity, while encouraging employee competence, motivation and productivity.

CUSTOMER FOCUS
We are customer-driven, will demonstrate a sense of urgency, and provide quality service to both internal and external customers.

INTEGRITY
We will keep our promises, deliver on our commitments, be open, honest and engage in continuous communication and direct dialogue with our stakeholders.

FINANCIAL MANAGEMENT
We are committed to prudent financial management, which ensures value for expenditure and a reasonable return for our shareholders.

REGULATORY AND STATUTORY REQUIREMENTS
We will ensure that the airports conform to the agreed standards established by regulatory and statutory bodies and lending agencies.

SAFETY AND SECURITY
We will ensure that the airports establish and maintain the highest level of safety and security for all users.

ENVIRONMENT
We will ensure that the airports are committed to sustainable environmental practices that facilitate compliance with established standards, laws and regulations.

Dennis Morrison
Chairman

Chairman's Message

Overview

Jamaica's air transportation industry continued to show signs of recovery, returning to growth in passenger throughput during the 2012/13 financial year. The summer months, particularly for NMIA, recorded a boost in traffic as a result of the nation's celebration of its 50th year of Independence. Total passenger traffic increased marginally by 0.4% for the island's two major international airports and aircraft movements went up by 1.45%. The pace of the recovery was held back by the effects of Hurricane Sandy both in Jamaica and the North East coast of the United States of America. In addition, the generally weak state of the Jamaican economy served to constrain the demand for business and leisure travel by Jamaicans. Notwithstanding, the local airport operators, MBJ Airports Limited (MBJ) and NMIA Airports Limited (NMIAL), remained focused on expanding/building new routes and enhancing customer experience at their respective facilities.

The financial performance of the AAJ Group showed significant improvement as the operating surplus rose to JA$1031m, an increase of 40% above the JA$705m in the prior year. The positive outturn was due to an upturn in operational revenue arising from additional airport concession fees and increased space rental and car park revenue at NMIA.

The Sangster International Airport, under the operational control of MBJ, implemented a US$23.5m capital project, including:major runway overlay; airfield lighting upgrades; a new perimeter road; and a new fire station. The overlay works is an obligation under the Concession Agreement with the Government of Jamaica (GOJ) and will ensure that the life of the runway surface is extended for another 20 years.

NMIA Airports Limited moved a step further in its drive toward enhanced service levels at NMIA by registering in the Airport Council International – Airport Service Quality (ACI-ASQ) international benchmarking programme. Commendable outcomes were posted for the three quarters up to the end of the fiscal year. NMIAL's effort to promote route development initiatives with airline partners continued, including collaboration with the local tourist industry. During the period, NMIA continued Phase 1B of its three-phased Capital Development Programme (CDP). This phase will be executed over a 5 year period with a budget of US$26.087m. In this regard, work began on the East Airfield Development Project, which will provide taxiway infrastructure for the cargo and logistics centre as well as the private hangars. Importantly, work is also underway on the upgrading of the airport's air-conditioning system through the installation of a Chilled Water Distribution System.

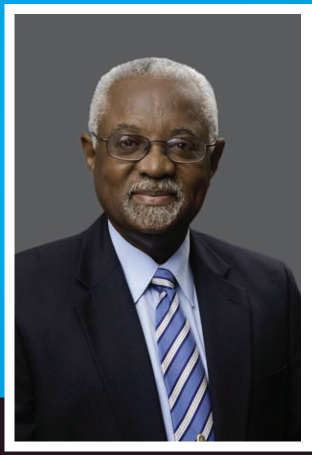
The GOJ appointed Enterprise Team continued to work with consultants to fine-tune and finalise the package under which qualified international and local investors will be invited to bid for the management and operation of NMIA. It is anticipated that the Enterprise Team will conclude its deliberations by the end of the 2013/14 fiscal year for Cabinet approval.

The Jamaica Civil Aviation Authority (JCAA) commenced work on new Air Traffic Control (ATC) Towers at both major international airports. This project represents an upgrading of the air traffic control systems, operations and capabilities at the airports.

With respect to the organisation's involvement in the international aviation community, the AAJ hosted two major international programmes; the CIFAL Atlanta Training Seminar in 2012 May and the Airport Management Professional Accreditation Programme (AMPAP) in 2012 September. These programmes brought together international airport executives, government officials and civil society leaders who shared a wealth of knowledge and expertise in airport management, business planning and administration. This initiative is part of the promotion of Jamaica, and in particular NMIA, as a training destination for Airports Council International, Latin America & the Caribbean (ACI-LAC) region.

My colleague Board members and I would like to thank the management and staff of the AAJ as well as the operators of the major international airports, MBJ and NMIAL for the work done in successfully steering the local airports through yet another challenging year. We also wish to recognise the efforts of our partners including the JCAA, Customs, Immigration, Airlines, Concessionaires and the general airport community for the support throughout the year. We look forward to the 2013/14 year with optimism for continued recovery and a commitment to providing quality service to all users of our airports.

Dennis Morrison
Chairman



President's Message

Earl Richards
President

In this, the year of Jamaica's 50th anniversary of independence, the Airports Authority of Jamaica (AAJ) salutes the significant achievement of the nation in building its aviation assets over the years, to now becoming a country with some of the most modern, customer oriented air-transportation services and infrastructure in the Caribbean and also the ACI-LAC region. One major initiative, jointly embraced and implemented by the respective airports during the year, was the enhancement of airport décor to reflect the national pride in celebrating Jamaica's GOLDEN JUBILEE. The airports collaborated with the Jamaica 50 Secretariat to ensure that both arriving and departing passengers, as well as their well-wishers, felt the celebratory mood of the nation upon arrival or departure from the gateways.

With the current drive to build new routes and enhance customer experience, while continuing infrastructural developments, the international airports recorded a more favourable performance than the previous year, reversing the negative growth outcomes of the past four years.

Financial Results for the AAJ group reflected a J$347m increase in Operating Revenue compared with the previous year, moving from J$3,676m in 2011/12 to J$4,023m in 2012/13. This increase reflected a positive variance of 27% compared with the target of J$3,180m. Operating Expenses amounted to J$2,993m, which is an increase of 1% over the previous year (J$2,972m) and a 3% decrease when compared with the budget of J$3,101m. The Group made an Operating Profit of J$1,031m, which is a positive outturn compared with the J$705m surplus in the previous year.

Total passenger traffic showed a marginal increase from 4.80 million passengers in 2011/12 to 4.81 million, or a 0.4% improvement in the year under review. Both SIA and NMIA recorded marginal increases in traffic of 0.4% and 0.3% respectively. Improvements were also seen in aircraft movements, which rose by 1.45% over the previous year. Total cargo volumes, however, declined to 17.1 million Kgs from 17.4 million Kgs the previous year, or a 1.57% reduction.

Working Towards A Cleaner, Greener Environment

With respect to airport operations, energy management continues to be a major priority of the organisation. Efforts toward energy conservation as well as exploring alternate sources of energy for aspects of airport operations are on-going. Among the various energy management initiatives pursued was the “Ramping Down Programme” (reducing energy demand and operational staffing to minimum levels during silent hours) which continued during the year and yielded significant benefits. It is to be noted that, unlike SIA in Montego Bay, NMIA is a 24 hour airport operation and as such is staffed to levels set by the regulator to provide adequate services throughout the period.

The AAJ Group has delivered on its commitment to facilitate the development of the local air transportation sector. The Ian Fleming International Airport (IFIA) and the three domestic aerodromes (Tinson Pen, Negril and Ken Jones) continued to serve as links in the local air transport industry. Efforts to improve the traffic throughput at IFIA, in particular, will be bolstered by the implementation of a Fuel Farm at the facility, with a supply of Jet A1 and Aviation Fuel; the latter being in high demand by General Aviation operators with small aircraft.

I use this medium,therefore, to thank the Board, Executive Management and Staff for the diligent and dedicated work which has resulted in another year of favourable outcome in the critical areas for the organisation. Commendation is also due to the airport stakeholders, all of whom worked assiduously to navigate the local industry through another challenging year.

We must look forward to 2013/14 as another year of hard work, which will yield even better results, as efforts are made collectively to build routes to and from Jamaica, provide excellent service to passengers and other airport users, as well as continue the process of infusing more and more technology in the development of the facilities of the airports in pursuit of the organisation’s Vision, Mission and Strategic Objectives.

Earl Richards
President

Airport | Aerodrome Performance

Passenger Aircraft & Cargo Movement

Passenger traffic in the group recorded a marginal increase from 4,796,891 passengers in 2011/12 to 4,813,642 in the year under review. This 0.4% increase continues the steady trend of recovery from the fall off in traffic as of 2008/09 due to the global recession.

SIA handled 70% of total passenger traffic and recorded a marginal increase of 0.4%; moving from 3,338,827 passengers in 2011/12 to 3,351,751 in 2012/13. NMIA also experienced a minor improvement in passenger traffic when compared with the previous year, moving from 1,458,064 passengers in 2011/12 to 1,461,891 passengers in 2012/13 or a 0.3% increase.

Aircraft movements increased by 1.45% when compared with the previous year. A total of 61,254 movements were recorded in 2011/12, compared with 62,143 in 2012/13.

SIA which accounts for approximately 64% of total movements in 2012/13, remained flat at 39,815 flights in 2011/12 compared with 39,830 (0.04%) in the reporting period.

NMIA, however, experienced a more significant increase of 4.08% in aircraft movements resulting in a total of 22,313 movements in 2012/13 up from 21,439 flights in 2011/12.

Total cargo volumes declined when compared with the previous year, from 17,416,313 Kgs in 2011/12 to 17,142,705 Kgs in 2012/13; a 1.57% decline, compared with a reduction of 4.31% the previous year. NMIA handled 70% of air cargo and experienced a 2.81% decline in 2012/13 when compared with 2011/12.

Cargo volumes at SIA, however, confirmed the growth trend of the previous two years by posting an increase of 1.43% over the levels in 2011/12.

Sangster International Airport (SIA)

Commercial Programme

MBJ Airports Limited advanced its commercial programme by working with two major retail concession partners to implement important changes. These contracts, signed in 2011, have resulted in a 30% increase in space allocated to the commercial programme at SIA and a consequent increase in commercial revenues. Brands specifically appealing to the largely North American passenger demographic at the Sangster International Airport were introduced.

Another major development in SIA's commercial programme is the introduction of Aldeasa, also known as World Duty Free, which opened the first walk through duty free store in the arrivals terminal. Duty free sales in the three major categories of cosmetics, liquor and tobacco continued to increase with the greater variety of products available to passengers.

Other international brands were introduced to the programme in 2012, including a new PUMA store, supporting Jamaica's sporting prowess. A mobile kiosk programme was also introduced. These small retail locations allowed MBJ to implement short term commercial opportunities to test new products, provide some stores with a second location and provide access to the airport for vendors on a smaller scale.

Air Service Development

The year under review was also a busy one in air service development with new airlines, new markets and increased capacity from key regions. Latin America continued double digit growth with additional services from COPA out of Panama, charters from Costa Rica on Lacsa and Aerogal from Quito, Ecuador.

US markets saw growth with additional service and capacity from:

- JetBlue – JFK
- US Airways - Boston, Charlotte and Philadelphia
- Air Tran - new service from Chicago
- Sun Country – charters from Dallas
- Delta – returning to the JFK market
- Sunwing – operating charters from Canada and the US

From Europe MBJ received new services from:

- Virgin Atlantic – up to 3 flights per week from London.
- Travel Service – operating charters from Prague, Czech Republic, and
- Transaero – Jamaica's first non-stop flight from Moscow, Russia.

Capital Acquisitions | Development

MBJ Airports Limited acquired two technologically advanced fire trucks. The advanced capabilities of these new vehicles includes a forward-looking infrared system (FLIR), rear steering system with enhanced light capabilities and improved water and foam tanks.

These special trucks were also custom painted to reflect the Jamaican colours and spirit.

Norman Manley International Airport (NMIA)

Commercial Development and Marketing

NMIA continued to implement new initiatives aimed at satisfying the needs of travellers and the wider airport community, including airport workers. A Dental Clinic was established in the 3rd Quarter of 2012/13 while the companion Medical Clinic is projected to start operations in the next financial year.

This should be accompanied by the Airport Pharmacy and a new sports bar and entertainment concept for the arrivals forecourt, now set to be implemented by the third quarter of 2013/14. Implementation of the new Parking Access and Revenue Collection System (PARCS) was delayed; however, plans are afoot to complete this project in the new financial year.

NMIA made a special effort to contribute to and participate in the Jamaica 50 anniversary celebrations. A cultural exhibition was on display in the NMIA Arrivals Forecourt turned NMIA Culture Yard experience billed – "50 DAYS COUNT DOWN TO THE 50th – our Golden Jubilee.

This also included aspects of Jamaica's celebration of our athletes' stellar performance at the 2012 Olympics in London. Work done with the Jamaica 50 Secretariat and other stakeholders resulted in a spectacular showpiece of Jamaican culture, both in airport aesthetics and live presentations. Passengers, well-wishers as well as airport workers were highly appreciative of the CultureYard.

Route Performance & Development

The year was significant for NMIA with the introduction of new air services as follows:

- Fly Jamaica, a Jamaican carrier with its base operations at the airport, started operations in 2013 February and flies three times per week to New York. The airline has announced plans to increase its routes and fleet in the short term. The airline has applied for a licence to operate flights to Toronto, Canada and Guyana.
- Copa Airlines doubled its flight frequency
- West Jet launched its service from Toronto, Canada, into Kingston.

The UK route saw a significant decline in traffic and has been adversely impacted by factors such as the UK Government's Air Passenger Duty (APD) imposed on passengers and reduced seat capacity due to the cessation of Virgin Atlantic's service to Kingston. NMIAL is in discussions with British Airways, as the only carrier serving the route,to increase flight frequency since there is a demand for additional flights between Kingston and London.

With respect to other air operators, discussions are well advanced for the launch of Air Canada - Rouge (the new leisure airline service of Air Canada) and Delta Airlines from Atlanta in the new fiscal year. Air Turks and Caicos is also due to significantly increase its presence in Jamaica.

Despite plans to further rationalize its routes, Caribbean Airlines (CAL) continued to be the dominant airline at NMIA.The planned reduction in flights by CAL which is seeking to re-balance its route network towards achieving a turn-around in its financial and operational performance, will have a negative impact on NMIAL. CAL carries approximately 41% of total traffic. American Airlines and JetBlue are at second and third place respectively at approximately 22% and 17% during the financial year 2012/13.

NMIAL's continued partnership with the Jamaica Tourist Board (JTB) and the Jamaica Hotel and Tourist Association (JHTA) has served to increase the potential for "Destination Kingston" to receive an increased number of vacationers. Plans are also in place to increase the facilitation of passengers travelling to resorts in the mid- to eastern section of the North Coast including, Ocho Rios.
This partnership has resulted in the joint hosting of a familiarisation trip by representatives of West Jet, and will further see the increased presence of the JTB's branding at NMIA. NMIAL has been forging closer links with tour operators and hoteliers regarding increased use of NMIA as an important gateway for showcasing Brand Jamaica to the world.

Another key initiative for NMIA is the work being done by the government to position Jamaica as a major node in the global supply chain thereby becoming a major Logistics Hub. This initiative is spurred on by the scheduled 2015 opening of the widened Panama Canal to accommodate Post-Panamax vessels, which the Kingston harbour is able to accommodate. The GOJ is pursuing this initiative as a key component of its economic recovery programme. The AAJ participates on the Task Force as a strategic partner and has already initiated a project to increase its cargo warehouse capacity in increments to satisfy current demand and to provide for growth in the sector.

For 2012/13, New York remained the leading route for travellers to and from Kingston, with approximately 24% of total traffic. Miami stood at roughly 22% and the Fort Lauderdale route, increased to approximately 21%. Toronto fourth at 9%, Port of Spain fifth at 8% and London sixth at approximately 6% were the most popular destinations to and from Kingston.

Financial Highlights - NMIA Airports Limited

Revenue passengers for the fiscal year under review amounted to 713,769, that is, 1% above the previous year's total of 707,232. Operating revenue for NMIAL for the period was US$33.6m compared with US$31.9m for the previous year, representing a 5% increase. Operating expenses for the period was US$30.7m compared with US$31.8m for the previous year.

NMIAL recorded an operating profit of US$2.9m for the year compared with US$134,000 the previous year.

Airport Service Quality

NMIAL's drive towards enhanced service quality continued with the airport's registration in the ACI-ASQ international benchmarking programme. The initial results of NMIA's standing when compared with other regional and international airports, were favourable. Our participation in the programme prompted a greater focus on key performance drivers; chief among them being stakeholder customer service delivery. ASQ scores are routinely disaggregated, distributed and discussed with all on-airport stakeholders with a view to inspire greater efforts in achieving excellence in service delivery to passengers. Special emphasis was placed on collaborating with airlines to achieve better overall on-time performance and the efficient use of the Passenger Loading Bridges (jet-bridges).

Maintenance Hanger Facility

Plans to establish an Aircraft Maintenance and Repair Organisation (MRO) at NMIA were advanced during the year with the acquisition by NMIAL of the former Air Jamaica/CAL Hangar facility. The facility is now available for use by all airline operators including those requiring routine maintenance or emergency repairs. During the next fiscal year and upon completion of the commercial development strategy already being developed, it is planned that the facility be established and marketed as an airport concession.

Aviation Security

A major objective of the aviation security department was to conduct annual enhanced security awareness training for all airport staff. Having received the requisite approval for the training programme from the JCAA, the AVSEC Department in 2012 July began the training for all airport workers. This resulted in all permanent Restricted Area Pass holders on the airport receiving security awareness training, yielding positive results throughout the airport community, as the training aided in day to day operations and assisted the AVSEC Department in its daily activities. Not all holders of temporary passes were trained, however this phase is scheduled to be completed early in the coming year.

Continued attention was placed on improving the security surveillance system in the terminal and airport property through the strategic deployment of additional CCTV cameras and the replacement of those that had completed their life cycle. The programme to extend CCTV monitoring capability to various Law Enforcement Agencies at the airport continued and is scheduled for completion in the next fiscal year.

Installation of the airport's electronic access control system was completed and proximity cards issued to airport tenants to enable permitted access to their respective areas. Particular care was taken to ensure that persons given access to the respective areas/doors understood the responsibilities entrusted to them as a proximity cardholder. This again provided greater control to critical areas throughout the airport while resulting in a decrease in overall security costs without compromising security standards.

NMIA Capital Development Programme

Phase 1B of the NMIA Capital Development Programme (CDP) which was approved for execution over a five year period with a budget of US$26.087m commenced in 2012 April. The projects are aimed at reducing airport operational risks, gaining efficiency in the operations, reducing energy consumption and expanding capacity.

Expenditure for the year 2012/13 was US$3.269m and the projects completed included: Police Station Expansion and Upgrade; Fire Detection and Alarm System upgrade & expansion; and Taxiway Alpha Remedial Works & Runway Edge Repairs. The status of other on-going projects at year end:

- East Airfield Development achieved practical completion
- Water Conveyance Improvement Project was 70% completed
- Overall upgrade of the Chilled Water Distribution System commenced during the fourth quarter of 2012/13.

Projects at the procurement stage included:

1. Parking Access & Revenue Control System
2. Aircraft Rescue & Fire Fighting Vehicle
3. Security Screening Machines
4. Procurement of Air-handling Units

Additional investigations were stipulated by NEPA to facilitate environmental permitting for the implementation of the Runway End Safety Area (RESA) project. This further study would form an addendum to the previously submitted Rapid Ecological Survey commenced during 2013 March.

The Environment

NMIAL continued to work at implementing its Environmental Management System (EMS) and supporting environmental initiatives in keeping with the goal of modelling ISO14001 standards as well as local and international environmental standards in airport operations. The organisation continued tree planting projects and landscaping beautification efforts in order to maintain a pleasing aesthetic for the users of NMIA. NMIAL also continued its recycling initiatives for paper and PET plastic in conjunction with local environmental groups as part of its drive for corporate environmental responsibility.

Ian Flemming International Airport & the Aerodromes

IFIA and the aerodromes, while operating as cost centres for the AAJ, represent significant assets for the local air transportation industry and facilitate, among other things, critical infrastructure in the event of emergency responses to natural disasters and medical emergencies.

It is anticipated that traffic at IFIA will significantly improve upon the completion and commissioning of a Fuel Farm (particularly for the dispensing of AVGAS), which up to 2013 March 31 was estimated to be 90% complete. Marketing efforts will focus on small commercial and private jets that are able to utilise the runway at IFIA to transport passengers/aircraft owners to some of Jamaica's finest tourist offerings on the north coast.

airports authority of jamaica

Thinking Development. Moving Ahead

AAJ Group:

Human Resource Development & Administration

The organization continued its programme to contain staff cost while ensuring employee satisfaction and stability at the workplace.

Staffing levels for the AAJ group for the reporting period was recorded as:

	MARCH 31, 2012	MARCH 31, 2013
NMIA	139	146
AAJ	16	16
AERODROME /IFIA	23	26
TOTAL	178	188

The increase in staff count resulted from regularising of the status of a cohort of temporary and casual workers.

The LDC

AAJ/NMIAL, through its Learning and Development Centre (LDC), hosted training programmes for airport employees and stakeholders.The LDC facilitated programmes and events hosted by airlines, embassies, and the University of the West Indies (UWI) Open Campus. The UWI now provides educational programmes to the employees of the airport community at regular intervals.

The Learning & Development Centre (Continued)

Over the period, approximately two hundred and sixty four (264) employees participated in training programmes, totaling 1,233 man-days. This is an average of 4.7 man-days per person.

Training programmes included:

- Fundamentals of Airport Operations,
- Training of Trainers Workshop
- Supervisory Management
- Emergency Watch Officer Promotional Course
- Fire-Fighters Recruits Training

This year 102 employees completed the in-house familiarization seminar - Fundamentals of Airport Operations. This mandatory course was designed to develop/improve employees' knowledge in general airport operations with particular focus on NMIA.

Under the organisation's Tuition Assistance Programme, a total of JA$5.8M was allocated to eighteen (18) members of staff who are reading for tertiary certificates/diplomas, 1st degrees and 2nd degrees.

Job Rotation / Environment

The job rotation/enrichment programme fosters succession planning and deepens competencies within the organisation. Employees are given the opportunity to acquire new skills, knowledge and understanding of the operations of other departments. Ten (10) employees were transferred to other departments for periods of 3 – 6 months to gain experience and exposure.

Employee Welfare, Wellbeing, Sports & Social

The Health and Wellness Programme encourages employees to place greater focus on health and wellbeing through exercise support and monthly wellness sessions. The programme's emphasis over the period was on the management of stress. Team building of employees was also encouraged through the hosting of social and fellowshipping events such as karaoke, movie "Fridayz", and games evenings.

NMIAL's footballers finished third in the KSAFA 5-a-side 40+ team competition. Whilst they did not place in the Business House League, they were awarded the most disciplined team of that competition and were recognized for their efforts at fair play.The netballers finished 4th in the Intermediate league of the Business House competition.

Employee's Children Scholarship

In recognition of the Jamaica 50th Anniversary and the 20th Anniversary of the AAJ Scholarship programme, a tertiary Bursary and five-year Book Grant offering was introduced. The awards presented to employees' children totalled $1.1M and were:

- 3 Secondary scholarships
- 1 full Tertiary scholarship
- 8 Tertiary bursaries
- 1 five-year Book grant

Industrial Relations

The company and the trade unions maintained a mutually respectful and cordial relationship.Through a collaborative management style both parties negotiated and resolved several issues. While the GOJ wage freeze has restricted employees' disposable income, the organization and the trade unions negotiated various benefits to improve employee wellbeing and morale.

Corporate Social Responsibility

The AAJ continued its outreach programme to the staff and students of the Donald Quarrie High School, through post Hurricane Sandy assistance, devotional exercises and special grants for eligible students. Work was also done to maintain the Harbour View and Rockfort Roundabouts which were adopted by the organisation.

NMIA
AIRPORTS LIMITED
A subsidiary of the Airports Authority of Jamaica

NMIA Palisadoes 5K
Walk | Run 2013 Highlights

NMIAL's Walk was held at a new time this year, January 2013. The event was very successful as approximately 850 participants, including the Mayor of Kingston, registered for the event and an amount of $1,000,000 was donated to the Kingston Public Hospital towards their Cancer Care unit.

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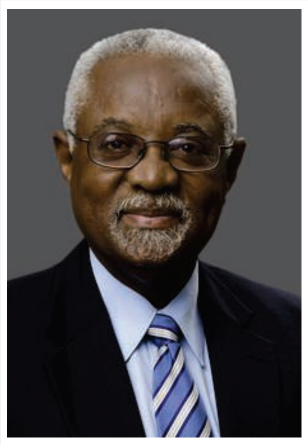
Board of Directors

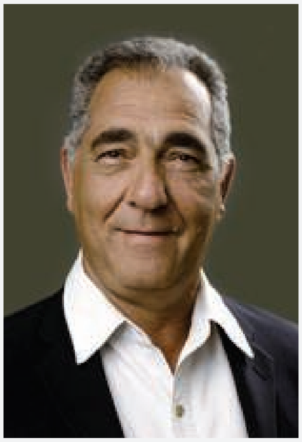
Dennis Morrison
Chairman



Earl Richards
Director / President

Valerie Simpson
Director

Neil Lawrence
Director



Hon. William Shagoury
Director

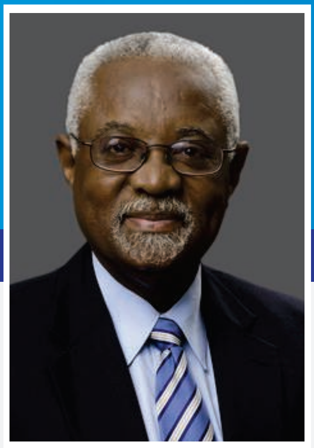
Claudette Ramdanie
Director

Joseph A Matalon
Director

Dr. Lanie Oakley - Williams
Director

Neville Wright
Director

Executive Team



Earl Richards
President

Audley Deidrick
V.P Finance

Chris Powell
Aviation Security Director

Lisa-Kaye Bryan
General Counsel

Alfred McDonald
Snr. Director Commercial Dev. & Planning

Horace Bryson
Snr. Director Engin., Mtnce & Projects

Lt Cdr. John McFarlane, JP
Snr. Director Operations

Carvell McLeary
Snr. Director HRD & Admin.

Samuel Manning
Director Finance

Richard Gibbs
Director ICT

Operational Performance

A. Traffic Performance

Aircraft Movements

Fin Yr	NMIA	%Change	SIA	%Change	Total	%Change
2007/08	23,382		44,434		67,816	
2008/09	24,556	5.02%	39,990	-10.00%	64,546	-4.82%
2009/10	22,360	-8.94%	37,990	-5.00%	60,350	-6.50%
2010/11	23,155	3.56%	39,811	4.79%	62,966	4.33%
2011/12	21,439	-7.41%	39,815	0.01%	61,254	-2.72%
2012/13	22,313	4.08%	39,830	0.04%	62,143	1.45%
Total	**137,205**		**241,870**		**379,075**	

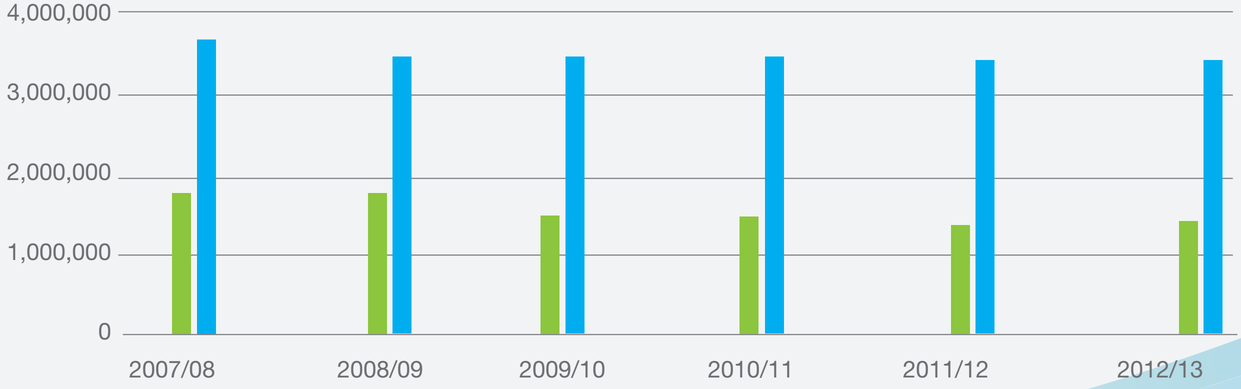
Freight Performance

Fin Yr	NMIA	%Change	SIA	%Change	Total	%Change
2007/08	17,345,140		5,689,752		23,034,892	
2008/09	15,444,215	-10.96%	5,394,901	-5.18%	20,839,116	-9.53%
2009/10	12,515,693	-18.96%	4,616,343	-14.43%	17,132,036	-17.79%
2010/11	13,281,921	6.12%	4,918,609	6.55%	18,200,530	6.24%
2011/12	12,337,397	-7.11%	5,078,916	3.62%	17,416,313	-4.31%
2012/13	11,991,323	-2.81%	5,151,382	1.43%	17,142,705	-1.57%
Total	**82,915,689**		**30,849,903**		**113,765,592**	

Passenger Traffic

Fin Yr	NMIA	%Change	SIA	%Change	Total	%Change
2007/08	1,745,719		3,572,051		5,317,770	
2008/09	1,676,298	-3.98%	3,323,142	-6.97%	4,999,440	-5.99%
2009/10	1,579,122	-5.80%	3,292,296	-0.93%	4,871,418	-2.56%
2010/11	1,495,406	-5.30%	3,339,635	1.44%	4,835,041	-0.75%
2011/12	1,458,064	-2.50%	3,338,827	-0.02%	4,796,891	-0.79%
2012/13	1,461,891	0.26%	3,351,751	0.39%	4,813,642	0.35%
Total	**9,416,500**		**20,217,702**		**29,634,202**	

Passenger Statistics



	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
NMIA	1,745,719	1,676,235	1,579,122	1,495,406	1,457,840	1,462,072
SIA	3,572,051	3,323,142	3,292,296	3,339,635	3,338,827	3,351,751

B. Financial and Performance Indicators

Table 1: Actual and Projected Financial Performance for AAJ Consolidated

Key Performance Indicators (KPI's)	Actual 2012/13 (J$m)	Revised Budget 2012/13 (J$m)	Budget 2013/14 (J$m)
Operating Income	4,023.4	3,180.0	3,544.7
Operating Expenditure	(2,992.5)	(3,101.0)	(3,354.9)
Other income (Expenditure)	(76.5)	435.4	467.4
Taxation	(298.6)	(199.3)	(166.3)
Net Profit	655.8	315.1	490.9
Capital Expenditure	479.4	572.2	861.8

Table 2: Actual and Projected Financial Performance for AAJ

Key Performance Indicators (KPI's)	Actual 2012/13 (J$m)	Revised Budget 2012/13 (J$m)	Budget 2013/14 (J$m)
Operating Income	1,674.2	917.8	1,064.9
Operating Expenditure	(422.1)	(252.5)	(191.2)
Other Income (Expenditure)	(135.3)	(180.2)	(158.0)
Taxation	(298.6)	(199.3)	(166.3)
Net Surplus	818.2	285.8	549.4
Capital Expenditure	35.5	110.4	170.2

Table 3: Actual and Projected Financial Performance for NMIA Airports Limited

Key Performance Indicators (KPI's)	Actual 2012/13 (J$m)	Revised Budget 2012/13 (J$m)	Budget 2013/14 (J$m)
Operating Income	28,088	27,002	29,650
Operating Expenditure	(30,711)	(29,639)	(31,620)
Other income (Expenditure)	3,067	2,961	1,321
Net Profit	444	324	(649)
Capital Expenditure	4,532	4,898	7,397

Table 4: Summary Financial Indicators for NMIA Limited:

Description	2012/13	2013/14
Aeronautical to Total revenue	48%	48%
Aeronautical Revenue (US$'000)		
Passenger Service Fees	6,008	6,226
Security Fees	3,522	3,974
Landing Fees	2,806	2,804
Other	1,061	1,159
Non-Aeronautical Revenue (US$'000)		
Concession Fees	7,386	7,480
Car Park	860	837
Space Rental	2,228	1,244
Advertising Space Rentals	711	823
Utilities Recovery	996	1,392
Other	2,510	3,711
Revenue Drivers		
Passenger Throughput	713,769	739,094
Aircraft Landings	11,157	11,375
Cargo Throughput	11,991,323	12,935,061

Attendance Register
AAJ Board of Directors

April 2012 - March 2013
Board led by Mr. Dennis Morrison, Chairman

Names	Apr 2012	May 2012	June 2012	July 2012	Aug (Recess) 2012
Dennis Morrison	✓	✓	✓	✓	-
Earl Richards	✓	✓	✓	✓	-
Joseph A. Matalon	-	✓	✓	✓	-
Neil Lawrence	✓	-	✓	✓	-
William Shagoury	✓	-	-	✓	-
Claudette Ramdanie	✓	✓	✓	✓	-
Neville Wright	✓	✓	✓	✓	-
Lanie Oakley Williams	-	✓	✓	✓	-
Valerie Simpson	✓	✓	✓	✓	-

	Sept 2012	Oct 2012	Nov 2012	Dec 2012	Jan 2013	Feb 2013	Mar 2013
	✓	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓	✓
	✓	-	✓	✓	✓	-	✓
	✓	✓	✓	✓	✓	✓	✓
	✓	-	✓	✓	✓	✓	✓
	-	-	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓	✓

Directors' Compensation: April 2012 - March 2013

Position of Director	Fees ($)	Motor Vehicle Upkeep/Travelling or Value of Assignment of Motor Vehicle ($)
Dennis Morrison Chairman	176,000.00	32,943.00
Joseph A. Matalon NMIAL Chairman & Chairman of The Projects Committee	155,000.00	33,600.00
Lanie Oakley Williams Director & Chairman of the Finance Committee	138,000.00	22,365.00
Claudette Ramdanie Director	121,500.00	25,025.00
William Shagoury Director & Chairman of The Business Development Committee	84,000.00	86,240.00
Neville Wright Director	121,500.00	19,320.00
Neil Lawrence Director	94,000.00	30,415.00
Valerie Simpson Director	146,000.00	41,475.00
Earl Richards Director/President *		

Notes

1. Fees are paid as follows:
   a. Board Meetings
      i. Board Chairman: $16,000 per meeting
      ii. Directors: $8,500 per meeting
   b. Sub-Committee Meetings
      i. Sub-committee Chairman: $7,000 per meeting
      ii. Members: $3,500 per meeting
2. Directors receive a travelling allowance of $35.00 per km for meetings attended.
3. Payments totalling $96,000 to external members of Board Sub-committees whoare not Directors are not included in the numbers reported above.

*See Executive compensation for the Director /President

Honoraria ($)	All other compensation including Non-Cash benifits as applicable ($)	Total ($)
0	0	208,943.00
0	0	188,600.00
0	0	160,365.00
0	0	146,525.00
0	0	170,240.00
0	0	140,820.00
0	0	124,415.00
0	0	187,475.00

Senior Executive Compensation: April 2012 - March 2013

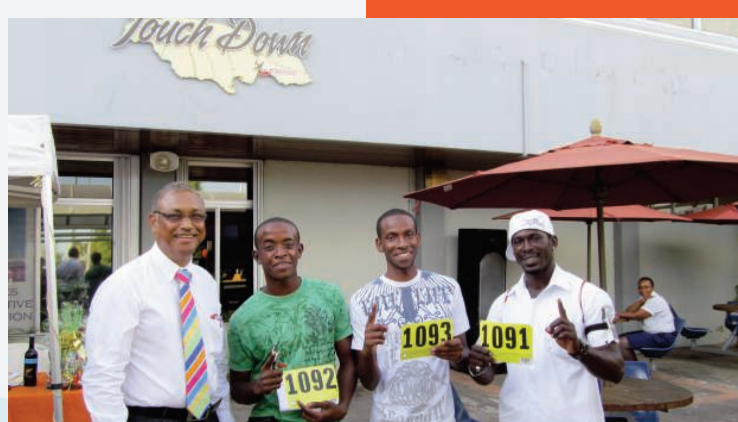
Position of Senior Executive	Year	Salary ($)	Gratuity or Performance Incentive ($)
President	2012 / 13	7,267,023	1,816,756
General Counsel	2012 / 13	4,938,480	1,234,620
VP Finance	2012 / 13	5,763,404	1,440,851
Snr Director Operations	2012 / 13	2,469,240	1,080,293
Snr Director HRDA	2012 / 13	4,938,480	1,234,620
Snr Director Com Dev &Planning	2012 / 13	4,938,480	1,234,620
Snr Director Engineering & Projects	2012 / 13	4,938,480	-

* Travelling Allowance or Value of Assignment of Motor Vehicle ($)	Pension or Other Retirement Benefits ($)	Other Allowances ($)	Non-Cash Benefits ($)	Total ($)
2,737,473	0	574,375	58,981	12,454,608
1,841,473	0	359,361	55,208	8,429,142
1,841,473	0	843,100	56,545	9,945,373
902,320	0	1,631,684	27,604	6,111,141
1,841,473	0	359,361	55,208	8,429,142
1,841,473	0	476,593	55,208	8,546,374
1,841,473	0	499,412	55,208	7,334,573

Notes:

- All members of the Executive Management are eligible to receive 25% of their annual basic salary as gratuity in lieu of pension benefits.
- Executives are eligible to receive $35.00 per km for travelling
- Other Allowances is comprised of meal, clothing and laundry allowances
- Non-cash Allowances include Group Life & Health Insurance coverage
- An Upkeep Allowance is paid and is represented in the column labelled “Travelling Allowance”.
- Non-taxable upkeep, totalling $6,133,090 and the non-cash items (health & pension) are not reflected in the audited financial statements, nor are they regarded as management compensation.

Pictorial Highlights 2012 - 2013

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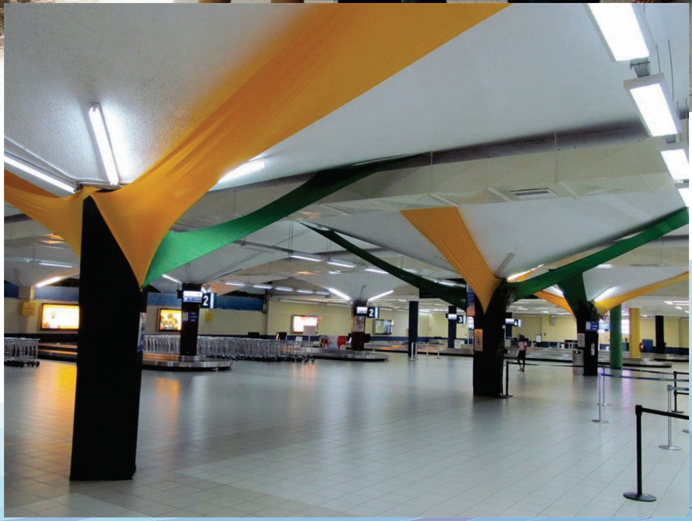
1442

Scenes From Sangster International Airport

Scenes From
Norman Manley International Airport

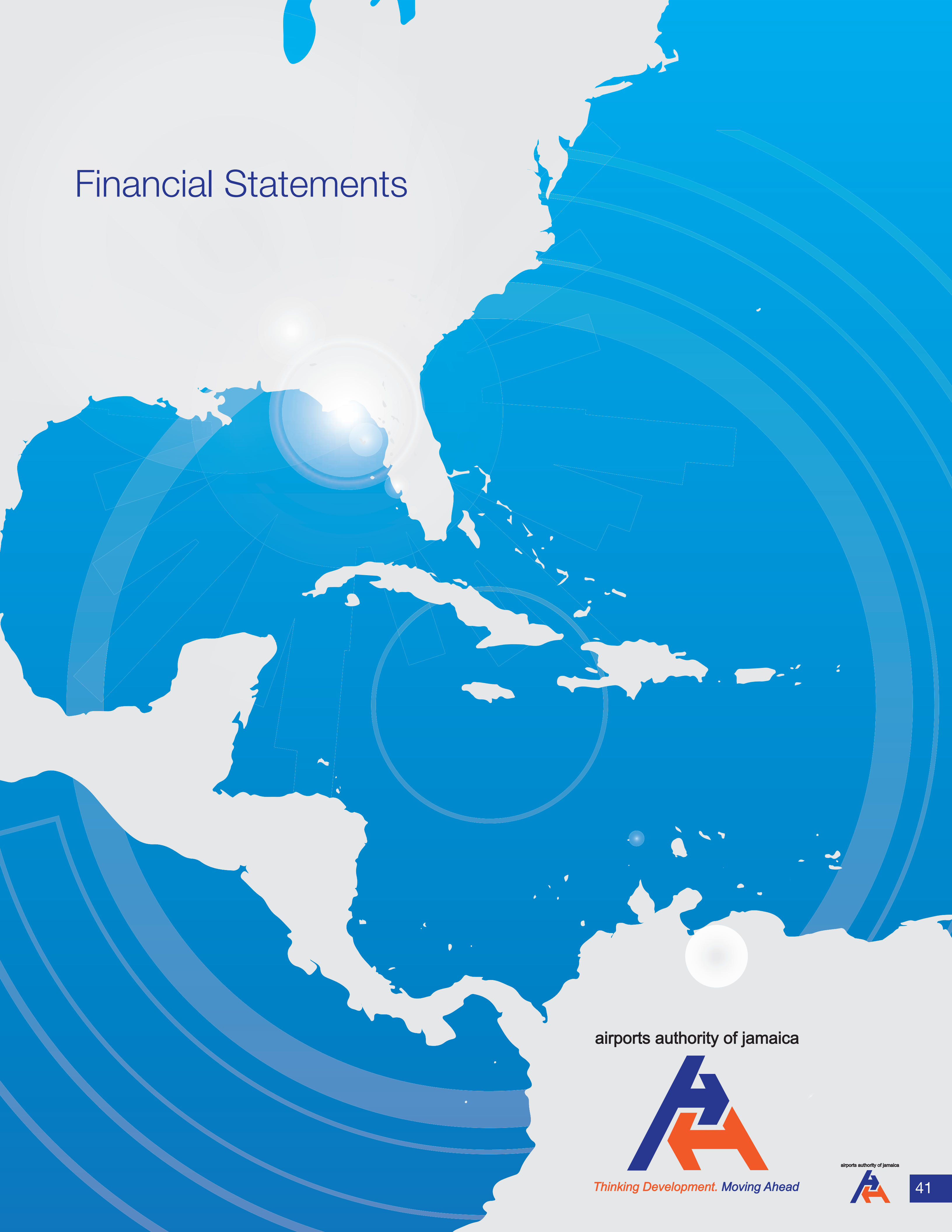

We're on
A MISSION!


Our
Resilience



Scenes From Norman Manley International Airport

Financial Statements



airports authority of jamaica

Thinking Development. Moving Ahead

Airports Authority of Jamaica

Financial Statements
31 March 2013

Independent Auditors' Report

To the Members of
Airports Authority of Jamaica

Report on the Consolidated and Authority Stand Alone Financial Statements

We have audited the accompanying consolidated financial statements of Airports Authority of Jamaica and its subsidiaries, set out on pages 1 to 52, which comprise the consolidated statement of financial position as at 31 March 2013 and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and the accompanying financial statements of Airports Authority of Jamaica standing alone, which comprise the statement of financial position as at 31 March 2013 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated and Auhtority Stand Alone Financial Statements

Management is responsible for the preparation of consolidated and company stand alone financial statements that give a true and fair view in accordance with International Financial Reporting Standards and with the requirements of the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of consolidated and company stand alone financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated and company stand alone financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and company stand alone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and company stand alone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated and company stand alone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated and company stand alone financial statements that give a true and fair view 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 the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated and company stand alone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Members of Airports Authority of Jamaica
Independent Auditors' Report
Page 2

Opinion

In our opinion, the consolidated financial statements of Airports Authority of Jamaica and its subsidiaries, and the financial statements of Airports Authority of Jamaica standing alone give a true and fair view of the financial position of Airports Authority of Jamaica and its subsidiaries and the Airports Authority of Jamaica standing alone as at 31 March 2013, and of their financial performance and cash flows for the year then ended, so far as concerns the members of Airports Authority of Jamaica, in accordance with International Financial Reporting Standards and the requirements of the Jamaican Companies Act.

Report on Other Legal and Regulatory Requirements

As required by the Jamaican Companies Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the accompanying consolidated and company stand alone financial statements are in agreement therewith and give the information required by the Jamaican Companies Act, in the manner so required.

PricewaterhouseCoopers

Chartered Accountants
31 July 2013
Kingston, Jamaica

Airports Authority of Jamaica

Consolidated Statement of Comprehensive Income

Year ended 31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2013 $'000	Restated 2012 $'000
Revenue –			
Airports		3,364,332	3,049,485
Aerodromes		11,619	24,328
		3,375,951	3,073,813
Direct expenses –			
Airports		(2,791,915)	(2,822,799)
Aerodromes		(200,577)	(148,781)
		(2,992,492)	(2,971,580)
Gross Profit		383,459	102,233
Other operating income	5	647,444	602,536
Administration expenses		(195,428)	(222,462)
Privatisation costs		(180)	(18,885)
Finance income/(costs)	8	321,858	(30,862)
Profit before Taxation		1,157,153	432,560
Taxation	9	(298,618)	(178,726)
Net Profit	10	858,535	253,834
Other Comprehensive Income -			
Foreign currency translation losses		(202,720)	(7,424)
TOTAL COMPREHENSIVE INCOME		655,815	246,410

Airports Authority of Jamaica

Consolidated Statement of Financial Position

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2013 $'000	Restated 2012 $'000	Restated 2011 $'000
Non-Current Assets				
Property, plant and equipment	11	14,078,125	13,144,119	13,169,657
Intangible assets	12	23,209	9,055	1,566
Investments	13	66,769	100	100
Deferred income tax asset	15	748,198	792,990	775,444
		14,916,301	13,946,264	13,946,767
Current Assets				
Inventories	16	30,948	33,207	25,705
Receivables	17	1,205,771	1,228,066	973,877
Cash and short term deposits	18	2,146,271	1,709,530	1,711,396
		3,382,990	2,970,803	2,710,978
Current Liabilities				
Payables	19	352,087	495,184	374,147
Borrowings	20	364,518	404,458	458,185
Taxation payable		246,621	141,855	113,678
		963,226	1,041,497	946,010
Net Current Assets		2,419,764	1,929,306	1,764,968
		17,336,065	15,875,570	15,711,735
Shareholders' Equity				
Share capital	21	20,091	20,091	20,091
Unissued capital	22	55,607	55,607	55,607
Retained earnings	10	5,552,740	4,913,268	4,659,434
Translation adjustment		(276,996)	(74,276)	(66,852)
		5,351,442	4,914,690	4,668,280
Non-Current Liabilities				
Borrowings	20	10,370,911	9,169,051	9,021,185
Grants	23	1,435,939	1,643,043	1,888,444
Post employment benefit obligations	24	177,773	148,786	133,826
		11,984,623	10,960,880	11,043,455
		17,336,065	15,875,570	15,711,735

Approved for issue by the Board of Directors on 25 July 2013 and signed on its behalf by:

Dennis E. Morrison — Chairman

Earl A. Richards — President

Airports Authority of Jamaica

Consolidated Statement of Changes in Equity

Year ended 31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	Number of Shares	Share Capital	Unissued Capital	Retained Earnings	Translation Adjustment	Total
	'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 April 2011	20,091	20,091	55,607	4,659,434	(66,852)	4,668,280
Net profit	-	-	-	253,834	-	253,834
Other comprehensive income -						
Foreign currency translation adjustment	-	-	-	-	(7,424)	(7,424)
Total comprehensive income	-	-	-	253,834	(7,424)	246,410
Balance at 31 March 2012	20,091	20,091	55,607	4,913,268	(74,276)	4,914,690
Net profit	-	-	-	858,535	-	858,535
Other comprehensive income -						
Foreign currency translation adjustment	-	-	-	-	(202,720)	(202,720)
Total comprehensive income	-	-	-	858,535	(202,720)	655,815
Dividend paid	-	-	-	(200,000)	-	(200,000)
Impact of participation in National Debt Exchange	-	-	-	(19,063)	-	(19,063)
Total transactions with owners	-	-	-	(219,063)	-	(219,063)
Balance at 31 March 2013	20,091	20,091	55,607	5,552,740	(276,996)	5,351,442

Airports Authority of Jamaica

Consolidated Statement of Cash Flows

Year ended 31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	2013 $'000	Restated 2012 $'000
Cash Flows from Operating activities		
Net profit	858,535	253,834
Items not affecting cash resources:		
Depreciation	859,132	764,802
Amortisation	1,192	3,196
Gain on disposal of property, plant and equipment	(15,565)	-
Interest income	(119,303)	(97,506)
Exchange losses/(gains) on foreign balances	(332,909)	(267,397)
Grants amortised	(585,937)	(554,149)
Taxation charge	298,618	178,726
Interest expense	366,725	349,428
Change in post employment benefit obligation	28,986	14,960
	1,359,474	645,894
Changes in operating assets and liabilities:		
Inventories	2,259	(7,503)
Receivables	22,296	(254,189)
Payables	(143,098)	121,308
	1,240,931	505,510
Taxation paid	(149,061)	(168,095)
Cash provided by operating activities	1,091,870	337,415
Cash Flows from Investing Activities		
Purchase of property, plant and equipment and intangible assets	(492,585)	(558,755)
Purchase of financial instruments	(66,669)	-
Proceeds from disposal of property, plant and equipment	15,575	55
Interest received	119,303	160,303
Cash used in investing activities	(424,376)	(398,397)
Cash Flows from Financing Activities		
Short term loans repaid	(14,821)	(54,008)
Long term repaid	-	147,866
Interest paid	(366,725)	(289,024)
Grants received	227,938	281,106
Dividend paid	(200,000)	-
Cash (used in)/provided by financing activities	(353,608)	85,940
Effects of changes in exchange rates on cash and cash equivalents	147,974	24,756
Increase in cash and cash equivalents	461,860	49,714
Cash and cash equivalents at beginning of year	1,680,130	1,630,416
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 18)	2,141,990	1,680,130

Airports Authority of Jamaica

Authority Statement of Comprehensive Income

Year ended 31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2013 $'000	Restated 2012 $'000
Revenue –			
Airports		1,032,134	945,936
Aerodromes		11,619	24,328
		1,043,753	970,264
Direct expenses –			
Airports		(221,517)	(257,960)
Aerodromes		(200,577)	(148,781)
		(422,094)	(406,741)
Gross Profit		621,659	563,523
Other operating Income	5	630,452	555,624
Administration expenses		(195,428)	(222,462)
Privatisation costs		(180)	(18,885)
Finance income/(costs)	8	60,330	(296,084)
Profit before Taxation		1,116,833	581,716
Taxation	9	(298,618)	(178,726)
NET PROFIT /TOTAL COMPREHENSIVE INCOME	10	818,215	402,990

Airports Authority of Jamaica

Authority Statement of Financial Position

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2013 $'000	Restated 2012 $'000	Restated 2011 $'000
Non-Current Assets				
Property, plant and equipment	11	2,430,602	2,654,491	2,798,949
Intangible assets	12	-	15	29
Investments	13	32,002	100	100
Interest in subsidiary	14	13,615,188	11,575,952	10,842,334
Deferred income tax asset	15	748,198	792,990	775,444
		16,825,990	15,023,548	14,416,856
Current Assets				
Receivables	17	247,768	303,470	215,896
Cash and short term deposits	18	1,525,263	1,436,741	1,543,677
		1,773,031	1,740,211	1,759,573
Current Liabilities				
Payables	19	80,346	149,738	131,122
Borrowings	20	361,650	381,934	388,214
Taxation payable		246,621	141,855	113,678
		688,617	673,527	633,014
Net Current Assets		1,084,414	1,066,684	1,126,559
		17,910,404	16,090,232	15,543,415
Shareholders' Equity				
Share capital	21	20,091	20,091	20,091
Unissued capital	22	55,607	55,607	55,607
Retained earnings		7,026,041	6,417,717	6,014,727
		7,101,739	6,493,415	6,090,425
Non-Current Liabilities				
Borrowings	20	10,370,911	9,169,051	9,021,185
Grants	23	259,981	278,980	297,979
Post employment benefit obligations	24	177,773	148,786	133,826
		10,808,665	9,596,817	9,452,990
		17,910,404	16,090,232	15,543,415

Approved for issue by the Board of Directors on 25 July 2013 and signed on its behalf by:

Dennis E. Morrison — Chairman

Earl A. Richards — President

Airports Authority of Jamaica
Authority Statement of Changes in Equity
Year ended 31 March 2013
(expressed in Jamaican dollars unless otherwise indicated)

	Number of Shares	Share Capital	Unissued Capital	Retained Earnings	Total
	'000	$'000	$'000	$'000	$'000
Balance at 1 April 2011	20,091	20,091	55,607	6,014,727	6,090,425
Net profit/Total comprehensive income	-	-	-	402,990	402,990
Balance at 31 March 2012	20,091	20,091	55,607	6,417,717	6,493,415
Net profit/Total comprehensive income	-	-	-	818,215	818,215
	20,091	20,091	55,607	7,235,932	7,311,630
Dividend paid	-	-	-	(200,000)	(200,000)
Impact of participation in National Debt Exchange	-	-	-	(9,891)	(9,891)
Total transactions with owners	-	-	-	(209,891)	(209, 891)
Balance at 31 March 2013	20,091	20,091	55,607	7,026,041	7,101,739

Airports Authority of Jamaica

Authority Statement of Cash Flows

Year ended 31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	2013 $'000	Restated 2012 $'000
Cash Flows from Operating Activities		
Net profit	818,215	402,990
Items not affecting cash resources:		
Depreciation and amortisation	259,422	240,762
Gain on disposal of property, plant and equipment	(14,748)	-
Interest income	(541,387)	(487,825)
Exchange losses on foreign balances	1,089,864	133,770
Taxation charge	298,618	178,726
Grants amortised	(18,999)	(18,999)
Interest expense	359,814	338,493
Change in post-employment benefit obligation	28,987	14,960
	2,279,786	802,877
Changes in operating assets and liabilities:		
Receivables	55,702	(87,574)
Payables	(69,392)	18,616
	2,266,096	733,919
Taxation paid	(149,059)	(168,095)
Cash provided by operating activities	2,117,037	565,824
Cash Flows from Investing Activities		
Purchase of property, plant and equipment and intangible assets	(35,528)	(96,346)
Purchase of financial assets	(31,902)	-
Proceeds from the sales of property, plant and equipment	14,758	55
Interest in subsidiary	(2,097,563)	(737,875)
Interest received	541,387	487,990
Cash used in investing activities	(1,608,848)	(346,176)
Cash Flows from Financing Activities		
Interest paid	(359,814)	(338,493)
Long term loans	-	(6,932)
Dividend paid	(200,000)	-
Cash used in by financing activities	(559,814)	(345,425)
Effects of changes in exchange rates on cash and cash equivalents	145,610	22,974
Increase/(decrease) in cash and cash equivalents	93,985	(102,803)
Cash and cash equivalents at beginning of year	1,429,865	1,532,668
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 18)	1,523,850	1,429,865

Airports Authority of Jamaica

Notes to the Financial Statements
31 March 2013
(expressed in Jamaican dollars unless otherwise indicated)

1. Identification and Principal Activities

Airports Authority of Jamaica ("the Authority") was established in accordance with the Airports Authority Act to administer, control and manage prescribed airports and aerodromes, and to provide and maintain such services and facilities, other than navigational services, as are necessary for their efficient operation.

The Authority has a wholly-owned subsidiary, NMIA Airports Limited, whose principal activity is to administer, control and manage the Norman Manley International Airport, and to provide and maintain such services and facilities, other than navigational services, as are necessary for its efficient operation.

The registered office of the Authority and its subsidiary (collectively referred to as the "Group") is located at the Normal Manley International Airport.

As of 11 April 2003, the Donald Sangster International Airport, which is owned by the Authority, is being operated by MBJ Airports Limited under a 20-year Concession Agreement. The Authority earns concession revenue from MBJ Airports Limited, the calculation of which is based on passenger traffic, cargo transported, and increased profits. Under the Agreement, The Authority earned concession revenue amounting to $827,707,000 (2012 – $744,122,000) from MBJ Airports Limited during the year.

2. Summary of Significant Accounting Policies

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Authority's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Standards, interpretations and amendments to published standards effective during the year
The Group has assessed the relevance of all new standards and interpretations to existing standards which were published and came into effect during the current financial year and has determined that the following are relevant to its operations:

- **Amendments to IFRIC 14, 'Prepayments of a minimum funding requirement' (effective for annual periods beginning on 1 January 2012).** This amendment corrects an unintended consequence of IFRIC 14, 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction'. Without the amendments, entities are not permitted to recognise as an asset some voluntary prepayments for minimum funding contributions. This was not intended when IFRIC 14 was issued, and the amendments correct this. The amendment did not have any impact on the Group's financial statements.

Airports Authority of Jamaica

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2. Summary of Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards that are not yet effective

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been issued which were not effective at the balance sheet date, and which the Group has not early adopted. The Group has assessed the relevance of all such new standards, interpretations and amendments. The Group has determined that the following may be immediately relevant to its operations, and has concluded as follows:

- **IAS 1, 'Presentation of items of other comprehensive income' (effective for annual periods beginning on 1 July 2012).** The main change resulting from this amendment is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently to initial classification (reclassification adjustments). The amendment does not address which items are presented in OCI. Management is currently considering the implications of the standard, the impact on the Group and the timing of its adoption by the Group.

- **IAS 19, 'Employee Benefits' (effective for annual periods beginning on 1 January 2013).** This amendment eliminates the corridor approach and recognises all actuarial gains and losses in other comprehensive income (OCI) as they occur. All past service costs will be recognised immediately and interest costs and expected return on plan assets will be replaced with a net interest amount that is calculated by applying the discount rate to the net defined benefit asset or liability. Management anticipates that adoption will have an impact on amounts reported in respect of the company's defined benefit plan, but have not yet quantified that impact. Management is currently considering the implications of the standard, the impact on the Group and the timing of its adoption by the Group.

- **IFRS 9, 'Financial Instruments' (effective for annual periods beginning on 1 January 2015).** IFRS 9 addresses classification and measurement of financial assets and liabilities and is available for early adoption immediately. For financial assets and liabilities, IFRS 9 replaces the multiple classification and measurement models in IAS 39 'Financial instruments: Recognition and Measurement' with a single model that has only two classification categories: amortised cost and fair value. IFRS 9 represents the first milestone in the IASB's planned replacement of IAS 39. Management is currently considering the implications of the standard, the impact on the Group and the timing of its adoption by the Group.

- **IFRS 10, 'Consolidated Financial Statements', (effective for annual periods beginning on 1 January 2013).** IFRS 10 replaces all of the guidance on control and consolidation in IAS 27, 'Consolidated and Separate Financial Statements', and SIC-12, 'Consolidation – Special Purpose Entities'. IAS 27 (Revised) now renamed 'Separate Financial Statements'. IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements. The standard provides additional guidance to assist in determining control where this is difficult to assess. This new standard might impact the entities that a group consolidates as its subsidiaries. The Group is assessing the impact of future adoption of the standard on its financial statements.

- **IFRS 12, 'Disclosure of Interests in Other Entities', (effective for annual periods beginning on 1 January 2013).** IFRS 12 requires entities to disclose information that helps financial statement users to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. The Group is assessing the impact of future adoption of the standard on its financial statements.

Airports Authority of Jamaica

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2. Summary of Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards that are not yet effective (continued)

- **IFRS 13, Fair Value Measurement (effective for annual periods beginning on 1 January 2013).** The standard explains how to measure fair value for financial reporting. It defines fair value; sets out in a single IFRS a framework for measuring fair value; and requires disclosures about fair value measurements. This standard applies to those standards that require or permit fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements), except in specified circumstances. The Group will apply the standard from 1 January 2013 but it is not expected to have a significant impact on the Group's financial statements as there are no significant items in the financial statements within the scope of the standard that are affected by fair value measurements.

(b) Consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. The accounting policies of subsidiaries are consistent with the policies adopted by the Group.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

Airports Authority of Jamaica

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2. Summary of Significant Accounting Policies (Continued)

(c) Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in Jamaican dollars, which is the Authority's functional and presentation currency.

Transactions and balances

Transactions denominated in foreign currencies are converted at the rates of exchange prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Non-monetary items denominated in a foreign currency, which are carried at historical cost, are translated at historical rates. Exchange gains and losses, including unrealised gains and losses relating to investment transactions and those arising from the translation of investments denominated in foreign currencies are dealt with in arriving at profit or loss.

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in the income statement, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial instruments, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary financial instruments, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in other comprehensive income.

(d) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of General Consumption Tax, returns, rebates and discounts.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Authority's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Revenue comprises landing, terminal and security fees, rental charges, and recovery of utility costs from airlines; concession income; rental charges from other tenants; car park fees and miscellaneous income. Revenue is recognised on an accrual basis in accordance with the substance of the underlying contracts.

Interest income is accounted for on the accrual basis.

Airports Authority of Jamaica

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2. Summary of Significant Accounting Policies (Continued)

(e) Income taxes

Taxation expense in the statement of comprehensive income comprises current and deferred tax charges.

Current tax charges are based on taxable profits for the year, which differ from the profit before tax reported because taxable profits exclude items that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's liability for current tax is calculated at tax rates that have been enacted at the balance sheet date.

Deferred tax is the tax that is expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is charged or credited in arriving at profit or loss, except where it relates to items charged or credited to equity, in which case deferred tax is also dealt with in equity.

Deferred income tax liabilities are not recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of the subsidiary as such amounts are permanently reinvested.

(f) Property, plant and equipment

Property, plant and equipment are carried at historical cost less accumulated depreciation. Depreciation is calculated mainly on the straight line basis at such rates as will write off the carrying value of the assets over the period of their expected useful lives. The expected useful lives of property, plant and equipment are as follows:

Buildings, runways and taxiways	20 - 40 years
Storage tanks and fuel lines	20 years
Computer equipment, plant and machinery and furniture and fixtures	5 - 10 years
Motor vehicles	5 years

Land is not depreciated as it is deemed to have an indefinite life.

Property, plant and equipment are reviewed periodically for impairment. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

Repairs and renewals are charged in arriving at the profit or loss when the expenditure is incurred.

Airports Authority of Jamaica

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2. Summary of Significant Accounting Policies (Continued)

(g) Investments

Investments intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, are classified as available-for-sale.

Purchases and sales of investments are recognised at trade date, which is the date that the Group commits to purchase or sell the asset. The cost of purchase includes transaction costs.

Available-for-sale investments are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of securities classified as available-for-sale are recognised in equity. The fair values of listed equity securities are based on quoted bid prices. Equity securities for which fair values cannot be measured reliably are recognised at cost, less provision for impairment.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

(h) Impairment of non-current assets

Non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the greater of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identified cash flows.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value, cost being determined on the average cost basis. Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses.

(j) Trade receivables

Trade receivables are carried at original invoiced amount less provision made for impairment of these receivables. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the expected cash flows discounted at the market rate of interest for similar borrowings.

(k) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand, and short term deposits with maturity dates of less than 90 days, net of bank overdrafts.

(l) Payables

Payables are stated at historical cost.

2. Summary of Significant Accounting Policies (Continued)

(m) Borrowings

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method. Any difference between proceeds, net of transaction costs, and the redemption value is recognised in arriving at profit or loss over the period of the borrowings.

(n) Grants

Grants received are deferred and amortised on a systematic basis over the periods in which the entity recognises as expenditure the related cost for which the grants are intended to compensate. In other cases, the grants are recognised in arriving at profit or loss in the period in which they are received.

(o) Employee benefits

Pension obligations

The Group operates a defined benefit pension plan, the assets of which are generally held in a separate trustee-administered fund. A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation.

The asset or liability in respect of the defined benefit plan is the difference between the present value of the defined benefit obligation at the balance sheet date and the fair value of the plan assets, together with adjustments for actuarial gains and losses and past service cost. The defined benefit obligation is determined annually by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by the estimated future cash outflows using interest rates of government securities which have terms to maturity approximating the terms of the related liability. Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions and amendments to pension plans are charged or credited to income over the remaining service lives of the employees.

The Group provides other retirement health benefits, the entitlements to which are usually based on the employee remaining in service up to retirement age and completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment, using an accounting methodology similar to that for defined benefit pension plans. These obligations are valued annually by independent qualified actuaries.

Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminate the employment of the current employees according to a detailed formal plan without possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Incentive plans

The Group recognises a liability and an expense for bonuses based on a formula that takes into consideration the results for the year after certain adjustments. The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Accrued vacation

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date.

Airports Authority of Jamaica
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2. Summary of Significant Accounting Policies (Continued)

(p) Provisions
Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

(q) Financial instruments
A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity of another entity.

Financial assets
The Group classifies its financial assets in the following categories: loans and receivables, available-for-sale and financial assets at fair value through profit or loss. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date. At the balance sheet date, receivables were classified as loans and receivables; investments were classified as available-for-sale; and cash and short term deposits were classified as financial assets at fair value through profit or loss.

Financial liabilities
The Group's financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method. At the balance sheet date, the following items were classified as financial liabilities: borrowings and payables.

3. Financial Risk Management

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (which includes currency risk and interest rate risk). The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board is ultimately responsible for the establishment and oversight of the Group's risk management framework. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

The Board has established the Finance and Audit Committee for managing and monitoring risks. The Finance and Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Finance and Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the result of which are reported to the Audit Committee.

3. Financial Risk Management (Continued)

(a) Credit risk

The Group takes on exposure to credit risk, which is the risk that its customers, clients or counterparties will cause a financial loss for the Group by failing to discharge their contractual obligations. Credit exposures arise principally from the Group's receivables from customers and investment activities. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or groups of related counterparties and to geographical and industry segments.

Credit review process

The Group has established a credit committee whose responsibility involves regular analysis of the ability of borrowers and other counterparties to meet repayment obligations.

(i) *Trade and other receivables*

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Commercial Department has established a credit policy under which each customer is analysed individually for creditworthiness prior to the Group offering them a credit facility. The Group has procedures in place to restrict services to customers if they exceed their credit limits. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group on a prepayment basis.

Customer credit risk are monitored according to their credit characteristics, such as whether it is an individual or company, geographic location, industry, ageing profile, and previous financial difficulties. Trade and other receivables are concentrated within the airline industry.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The Group addresses impairment assessment on an individual basis.

The Group's average credit period is 15 days. Trade receivables are provided for based on an estimate of amounts that would be irrecoverable, determined by taking into consideration past default experience, current economic conditions and expected receipts and recoveries once impaired.

(ii) *Cash and short term deposits*

The Group limits its exposure to credit risk by investing mainly in liquid securities, with counterparties that have high credit quality. Accordingly, management does not expect any counterparty to fail to meet its obligations. Cash transactions are limited to high credit quality financial institutions.

Airports Authority of Jamaica

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3. Financial Risk Management (Continued)

(a) Credit risk (continued)

Maximum exposure to credit risk
The worst case scenario of credit risk exposure to the Group and Authority at year end was as follows:

	The Group		The Authority	
	2013	Restated 2012	2013	Restated 2012
	$'000	$'000	$'000	$'000
Investments	66,669	-	31,902	-
Trade receivables	832,245	942,161	95,184	154,742
Cash and short term deposits	2,146,271	1,709,530	1,525,263	1,436,741
	3,045,185	2,651,691	1,652,349	1,591,483

Ageing analysis of trade receivables that are past due but not impaired
Trade receivables that are less than 90 days past due are not considered impaired. As of 31 March 2013, trade receivables of $577,974,000 (2012 – $513,103,000) for the Group and $20,819,000 (2012 – $5,079,000) for the Authority were past due but not impaired. These relate to a number of concessionaries and airlines for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	The Group		The Authority	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
16 - 30 days	110,471	80,869	-	1,240
31 - 60 days	117,131	50,521	-	3,839
61 - 90 days	588	125,789	-	-
Over 90 days	349,784	255,924	20,819	-
	577,974	513,103	20,819	5,079

Ageing analysis of trade receivables that are impaired
As of 31 March 2013, trade receivables of $501,942,000 (2012 – $523,860,000) for the Group and $295,493,000 (2012 – $295,493,000) for the Authority were considered impaired and were fully provided for. The individually impaired receivables mainly relate to concessionaires and airlines who are in unexpected difficult economic situations. It was assessed that a portion of the receivables is expected to be recovered.

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3. Financial Risk Management (Continued)

(a) Credit risk (continued)

Provision for impairment of trade receivables
The movement in the provision for impairment of trade receivables was as follows:

	The Group		The Authority	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
At 1 April	523,860	362,358	295,493	288,490
Provision for receivables impairment	90,176	160,500	-	7,003
Bad debt write off	(137,398)	-	-	-
Translation difference	25,304	1,002	-	-
At 31 March	501,942	523,860	295,493	295,493

The creation and release of provision for impaired receivables have been included in expenses in arriving at profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

Credit exposure for trade receivables
The credit exposure for trade receivables at their carrying amounts, as categorised by the customer sector was as follows:

	The Group		The Authority	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Airlines (scheduled and unscheduled)	717,447	937,509	191,730	191,730
Concessionaires	182,074	131,393	58,835	77,496
Fuel through-put	23,196	20,421	4,686	4,686
Food and beverage	94,879	76,198	7,815	7,697
Car rental and tour operations	20,183	17,456	3,241	3,982
Advertising	13,020	18,811	4,989	4,989
Ground handling and taxi service	69,559	46,124	8,252	8,135
Other	213,829	218,109	111,129	151,520
	1,334,187	1,466,021	390,677	450,235
Less: provision for impairment	(501,942)	(523,860)	(295,493)	(295,493)
	832,245	942,161	95,184	154,742

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3. Financial Risk Management (Continued)

(b) Liquidity risk
Liquidity risk is the risk that the Group maybe unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Liquidity risk management process
The Group's liquidity management process, as carried out within the Group and monitored by the Treasury Department, includes:

(i) Monitoring future cash flows and liquidity on an ongoing basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure funding if required.
(ii) Maintaining a portfolio of highly marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
(iii) Maintaining committed lines of credit;
(iv) Optimising cash returns on investment;

Undiscounted cash flows of financial liabilities
Payables are due within one month. The undiscounted cash flows of borrowings were as follows:

	The Group			
	Within 1 Year	1 to 5 Years	Over 5 Years	Total
	$'000	$'000	$'000	$'000
At 31 March 2013	391,019	9,274,580	4,385,491	14,051,090
At 31 March 2012	541,328	6,944,063	3,447,154	10,932,545

	The Authority			
	Within 1 Year	1 to 5 Years	Over 5 Years	Total
	$'000	$'000	$'000	$'000
At 31 March 2013	361,650	7,365,851	2,977,102	10,704,603
At 31 March 2012	381,934	9,753,362	738,932	10,874,228

Assets available to meet all of the liabilities and to cover financial liabilities include cash and short term investments.

Airports Authority of Jamaica

Notes to the Financial Statements
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3. Financial Risk Management (Continued)

(c) Market risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise mainly from changes in foreign currency exchange rates and interest rates. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign exchange risk arising from the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The tables below summarise the exposure to foreign currency exchange rate risk arising from financial assets and liabilities held at year end:

	The Group				
	Jamaican$ J$'000	**US$ J$'000**	**Yen J$'000**	**SDR J$'000**	**Total J$'000**
			2013		
Financial Assets					
Investments	66,669	-	-	-	66,669
Trade receivables	506,120	326,125	-	-	832,245
Cash and short term deposits	166,498	1,979,773	-	-	2,146,271
	739,287	2,305,898	-	-	3,045,185
Financial Liabilities					
Payables	339,825	12,262	-	-	352,087
Borrowings	124,034	9,781,609	560,623	269,120	10,735,386
	463,859	9,793,871	560,623	269,120	11,087,473
Net financial position	275,428	(7,487,973)	(560,623)	(269,120)	
			Restated 2012		
Financial Assets					
Trade receivables	406,930	535,231	-	-	942,161
Cash and short term deposits	1,576,696	132,834	-	-	1,709,530
	1,983,626	668,065	-	-	2,651,691
Financial Liabilities					
Trade payables	480,624	-	-	-	480,624
Borrowings	129,497	8,711,481	494,934	237,586	9,573,498
	610,121	8,711,481	494,934	237,586	10,054,122
Net financial position	1,373,505	(8,043,416)	(494,934)	(237,586)	

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3. Financial Risk Management (Continued)

(c) Market risk (continued)

Currency risk (continued)

	The Authority				
	Jamaican$ J$'000	US$ J$'000	Yen J$'000	SDR J$'000	Total J$'000
			2013		
Financial Assets					
Investments	31,902	-	-	-	31,902
Interest in subsidiary *	-	13,309,543	-	-	13,309,543
Trade receivables	95,184	-	-	-	95,184
Cash and short term deposits	152,983	1,372,280	-	-	1,525,263
	280,069	14,681,823	-	-	14,961,892
Financial Liabilities					
Payables	80,346	-	-	-	80,346
Borrowings	124,034	9,778,784	560,623	269,120	10,732,561
	204,380	9,778,784	560,623	269,120	10,812,907
Net financial position	75,689	4,903,039	(560,623)	(269,120)	
			Restated 2012		
Financial Assets					
Interest in subsidiary *	-	11,270,575	-	-	11,270,575
Trade receivables	3,223	151,519	-	-	154,742
Cash and short term deposits	1,405,355	31,386	-	-	1,436,741
	1,408,578	11,453,480	-	-	12,862,058
Financial Liabilities					
Payables	149,738	-	-	-	149,738
Borrowings	129,497	9,550,985	494,934	237,586	10,413,002
	279,235	9,550,985	494,934	237,586	10,562,740
Net financial position	1,129,343	1,902,495	(494,934)	(237,586)	

* This represents loans on lent to the subsidiary, advances and other balances on from inter company transactions. NMIA Airports Limited, by the parent.

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3. Financial Risk Management (Continued)

(c) Market risk (continued)

Currency risk (continued)

The following tables indicate the currencies to which the Group and Authority had significant exposure on its monetary assets and liabilities and its forecast cash flows. The change in currency rate below represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a reasonable expected change in foreign currency rates. The sensitivity of the profit was primarily as a result of foreign exchange gains and losses on translation of foreign currency-denominated receivables, cash and short term deposits and borrowings. The correlation of variables will have a significant effect in determining the ultimate impact on market risk, but to demonstrate the impact due to changes in variable, variables had to be on an individual basis. It should be noted that movements in these variables are non-linear.

	The Group			
	% Change in Currency Rate 2013	Effect on Net Profit 2013 $'000	% Change in Currency Rate 2012	Effect on Net Profit 2012 $'000
Currency:				
USD - revaluation	1%	74,880	1%	80,434
USD - devaluation	(10%)	(748,797)	(0.5%)	(40,217)
Yen - revaluation	1%	5,606	1%	4,949
Yen - devaluation	(10%)	(56,062)	(0.5%)	(2,475)
SDR - revaluation	1%	2,691	1%	2,376
SDR - devaluation	(10%)	(26,912)	(0.5%)	(1,188)

	The Authority			
	% Change in Currency Rate 2013	Effect on Net Profit 2013 $'000	% Change in Currency Rate 2012	Effect on Net Profit 2012 $'000
Currency:				
USD - revaluation	1%	(49,030)	1%	(19,025)
USD - devaluation	(10%)	490,304	(0.5%)	95,125
Yen - revaluation	1%	5,606	1%	4,949
Yen - devaluation	(10%)	(56,062)	(0.5%)	(2,475)
SDR - revaluation	1%	2,691	1%	2,376
SDR - devaluation	(10%)	(26,912)	(0.5%)	(1,188)

3. **Financial Risk Management (Continued)**

(c) **Market risk (continued)**

Currency risk (continued)

Cash flow and fair value interest rate risk
The Group's interest rate exposure arises from borrowed funds specifically obtained for the purpose of funding the Norman Manley Airport expansion project, and from the temporary investment of these borrowings. Borrowings issued at variable rates and revolving short-term borrowings expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated for borrowings that represent the major interest bearing positions, taking into consideration refinancing, renewal of existing positions and alternative financing.

(d) **Fair values of financial instruments**
The fair value of financial instruments traded in an active market is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. However, considerable judgment is necessarily required in interpreting market data to develop estimates of fair value. Accordingly, the fair value estimates presented are not necessarily indicative of the amounts that the Group would realise in the current market exchange.

The following methods and assumption have been used in deriving the estimates of fair value:

The face value, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are estimated to approximate their fair values. These financial assets and liabilities are cash and bank balances, short term deposits, trade receivables and payables, and bank overdraft.

The fair value of unquoted securities could not be reasonably determined as there is no active market for these securities.

The carrying value of the long term liabilities that attract interest at prevailing market rates closely approximate amortised cost, and are estimated to be their fair value as they attract terms and conditions available in the market for similar transactions.

The long term liabilities for which interest rates and repayment terms have not yet been determined were granted under special conditions and are not likely to be traded in a fair market exchange. As such, the fair values of these liabilities could not be reliably determined.

Airports Authority of Jamaica

3. Financial Risk Management (Continued)

(e) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Board of Directors monitors the return on capital, which the Group defines as net operating income (excluding non-recurring items) divided by total equity.

The Group has no specific capital management strategies and is not exposed to externally imposed capital requirements.

4. Critical Judgements and Key Sources of Estimation Uncertainty

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Income taxes

Significant judgement is required in determining the provision for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

As further explained in Note 9, the Authority obtained relief from income taxes for an initial period of up to 5 years and its subsidiary for an initial period of up to 10 years. The Group had reversed all provisions for current and deferred taxation as management was of the view that the Group will not be liable for income tax in the foreseeable future. The remission of any income tax payable by the Group was subject to annual approval by the Minister of Finance and the Public Service. It was assumed that the requisite approval would be given over the five and ten year periods stipulated and management had committed to ensuring that conditions for the remission of the taxes will be met.

The tax relief period for the Authority expired on 1 April 2011. On that date, the Authority resumed accounting for taxation as, contrary to its expectations upon obtaining the tax relief, the Ministry of Finance and the Public Service did not extend the tax relief period. Deferred tax assets at the point of obtaining the tax relief had been written off. These deferred tax assets are now recognised on expiry of the tax relief period, and are primarily due to accelerated depreciation on property plant and equipment.

4. Critical Judgements and Key Sources of Estimation Uncertainty (Continued)

Key sources of estimation uncertainty (continued)

Depreciable assets
Management determines the estimated useful lives, residual values and related depreciation charges for the property, plant and equipment held by the Group. Estimates of the useful lives and residual values of property, plant and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets over the relevant periods. Management applies a variety of methods to arrive at these estimates, with consideration being given to technological innovations and the useful lives and residual values of similar property, plant and equipment held by other entities that operate in the Group's industry. Management will increase depreciation charges where useful lives are less than previously estimated, or will write down technically obsolete or non-strategic assets that have been abandoned or sold.

Pension plan assets and post-employment benefit obligations
The cost of these benefits and the present value of the pension and the other post-employment liabilities depend on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumption used in determining the net periodic cost (income) for pension and post-employment benefits include the expected long-term rate of return on the relevant plan assets, the discount rate and in, the case of post-employment medical benefits, the expected rate of increase in medical costs. Any changes in these assumptions will impact the net periodic cost (income) recorded for pension and post-employment benefits and may affect planned funding of the pension plans. The expected return on plan assets assumption is determined on a uniform basis, considering long term historical returns, asset allocation and future estimates of long-term investments returns. The Group determines the appropriate discount rate at the end of each year, which represents the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension and post-employment benefit obligations. In determining the appropriate discount rate, the Group considers interest rate of high-quality corporate bonds that are denominated in the currency in which the benefit will be paid, and that have terms to maturity approximating the terms of the related pension liability. The expected rate of increase of medical costs has been determined by comparing the historical relationship of the actual medical cost increases with the rate of inflation in the respective economy. Past experience has shown that the actual medical costs have increased on average by one time the rate of inflation. Other key assumptions for the pension and post employment benefits costs and credits are based in part on current market conditions.

5. Other Operating Income

	The Group		The Authority	
	2013 $'000	Restated 2012 $'000	2013 $'000	Restated 2012 $'000
Amortisation of grants (Note 23)	310,232	314,930	18,999	18,999
Expenses reimbursed - Project Execution Unit	12,611	42,668	12,611	42,668
Grants received for principal payments	131,858	126,491	-	-
interest income	119,303	97,506	541,387	487,825
Write-off of long outstanding statute barred accounts payabie	40,168	-	40,168	-
Other	33,272	20,941	17,287	6,132
	647,444	602,536	630,452	555,624

Included in the interest income for the Authority is $482,474,000 (2012 – $431,350,000) which has been charged on disbursements to its subsidiary to assist with the Norman Manley International Airport expansion project. Interest is charged on the outstanding balance at a rate of 10% per annum.

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6. Expenses by Nature

Total direct and administration expenses:

	The Group		The Authority	
	2013	**2012**	**2013**	**2012**
	$'000	**$'000**	**$'000**	**$'000**
Advertising and public relations	29,727	11,105	7,206	4,136
Auditors' remuneration	7,433	7,852	4,890	4,890
Bad debts	99,187	160,500	11,644	7,003
Commissions and discounts	6,560	8,805	839	703
Depreciation and amortization	860,324	767,998	259,422	240,762
Insurance	121,900	145,107	9,566	8,423
Inventory write-off	2,815	-	-	-
irrecoverable GCT	83,688	78,770	7,043	8,903
Motor vehicle expenses	28,024	24,755	1,507	1,757
Office supplies	13,614	12,382	5,350	3,235
Other	38,454	40,715	17,745	12,140
Professional fees	52,694	82,057	15,131	13,149
Regulatory fees and taxes	24,608	22,765	2,722	2,641
Rental and lease	42,990	44,327	581	856
Repairs and maintenance	310,888	258,435	24,286	15,236
Security	225,389	244,436	38,135	51,040
Staff costs (Note 7)	733,333	788,776	189,008	231,237
Training	17,163	8,885	-	-
Traveling and entertainment	8,295	11,050	5,117	5,300
Utilities	480,834	475,322	17,330	17,792
	3,187,920	3,194,042	617,522	629,203

7. Staff Costs

	The Group		The Authority	
	2013	**2012**	**2013**	**2012**
	$'000	**$'000**	**$'000**	**$'000**
Wages and salaries	586,192	561,742	135,141	123,638
Payroll taxes – employer's portion	60,982	54,177	10,828	13,843
Pension and other retirement benefits -				
Pension scheme (Note 24)	32,191	9,441	32,191	9,441
Medical benefits (Note 24)	10,848	19,450	10,848	19,450
Redundancy payments	5,449	111,028	-	62,418
Other	37,671	32,938	-	2,447
	733,333	788,776	189,008	231,237

8. Finance Income/(Costs)

	The Group		The Authority	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Interest expense	(366,725)	(346,292)	(359,814)	(338,493)
Amortisation of grants (Note 23)	275,705	239,218	-	-
	(91,020)	(107,074)	(359,814)	(338,493)
Net foreign exchange losses	412,878	76,212	420,144	42,409
	321,858	(30,862)	60,330	(296,084)

9. Taxation

The Minister of Finance and Planning, in accordance with the power conferred by section 86 of the Income Tax Act, had formally agreed to grant the Group relief from income tax in respect of that portion of taxable profits which had been retained for capital development, for a period of five years for the Authority and a period ten years for the subsidiary commencing 1 April 2005. The relief was granted upon requests for remission of tax made annually to the Minister and notice of the tax remitted published in the Jamaica Gazette Supplement.

Subject to agreement with the Tax Administration Jamaica, losses of approximately $2,358,564,000 (2012 – $2,566,506,000) for the subsidiary are available for set off against future profits and may be carried forward indefinitely. No deferred tax asset is recognised in respect of the tax losses of the subsidiary.

The taxation charge for the year comprises:

	The Group and The Authority	
	2013 $'000	2012 $'000
Current tax	253,826	196,272
Deferred tax (Note 15)	44,792	(17,546)
	298,618	178,726

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9. Taxation (Continued)

The tax on the company's profit differs from the theoretical amount that would arise using the tax rate of 30% (2012 - 33⅓%) as follows:

	The Group		The Authority	
	2013	**2012**	**2013**	**2012**
	$'000	**$'000**	**$'000**	**$'000**
Profit before taxation	1,157,153	432,560	1,116,833	581,716
Tax calculated at a tax rate of 30% (2012 - 33⅓%)	347,146	144,187	335,050	200,200
Adjusted for the effects of –				
Tax not recognised due to tax relief	(12,532)	57,780	-	-
Irrecoverable foreign exchange losses recognised on loans on-lent to subsidiary	(116,480)	(13,756)	(116,480)	(13,756)
Other expenses not deductible for tax purposes	(3,185)	(9,485)	(3,085)	(7,718)
Impact due to change in tax rate	83,669	-	83,133	-
	298,618	178,726	298,618	178,726

Current and deferred income taxes at 31 March 2013 have been computed using a rate of 30% which is the rate applicable to large unregulated companies as specified in the Provisional Collection of Tax Order gazetted on 28 March 2013.

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10. Net Profit and Retained Earnings

	2013 $'000	2012 $'000
(a) Net profit is dealt with as follows in the financial statements of:		
The Authority	818,215	402,990
The subsidiary	40,320	(149,156)
	858,535	253,834
(b) Retained earnings are dealt with as follows in the financial statements of:		
The Authority	7,026,041	6,417,717
The subsidiary	(1,473,301)	(1,504,449)
	5,552,740	4,913,268

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11. Property, Plant and Equipment

The Group

	Land, buildings, runways and taxiways	Storage tanks and fuel lines	Motor vehicles	Computer equipment, plant and machinery, furniture and fixtures	Work in progress	Total
			Restated			
	$'000	$'000	$'000	$'000	$'000	$'000
			2013			
Cost -						
At 1 April 2010	10,781,790	945,637	42,547	1,824,310	2,038,548	15,632,832
Additions	4,767	550	13,435	44,039	1,045,586	1,108,377
Disposals	-	-	(86)	-	-	(86)
Transfers	2,095,415	-	3,807	786,899	(2,892,288)	(6,167)
Translation adjustment	(299,136)	-	(1,701)	(72,674)	(79,084)	(452,595)
At 31 March 2011	12,582,836	946,187	58,002	2,582,574	112,762	16,282,361
Additions	12,911	-	261	85,337	449,668	548,177
Disposals	-	-	-	(57)	-	(57)
Transfers	174	-	-	404,825	(404,999)	-
Translation adjustment	164,177	-	960	41,886	1,554	208,577
As previously stated	12,760,098	946,187	59,223	3,114,565	158,985	17,039,058
Reclassification	342,247		(2,608)	(232,975)	(73,196)	33,468
At 31 March 2012	13,102,345	946,187	56,615	2,881,590	85,789	17,072,526
Additions	21,644	-	-	41,397	416,330	479,371
Disposals	(10)	-	(1,860)	(490)	-	(2,360)
Transfers	68,065	-	-	26,051	(94,116)	-
Translation adjustment	1,221,199	-	4,730	336,886	331	1,563,146
At 31 March 2013	14,413,243	946,187	59,485	3,285,434	408,334	19,112,683
Depreciation -						
At 1 April 2010	1,698,029	409,080	23,119	435,420	-	2,565,648
Charge for the year	342,392	53,936	5,875	173,669	-	575,872
Disposals	-	-	(86)	-	-	(86)
Translation adjustment	(11,286)	-	(831)	(16,613)	-	(28,730)
At 31 March 2011	2,029,135	463,016	28,077	592,476	-	3,112,704
Charge for the year	377,712	53,991	8,048	325,051	-	764,802
Disposals	-	-	-	(2)	-	(2)
Translation adjustment	7,681	-	479	9,273	-	17,433
As previously stated	2,414,528	517,007	36,604	926,798	-	3,894,937
Reclassification	71,286	-	(1,479)	(36,337)	-	33,470
At 31 March 2012	2,485,814	517,007	35,125	890,461	-	3,928,407
Charge for the year	459,643	53,998	8,355	337,136	-	859,132
Disposals	-	-	(1,725)	(454)	-	(2,179)
Translation adjustment	116,233	-	3,000	129,965	-	249,198
At 31 March 2013	3,061,690	571,005	44,755	1,357,108	-	5,034,558
Net Book Value -						
31 March 2013	11,351,553	375,182	14,730	1,928,326	408,334	14,078,125
31 March 2012	10,616,532	429,180	21,489	1,991,129	85,789	13,144,119
31 March 2011	10,553,701	483,171	29,925	1,990,098	112,762	13,169,657

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11. Property, Plant and Equipment (Continued)

The Authority

	Land, buildings, runways and taxiways	Storage tanks and fuel lines	Motor vehicles	Computer equipment, plant and machinery, furniture and fixtures	Work in progress	Total
			Restated			
	$'000	$'000	$'000	$'000	$'000	$'000
			2013			
Cost -						
At 1 April 2010	3,423,914	945,637	738	43,130	229,793	4,643,212
Additions	4,767	550	-	4,350	229,993	239,660
Transfers	281,022	-	3,807	141,253	(432,249)	(6,167)
At 31 March 2011	3,709,703	946,187	4,545	188,733	27,537	4,876,705
Additions	12,911	-	-	27,790	55,645	96,346
Disposals	-	-	-	(57)	-	(57)
At 31 March 2012	3,722,614	946,187	4,545	216,466	83,182	4,972,994
Additions	-	-	-	6,140	29,388	35,528
Disposals	(10)	-	-	-	-	(10)
At 31 March 2013	3,722,604	946,187	4,545	222,606	112,570	5,008,512
Depreciation -						
At 1 April 2010	1,425,910	409,080	524	36,284	-	1,871,798
Charge for the year	150,110	53,936	56	1,856	-	205,958
At 31 March 2011	1,576,020	463,016	580	38,140	-	2,077,756
Charge for the year	168,187	53,991	817	17,754	-	240,749
Relieved on disposal	-	-	-	(2)	-	(2)
At 31 March 2012	1,744,207	517,007	1,397	55,892	-	2,318,503
Charge for the year	183,211	53,998	817	21,382	-	259,408
At 31 March 2013	1,927,418	571,005	2,214	77,274	-	2,577,911
Net Book Value -						
31 March 2013	1,795,186	375,182	2,331	145,332	112,570	2,430,601
31 March 2012	1,978,407	429,180	3,148	160,574	83,182	2,654,491
31 March 2011	2,133,683	483,171	3,965	150,593	27,537	2,798,949

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11. Property, Plant and Equipment (Continued)

The Authority's property, plant and equipment were revalued as at 31 December 1984 primarily on a depreciated replacement cost basis by The Land Valuation Office, Kingston. The revalued amounts were designated the deemed cost of these assets on adoption of International Financial Reporting Standards in 2002.

Property, plant and equipment include assets totaling $3,090,899,000 (2012 - $3,090,899,000) acquired under the Airport Reform and Improvement Programme which is being funded by loans from the Inter-American Development Bank, Export-Import Bank of Japan, Bank of Tokyo-Mitsubishi Limited and the Government of Jamaica.

12. Intangible Assets

Computer Software

	The Group	The Authority
	Restated	Restated
Cost -	$'000	$'000
At 1 April 2010	3,452	250
Additions	3,611	-
Translation adjustment	(153)	-
At 31 March 2011	6,910	250
Additions	10,577	-
Translation adjustment	235	-
At 31 March 2012	17,722	250
Additions	13,214	-
Translation adjustment	3,296	-
At 31 March 2013	34,232	250
Amortisation -		
At 1 April 2010	1,897	207
Charge for the year	3,539	14
Translation adjustment	(92)	-
At 31 March 2011	5,344	221
Charge for the year	3,196	14
Translation adjustment	127	-
At 31 March 2012	8,667	235
Charge for the year	1,192	15
Translation adjustment	1,164	-
At 31 March 2013	11,023	250
Net Book Value -		
31 March 2013	23,209	-
31 March 2012	9,055	15
31 March 2011	1,566	29

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13. Investments

	The Group		The Authority	
	2013 $'000	**2012 $'000**	**2013 $'000**	**2012 $'000**
Unquoted equity securities at cost	100	100	100	100
Available-for-sale Government of Jamaica securities (i)	66,669	-	31,902	-
	66,769	100	32,002	100

(i) On 12 February 2013, the Government of Jamaica (GOJ) announced a public invitation to participate in its National Debt Exchange (NDX) programme in respect of specific domestic debt instruments. The NDX involved the voluntary exchange of the majority of the GOJ's existing domestic debt instruments for new debt instruments having longer maturities and lower coupon interest rates.

The programme introduced the new Fixed Rate Accreting Notes ("FRANs") which are issued with J$80 of principal value for every J$100 of principal value of Old Notes, whereby such principal will accrete to J$100 of principai value by the maturity date in 2028. While the new FRANs were available as an election option to all eligibie investors holding J$ fixed and variable rate Old Notes, they were designed primariiy for certain state-owned entities focusing on full long-term principal recovery, and less concerned with accounting and yield in the short-term.

The Group agreed to participate in the programme and exchanged its existing domestic instruments for the new FRANs.

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13. Investments (Continued)

The NDX has had a significant impact on the expected future cash flows from the Group's and the Authority's investment portfolio. The table below summarises the impact on coupon rates and maturities of the instruments that were exchanged

	The Group	
	Pre NDX	Post NDX
Jamaican dollar denominated instruments:		
Total face value J$89,528,000 exchanged for J$71,622,000 in initial principal value of FRANs	71,622,000	89,528,000
Weighted average coupon rate	12%	10%
Weighted average tenor to maturity	1 year (2014 bonds)	15 years (2028 bonds)

	The Authority	
	Pre NDX	Post NDX
Jamaican dollar denominated instruments:	35,595,000	44,494,000
Total face value J$44,494,000 exchanged for J$35,595,000 in initial principal value of FRANs		
Weighted average coupon rate	12%	10%
Weighted average tenor to maturity	1 year (2014 bonds)	15 years (2028 bonds)

The financial impact of the exchange on stockholders' equity was a loss of $19,063,000 for the Group and $9,891,000 for the Authority.

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14. Related Party Transactions and Balances

The following transactions were carried out with related parties:

(a) Key management compensation

	The Group		The Authority	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Wages and salaries	54,753	53,121	18,878	23,846
Payroll taxes – employer's portion	4,493	3,866	1,066	687
	59,246	56,987	19,944	24,533
Directors' emoluments -				
Management remuneration	13,169	26,801	13,169	12,416
Fees	1,036	960	1,036	960

(b) Authority's interest in subsidiary

	Restated	
	2013 $'000	2012 $'000
Shares, at cost	305,377	305,377
Advances –		
At start of year	11,575,952	10,474,373
Issued during the year	1,733,860	796,202
At end of year	13,309,812	11,270,575
	13,615,189	11,575,952

The Authority earned concession and other fees amounting to $183,352,000 (2012 – $200,653,000), and interest and other income as detailed in Note 5, from the subsidiary during the year.

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15. Deferred Income Taxes

Deferred income taxes are calculated in full on temporary differences under the liability method using a tax rate of 30% (2012 - 33⅓%).

	The Group and The Authority	
	2013	2012
	$'000	$'000
At beginning of year	792,990	775,444
(Charged)/credited to profit or loss during the year (Note 9)	(44,792)	17,546
At end of year	748,198	792,990

Deferred tax assets(liabilities) were due to the following:

	The Group and The Authority	
	2013	2012
	$'000	$'000
Interest payable	224,263	209,225
Accelerated depreciation and amortisation	509,681	519,436
Capital grants	77,994	92,993
Post-employment benefits	53,332	49,595
Accrued vacation	3,171	3,432
Foreign exchange losses	75,950	54,352
Investment in subsidiary	(192,856)	(133,297)
Interest receivable	(3,337)	(2,746)
	748,198	792,990

The amounts shown in the statement of financial position includes the following:

	The Group and The Authority	
	2013	2012
	$'000	$'000
Deferred tax assets to be recovered after more than 12 months	641,007	662,024
Deferred tax liabilities to be settled after more than 12 months	192,856	67,823

Airports Authority of Jamaica
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16. Inventories

This represents spare parts and supplies.

17. Receivables

	The Group		The Authority	
	2013 $'000	Restated 2012 $'000	2013 $'000	Restated 2012 $'000
Trade	1,334,187	1,466,021	390,677	450,235
Less: Provision for impairment	(501,942)	(523,860)	(295,493)	(295,493)
	832,245	942,161	95,184	154,742
Mobilization payment – Construction in progress	66,596	59,461	-	-
Prepayments	75,072	53,644	50,196	53,644
Withholding tax recoverable	89,470	70,764	67,239	52,856
Advances	42,780	24,619	9,776	8,363
GCT recoverable	48,683	22,337	6,865	4,342
Other	50,925	55,080	18,508	29,523
	1,205,771	1,228,066	247,768	303,470

18. Cash and Cash Equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise the following:

	The Group		The Authority	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Cash at bank and in hand	199,152	297,267	84,861	40,821
Short term deposits	1,947,119	1,412,263	1,440,402	1,395,920
	2,146,271	1,709,530	1,525,263	1,436,741
Bank overdraft (Note 20)	(4,281)	(29,400)	(1,413)	(6,876)
	2,141,990	1,680,130	1,523,850	1,429,865

Included in short term deposits is interest receivable of $18,174,000 (2012 – $8,587,000) for the Group and $11,123,000 (2012 - $8,239,000) for the Authority. Short term deposits have original maturity of ninety (90) days or less.

The weighted average interest rate on short term deposits denominated in Jamaican dollars was 5.96% (2012 – 6.08%) and on short term deposits denominated in United States dollars was 3.61% (2012 – 3.82%), and these securities mature in 30 days.

Airports Authority of Jamaica

Notes to the Financial Statements
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19. Payables

	The Group		The Authority	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Trade payables	56,631	194,045	44,369	90,090
Accruals	144,114	140,721	32,768	57,524
Airport Improvement Fund	50,927	131,037	-	-
Other	100,415	29,381	3,209	2,124
	352,087	495,184	80,346	149,738

20. Borrowings

	The Group			The Authority		
		Restated			Restated	
	2013 $'000	2012 $'000	2011 $'000	2013 $'000	2012 $'000	2011 $'000
Current -						
Bank overdraft (Note 18)	4,281	29,400	80,980	1,413	6,876	11,009
Current portion of long term loans	360,237	375,058	377,205	360,237	375,058	377,205
	364,518	404,458	458,185	361,650	381,934	388,214
Non-Current -						
Long term loans	9,526,989	8,537,580	8,510,195	9,526,989	8,537,580	8,510,195
Accrued interest	843,922	631,471	510,990	843,922	631,471	510,990
	10,370,911	9,169,051	9,021,185	10,370,911	9,169,051	9,021,185
	10,735,429	9,573,509	9,479,370	10,732,561	9,550,985	9,409,399

Bank overdraft
The Group and the Authority have an overdraft facility totalled $3,000,000 which attracts interest at 5%.

Airports Authority of Jamaica

Notes to the Financial Statements
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20. Borrowings (Continued)

(a) Long term loans

	The Group			The Authority		
		Restated			Restated	
	2013 $'000	2012 $'000	2011 $'000	2013 $'000	2012 $'000	2011 $'000
Facilities acquired with the Government of Jamaica as an intermediary:						
(a) Inter-American Development Bank	1,788,913	1,483,286	1,365,111	1,788,913	1,483,286	1,365,111
(b) Export-Import Bank of Japan and The Bank of Tokyo-Mitsubishi Limited	675,185	578,438	560,795	675,185	578,438	560,795
(c) Nordic Development Fund	322,857	285,384	270,510	322,857	285,384	270,510
(d) European Investment Bank and Caribbean Development Bank	3,955,460	3,492,000	3,429,944	3,955,460	3,492,000	3,429,944
(e) Caribbean Development Bank	1,977,730	1,746,000	1,714,972	1,977,730	1,746,000	1,714,972
Other facilities						
(f) Government of Jamaica/ SIA Airports Limited	31,206	31,206	31,206	31,206	31,206	31,206
(g) Government of Jamaica	91,415	91,145	91,145	91,415	91,145	91,145
(h) Petrocaribe Development Fund	1,820,857	1,769,125	1,910,979	1,820,857	1,769,125	1,910,979
(i) Other	67,525	67,525	67,527	67,525	67,525	67,527
	10,731,148	9,544,109	9,442,189	10,731,148	9,544,109	9,442,189
Less Current Portion:						
Government of Jamaica/SIA Airports Limited	(31,206)	(31,206)	(31,206)	(31,206)	(31,206)	(31,206)
Government of Jamaica	(47,348)	(47,348)	(47,348)	(47,348)	(47,348)	(47,348)
Petrocaribe Development Fund	(143,546)	(126,584)	(124,474)	(143,546)	(126,584)	(124,474)
Accrued interest	(138,137)	(169,920)	(217,976)	(138,137)	(169,920)	(217,976)
	(360,237)	(375,058)	(421,004)	(360,237)	(375,058)	(421,004)
	10,370,911	9,169,051	9,021,185	10,370,911	9,169,051	9,021,185

Airports Authority of Jamaica
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20. Borrowings (Continued)

The following tables show the maturity profile for loans.

	The Group & The Authority			
	2013			
	Within 1 Year	1 to 5 Years	Over 5 Years	Total
	$'000	$'000	$'000	$'000
(a) Inter-American Development Bank	-	-	1,788,913	1,788,913
(b) Export-Import Bank of Japan and The Bank of Tokyo-Mitsubishi Limited	-	675,185	-	675,185
(c) Nordic Development Fund	-	322,857	-	322,857
(d) European Investment Bank and Caribbean Development Bank	-	3,955,460	-	3,955,460
(e) Caribbean Development Bank	-	1,977,730	-	1,977,730
(f) Government of Jamaica/ SIA Airports Limited	31,206	-	-	31,206
(g) Government of Jamaica	158,941	-	-	158,941
(h) Petrocaribe Development Fund	143,545	1,677,311	-	1,820,856
	333,692	8,608,543	1,788,913	10,731,148

	The Group & The Authority			
	2012			
	Within 1 Year	1 to 5 Years	Over 5 Years	Total
	$'000	$'000	$'000	$'000
(a) Inter-American Development Bank	-	-	1,483,286	1,483,286
(b) Export-Import Bank of Japan and The Bank of Tokyo-Mitsubishi Limited	-	578,438	-	578,438
(c) Nordic Development Fund	-	285,384	-	285,384
(d) European Investment Bank and Caribbean Development Bank	-	3,492,000	-	3,492,000
(e) Caribbean Development Bank	-	1,746,000	-	1,746,000
(f) Government of Jamaica/ SIA Airports Limited	31,206	-	-	31,206
(g) Government of Jamaica	158,670	-	-	158,670
(h) Petrocaribe Development Fund	126,584	1,642,541	-	1,769,125
	316,460	7,744,363	1,483,286	9,544,109

Airports Authority of Jamaica

Notes to the Financial Statements
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20. Borrowings (Continued)

(a) This represents proceeds drawn down to date of loan contract #887/OC-JA between the Government of Jamaica and the Inter-American Development Bank, which have been on-lent to the Authority under the Airport Reform and Improvement Programme. The loan was disbursed in April 2005 and will expire twenty years from the disbursement date. This facility is unsecured and bears interest at 6.25% per annum.

(b) This represents proceeds drawn down to date of loan contract #041844 between the Government of Jamaica and the Export-Import Bank of Japan and the Bank of Tokyo-Mitsubishi Limited, which have been on-lent to the Authority under the Airport Reform and Improvement Programme. The loan was disbursed in March 2006 and will expire ten years from the disbursement date. This facility is unsecured and bears interest at 2.5% per annum.

(c) This represented proceeds drawn down to date of loan contract #165 between the Government of Jamaica and the Nordic Development Fund, which have been on-lent to the Authority under the Airport Reform and Improvement Programme. The loan will mature in the year 2017; it is unsecured and bears interest at 1.5% per annum.

(d) This represents a US$40 million loan between the European Investment Bank and the Airports Authority of Jamaica which was on-lent to the subsidiary to fund the Norman Manley International Airport expansion project and repay existing loans. The loan is repayable in 30 equal payments semi-annually commencing five years after the date of disbursement. The loan was disbursed in February 2010.

(e) This represents a US$20 million loan between the Caribbean Development Bank and the Airports Authority of Jamaica which was on-lent to the subsidiary to fund the Norman Manley International Airport expansion project and repay existing loans. The loan is unsecured and is repayable in 30 equal payments semi-annually commencing five years after the date of disbursement. The facility was disbursed in July 2009 and bears interest at 3.83% per annum.

(f) This represents a loan from the Government of Jamaica, which was used to fund construction work at the Sangster International Airport. There is no interest rate stated and the terms of repayment have not yet been determined.

(g) This represents an advance from the Government of Jamaica, which was used to repay interest and principal in respect of loans (a) to (c) above. The advance is unsecured. There is no interest rate stated and the terms of repayment have not yet been determined.

(h) This loan represents US$34.5 million dollar loan from the Petrocaribe Development Fund to provide interim financing for the Norman Manley International Airport expansion project. The loan was disbursed in January 2010 for a period of 15 years and attracts interest at 6% per annum. This loan is unsecured.

(i) This relates to accrued interest on loans that becomes due on demand.

Airports Authority of Jamaica

Notes to the Financial Statements
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21. Share Capital

	2013 $'000	2012 $'000
Authorised -		
30,000 ordinary shares		
Issued and fully paid -		
20,091 ordinary shares	20,091	20,091

The Airports Authority Act provides for the Authority having an authorised capital of $30,000,000. To date an amount of $20,091,000 has been credited as fully paid capital.

22. Unissued Capital

In 1986, the Government of Jamaica undertook a restructuring of the Authority's capital base, which, *inter alia*, included a conversion of $55,607,000 of debt to equity. This arrangement also fulfilled the terms of the then existing agreement with The International Bank for Reconstruction and Development.

The shares for the additional capital have not yet been issued to The Accountant General as the required increase in the authorised share capital is still outstanding.

Airports Authority of Jamaica
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23. Grants

Airport Improvement Grant
The Airport Improvement Grant represents amount received from the Government of Jamaica to assist with the funding of the Norman Manley International Airport expansion project.

The Norman Manley International Airport expansion project is a 20-year plan for the expansion and development of the Norman Manley International Airport, commencing in 2004. The plan involves the construction of new arrival and departure wings, two-level passenger pier, new baggage handling facilities, the relocation of the general aviation centre, fire station and other support facilities.

This project is partially funded by the Airport Improvement Fund (AIF). Revenue of the AIF is based on a US$10 charge per ticket purchased at any travel agency. The amount is paid over by the airlines into a special account held with an Independent financial institution. The subsidiary will draw down on funds to repay senior debts or to pay designated contractors for work done on the project. Annual transfers equivalent to interest expense in the case where the grant was used to repay senior debts or depreciation charged on property, plant and equipment where the grant was used for a capital purpose, are made to the statement of comprehensive income.

Capital Grant
This represents grant received from the Government of Jamaica to acquire property, plant and equipment. Annual transfers equivalent to depreciation charged on property, plant and equipment, are made to the statement of comprehensive income.

The movement in grants during the year was as follows:

	The Group		The Authority	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
At start of year	1,643,043	1,888,444	278,980	297,979
Additions	228,029	281,106	-	-
Transfer to the statement of comprehensive income -				
Amortisation of grants (Note 5)	(310,232)	(314,930)	(18,999)	(18,999)
Amortisation of grants (Note 8)	(275,705)	(239,218)	-	-
Translation adjustment	150,804	27,641	-	-
At end of year	1,435,939	1,643,043	259,981	278,980

Airports Authority of Jamaica

Notes to the Financial Statements
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24. Post-Employment Benefits

	The Group & The Authority	
	2013	**2012**
	$'000	**$'000**
Liability recognised in the balance sheet –		
Medical benefits	177,773	148,786
Amounts recognised in arriving at the profit or loss account (Note 7)		
Pension scheme	32,191	9,441
Medical benefits	10,848	19,450

Pension scheme benefits

The Group participates in a defined benefit scheme, which is open to all permanent employees who have satisfied certain minimum service requirements.

The amount recognised in the balance sheet was determined as follows:

	The Group & The Authority	
	2013	**2012**
	$'000	**$'000**
Fair value of plan assets	866,333	834,203
Present value of obligations	(1,195,337)	(1,082,429)
	(329,004)	(248,226)
Unrecognised actuarial losses	306,152	285,407
	(22,852)	37,181
Limitation on recognition of asset due to uncertainty of obtaining future benefits	-	(37,181)
	(22,852)	-

The movement in the fair value of plan assets during the year was as follows:

	The Group & The Authority	
	2013	**2012**
	$'000	**$'000**
At beginning of year	834,203	789,258
Expected return on plan assets	43,126	56,539
Actuarial gains	1,165	35,044
Employer contributions	9,339	9,441
Employee contributions	15,438	13,154
Annuities purchased	-	53,564
Benefits paid	(36,938)	(122,797)
At end of year	866,333	834,203

Airports Authority of Jamaica

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24. Post-Employment Benefits (Continued)

Pension scheme benefits (continued)

The movement in the present value of the defined benefit obligation during the year was as follows:

	The Group & The Authority	
	2013	**2012**
	$'000	**$'000**
At beginning of year	1,082,429	935,678
Current service cost	25,634	34,890
Interest cost	93,402	86,009
Annuities purchased	-	53,564
Actuarial losses on obligations	30,810	95,085
Benefits paid	(36,938)	(122,797)
At end of year	1,195,337	1,082,429

The amounts recognised in arriving at profit or loss were as follows:

	The Group & The Authority	
	2013	**2012**
	$'000	**$'000**
Current service cost, net of employee contributions	(10,196)	(21,736)
Interest cost	(93,402)	(86,009)
Expected return on plan assets	43,126	56,539
Net actuarial losses recognised during the year	(8,900)	(6,937)
Change in asset limitation	37,181	48,702
Total included in staff costs (Note 7)	(32,191)	(9,441)

The actual return on plan assets was $177,162,000 (2012 – $102,233,000).

Expected employer contributions to the plan for the year ended 31 March 2014 amount to $10,200,000.

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24. Post-Employment Benefits (Continued)

Pension scheme benefits (continued)

The distribution of plan assets was as follows:

	The Group & The Authority			
	2013		2012	
	$'000	%	$'000	%
Fixed Income Fund	487,298	56	503,365	60
Equity Fund	157,583	18	94,051	11
Annuities	221,452	26	236,787	29
	866,333		834,203	

The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy. The Fixed Income Fund and the Equity Fund are administered by Prime Asset Management Limited. Expected yield on the Funds reflect the long-term real rates of return on portfolio.

The five-year trend for the fair value of plan assets, the defined benefit obligation, the surplus in the plan, and experience adjustments for plan assets and liabilities is as follows:

	The Group & The Authority				
	2013 $'000	2012 $'000	2011 $'000	2010 $'000	2009 $'000
Fair value of plan assets	866,333	834,203	789,258	581,013	500,405
Defined benefit obligation	(1,195,337)	(1,082,429)	(935,678)	(765,683)	(481,915)
(Deficit)/surplus	(329,004)	(248,226)	(146,420)	(184,670)	18,490
Experience adjustments – gains/(losses)					
Fair value of plan assets	1,165	35,044	13,702	58,901	(30,140)
Defined benefit obligation	(30,810)	(95,085)	(79,063)	246,570	37,762

24. Post-Employment Benefits (Continued)

Medical benefits

In addition to pension benefits, the Group offers retirees medical benefits. Funds are not built up to cover the obligations under the medical benefit scheme. The method of accounting and frequency of valuations are similar to those used for the pension scheme.

The liability recognised in the balance sheet was determined as follows:

	The Group & The Authority	
	2013	2012
	$'000	$'000
Present value of unfunded obligations	120,920	99,043
Unrecognised actuarial gains	34,000	49,743
	154,920	148,786

The movement in the present value of the defined benefit obligation during the year was as follows:

	The Group & The Authority	
	2013	2012
	$'000	$'000
At beginning of year	99,043	133,937
Current service cost	2,798	5,617
Interest cost	10,042	13,833
Experience adjustment	(4,410)	-
Actuarial losses/(gains) on obligations	16,297	(49,853)
Benefits paid	(2,850)	(4,491)
At end of year	120,920	99,043

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24. Post-Employment Benefits (Continued)

Medical benefits (continued)

The amounts recognised in arriving at profit or loss were as follows:

	The Group & The Authority	
	2013 $'000	2012 $'000
Current service cost	2,798	5,617
Interest cost	10,042	13,883
Net actuarial gains recognised in year	(1,992)	(50)
Total Included in staff costs (Note 7)	10,848	19,450

The effects of a 1% movement in the assumed medical cost trend rate were as follows:

	The Group & The Authority	
	Increase $'000	Decrease $'000
Effect on the aggregate of the current service cost and interest cost	15,452	10,817
Effect on the defined benefit obligation	143,977	102,940

Airports Authority of Jamaica

Notes to the Financial Statements
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24. Post-Employment Benefits (Continued)

Medical benefits (continued)

The five-year trend for the defined benefit obligation and experience adjustments is as follows:

	The Group & The Authority				
	2013 $'000	2012 $'000	2011 $'000	2010 $'000	2009 $'000
Defined benefit obligation	120,920	99,043	133,937	100,426	61,185
Experience adjustments	(4,410)	(49,853)	22,521	31,617	(37,165)

Principal actuarial assumptions used in valuing post-employment benefits

The principal actuarial assumptions used in valuing post-employment benefits are as follows:

	The Group & The Authority	
	2013	2012
Discount rate	10%	10.0%
Expected return on plan assets	5.5%	5.5%
Future salary increases	6%	5.0%
Future pension increases	6%	5.0%
Long term inflation rate	6%	5.0%
Medical cost trend rate	7.59%	8.0%

The average expected remaining service life of the employees of the pension scheme is 20 years (2012 – 20 years), for the medical scheme is 20 years (2012 – 20 years).

Post-employment mortality for active members and mortality for pensioners and deferred pensioners is based on the 1994 Group Annuity Mortality Tables (GAM 94) (U.S. mortality tables), with no age setback.

25. Contingent Liabilities

The Authority and its subsidiary are subject to various claims, disputes and legal proceedings, in the normal course of business. Provision is made for such matters when, in the opinion of management and its legal counsel, it is probable that a payment will be made by the Group, and the amount can be reasonably estimated.

In respect of claims asserted against the Group which, according to the principles outlined above, have not been provided for, management is of the opinion that such claims are either without merit, can be successfully defended or will result in exposure to the Group which is immaterial to both financial position and results of operations.

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26. Capital Commitments

At 31 March 2013, the Group had authorised capital expenditure amounting to $573,000,000 (2012 – $752,577,000), of which $279,000,000 (2012 – $53,462,000) has been contracted for.

27. Restatement

The Consolidated and the Authority's financial statements for the year ended 31 March 2012 were restated as discussed below. The statement of financial position as at 31 March 2012 and the statement of comprehensive income for the year ended 31 March 2012 along with the affected notes to the financial statement were appropriately restated in accordance with the requirements of IAS 1. A third statement of financial position was not included as the restatement had no impact as at 31 March 2011.

a. Privatisation costs of $18,885,000 incurred by the Authority in the year ended 31 March 2012 that had been capitalised have been expensed. The above restatement has no impact on net loss for the period ended 31 March 2011 as there were no privatisation costs during that period.

b. Loans totalled $78,554,000 that were obtained from the Government of Jamaica by the Group and the Authority were reclassified from non-current to current liabilities.

c. Accrued interest of $111,635,000, $111,603,000 and $111,323,000 as at 31 March 2013, 31 March 2012 and 31 March 2011, respectively payable on demand has been reclassified from non-current to current liabilities

d. Interest Income and expense of $239,512,000 and $227,881,000 relating to loans on-lent to the subsidiary for the year ended 31 March 2013 and 31 March 2012, respectively previously excluded have now been accounted for in the books of Airports Authority of Jamaica. The above reclassifications have no impact on net loss for the period ended 31 March 2012 and 2013.

e. Computer software has been separated from property, plant and equipment and disclosed separately as an intangible asset.

	The Group		
	2012		
	As previously stated $'000	Restatement related to privatisation expense $'000	Restated $'000
Profit before taxation	451,445	(18,885)	432,560

	The Authority		
	2012		
	As previously stated $'000	Restatement related to privatisation expense $'000	Restated $'000
Profit before taxation	600,601	(18,885)	581,716

airports authority of jamaica

Thinking Development. Moving Ahead

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A subsidiary of the Airports Authority of Jamaica

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