17. Deferred taxation

	Group		Company	
	31 March 2021 Rm	31 March 2020 Rm	**31 March 2021 Rm**	31 March 2020 Rm
	497	675	**376**	575
Opening balance	**675**	93	**575**	57
Profit and loss and opening balance movements	**(197)**	879	**(218)**	821
Capital allowances*	**(156)**	(1 971)	**(154)**	(2 017)
Provisions and other allowances**	**(196)**	2 176	**(264)**	2 165
Tax losses	**234**	337	**234**	337
Overprovision/(underprovision) prior year	**(88)**	328	**(34)**	336
Common control transactions/business combinations	**9**	9	**–**	–
Other comprehensive income deferred tax impact	**19**	(297)	**19**	(303)
The balance comprises:	**497**	675	**376**	575
Capital allowances*	**(3 247)**	(3 091)	**(3 222)**	(3 068)
Provisions and other allowances**	**3 468**	3 763	**3 218**	3 530
Business combination	**(39)**	(48)	**–**	–
Common control transaction	**(32)**	(32)	**–**	–
Tax losses	**733**	485	**730**	482
Overprovision prior year	**–**	3	**–**	–
Other comprehensive income tax impact	**(386)**	(405)	**(350)**	(369)
Deferred taxation balance is made up as follows:	**497**	675	**376**	575
Deferred taxation assets	**723**	828	**376**	575
Deferred taxation liabilities	**(226)**	(153)	**–**	–

* *In FY2020, the capital allowances were increased with the recognition of right-of-use assets due to the implementation of IFRS 16 (offset by the lease liabilities recognised in provisions and other allowances).*

** *The significant decrease in provisions and other allowances is mainly attributable to the employee restructuring expenses which realised during FY2021 and the lease liabilities recognised in FY2020 due to the implementation of IFRS 16.*

The decrease in the deferred taxation balance in the current year is primarily as a result of the reduced movements in temporary differences and tax losses through profit and loss and the effect of prior year over/under provisions. This decrease is offset by a R20 million additional asset (31 March 2020: R297 million additional liability) raised in Telkom SA SOC Ltd relating to the movement in other comprehensive income, including actuarial gains recognised on the post-employment benefit plans. This movement was accounted for in other comprehensive income.