Notes to the financial statements continued

for the year ended 31 March 2022

3. Segment information continued

Entity-wide disclosures

All material non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, and rights arising under insurance contracts related to the segments above are located in South Africa. Assets belonging to the subsidiaries of BCX outside of South Africa are not considered material to the Group as a whole.

No single customer contributes more than 10% of the revenue from external customers and thus no specific information relating to major customers is included in the segment information above.

For the purpose of assessing revenue contribution per customer, management does not treat government as a single customer.

4. Revenue

4.1 Disaggregation of revenue

	Company	
	31 March 2022 Rm	31 March 2021 Rm
Revenue	**38 272**	39 220
Revenue from contracts with customers recognised over time	**33 780**	36 246
Voice	**9 969**	10 840
Interconnection	**801**	920
Data	**21 205**	21 731
Information technology	**1 227**	1 460
Customer premises equipment related services	**322**	1 055
Interest revenue	**256**	240
Revenue from contracts with customers recognised at a point in time	**4 398**	2 873
Customer premises equipment	**4 247**	2 742
Sundry revenue	**151**	131
Lease revenue	**94**	101

Refer to note 3 for the disaggregated revenue per segment for the Group.

Included in Telkom Company revenue is revenue to the value of R6 415 million (31 March 2021: R7 157 million), which relates to Enterprise customer contracts which were sold to BCX in previous financial years, which have been retained in the name of Telkom SA SOC Ltd. Refer to note 2.4.7.5 for the significant judgements and estimates considered in determining that Telkom is the principal in relation to these transactions.

4.2 Transaction price allocated to the remaining performance obligations

The tables below include revenue expected to be recognised in the future, related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.

	Group 31 March 2022		
	2023 Rm	**2024 Rm**	**Beyond 2025 Rm**
Voice	**414**	**171**	**32**
Data	**2 294**	**1 016**	**105**
Information technology	**156**	**13**	**–**

	31 March 2021		
	2022 Rm	2023 Rm	Beyond 2024 Rm
Voice	431	148	14
Data	2 347	779	50
Information technology	125	8	–

	Company 31 March 2022		
	2023 Rm	**2024 Rm**	**Beyond 2025 Rm**
Voice	**414**	**171**	**32**
Data	**2 294**	**1 016**	**105**

	31 March 2021		
	2022 Rm	2023 Rm	Beyond 2024 Rm
Voice	431	148	14
Data	2 347	779	50

All revenue from contracts with customers is included in the amounts presented above.

The Group and Company apply the practical expedient in paragraph 121 of IFRS 15 and do not disclose information about remaining performance obligations that have original expected durations of one year or less.

4.3 Customer relationship periods

The customer relationship periods (CRP) in the current financial year are determined as follows:

- Voice revenue: 5.5 years (31 March 2021: 5.5 years)
- Wholesale revenue: 4 years (31 March 2021: 4 years)
- Non-voice revenue: 3.5 years (31 March 2021: 3.5 years)

There has been no change in the average CRP in respect of non-voice revenue, voice revenue and wholesale revenue during the 2022 financial year.

5. Other income

	Group		Company	
	31 March 2022 Rm	31 March 2021 Rm	**31 March 2022 Rm**	31 March 2021 Rm
Other income	**686**	619	**1 240**	1 018
Interest received from trade receivables[1]	**122**	151	**69**	108
Sundry income[2]	**363**	401	**914**	839
Profit on disposal of assets[3]	**201**	67	**257**	71

[1] *Interest received on trade receivables relates to interest on overdue trade receivables accounts. These are financial assets measured at amortised cost. Interest is recognised on a time proportionate basis, taking into account the principal amount outstanding and effective interest rate.*

[2] *Sundry income for Telkom Company includes income from management fees charged to subsidiaries. The Group and Company number includes gains or losses on lease terminations and other income on the submarine cable systems. Income on submarine cables consists of reimbursements for work done on behalf of the consortiums, reimbursements on operating, maintenance cost (direct cost) and travel fees related to the cable services.*

[3] *Included in the current year profit on disposal of assets for Group and Company is a gain on disposal of contract assets to the amount of R154 million (31 March 2021: R63 million).*

6. Expenses

6.1 Cost of handsets, equipment, software and directories

	Group		Company	
	31 March 2022 Rm	31 March 2021 Rm	**31 March 2022 Rm**	31 March 2021 Rm
Cost of handsets, equipment, software and directories Cost of handsets, equipment, software and directories increased as a result of higher post-paid and long-term evolution (LTE) sales year on year. The prior year was negatively impacted by COVID-19.	**(5 648)**	(4 781)	**(3 589)**	(2 722)