

Notes to the financial statements continued

for the year ended 31 March 2024

4. Working capital continued

4.5 Trade and other payables

Summary of material accounting policies

Supply chain financing arrangements

The Group participates in supply chain financing (SCF) arrangements. The SCF arrangements allow suppliers that decide to participate to trade invoices and receive the funding earlier than the invoice due date from the participating funder. The Group pays the participating funder based on the original contractual supplier payment terms and has no further obligation to the participating funder.

Assessment of SCF arrangements, and whether they result in changes to the trade payable classification of interest-bearing debt, takes into consideration numerous factors, which include the impact of the arrangement on the supplier's payment term, nature of relationships between the Group and the funders, changes in cash flows, whether there are any guarantees provided by the Group to the funders, as well as whether the supplier has discharged the Group from its obligation.

Considering the above assessment at reporting date, none of the traded invoices subject to the SCF arrangement met the requirements to be reclassified as interest-bearing debt. Thus, the arrangement does not have an impact on the Group's trade payables, net debt and cash flows.

	Group		Company	
	31 March 2024 Rm	31 March 2023 Rm	31 March 2024 Rm	31 March 2023 Rm
Trade and other payables	8 996	10 419	8 108	12 874
Trade payables	5 004	6 211	5 548	9 981
Accruals	3 992	4 208	2 560	2 893

Trade and other payables and accruals are obligations to pay for goods and services that have been acquired in the ordinary course of business.

Accruals and other payables mainly represent licence fees and amounts payable for goods received, net of Value Added Tax obligations.

The Group's standard payment terms of trade payables is within 90 days after the date of the receipt of the invoice.

R1 435 million (31 March 2023: R1 411 million) of the total trade payables is subject to supplier financing where the suppliers have decided to receive the invoice amounts before the due date from independent external funders.

Trade and other payables decreased mainly due to lower capex spend and the payment of spectrum in the current year.