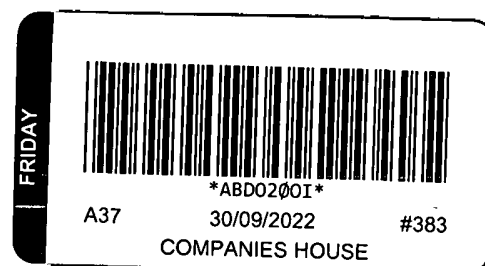


Ringway Developments Limited
(Formerly Ringway Developments Plc)

Directors' report and financial statements
Registered number 02027822
Year ended 31 March 2022



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Directors' report

The directors present their Directors' report and financial statements of the Company for the year ended 31 March 2022.

In accordance with section 414B of the Companies Act 2006 (Strategic report and Directors' report) Regulations 2013, the Company is exempt from preparing a Strategic report.

Manchester Airports Holdings Limited (MAHL) and its subsidiaries (including the Company) are referred to below as 'MAG' or 'the Group'.

Principal activity

The principal activity of the Company is acting as an intermediate holding company. The Company undertook several restructuring steps during throughout the year ended 31 March 2022. Management do not plan for the Company to recommence trade in the future.

Business review

The results for the year are set out on page 9. In the year to 31 March 2022, the Company made a profit before tax of £nil (2021: £nil). At year end, the Company had net assets of £nil (2021: £8,990,000).

Impact and recovery from COVID-19

For the second consecutive year, this report paints a picture of an aviation sector that was severely impacted by the international travel restrictions introduced in response to the coronavirus pandemic. As the effects of the COVID-19 pandemic on the aviation industry have fluctuated, at MAG we have balanced our ability to manage our costs and liquidity against maintaining our infrastructure to enable future growth.

At the start of April 2021, all non-essential travel to and from the UK was prohibited, with many of the Group's most important markets effectively closed. We were joined by others in our industry in calling for a risk-based approach to restrictions, so that travel to different markets could be opened up depending on factors such as case rates and vaccination levels.

The Government's Global Travel Taskforce responded to this with its "traffic light system," which categorised countries as red, amber or green, with different restrictions applying in each case. While this appeared a positive development, a succession of changes – both to the categories themselves and to the countries within each designation – continued to cause uncertainty for the industry and consumers.

This meant that, for long periods of this year, passenger volumes remained significantly lower than they were pre-pandemic, with British travellers often subject to more stringent controls than those experienced in other countries. These measures resulted in a slower recovery in demand over Summer 2021 compared to most European countries.

However, the emergence and rapid spread of the Omicron variant in November hindered the sector's recovery once more, with the temporary re-introduction of complex, multi-stage testing requirements for people travelling to the UK. This change dramatically reduced passenger volumes and impacted our ability to plan ahead for a meaningful recovery.

Faced with these challenges, we were at the forefront of research to demonstrate the ineffectiveness of testing and quarantine requirements in preventing the spread of new variants, and highlight the significant economic impact caused by holding back the recovery of aviation.

The Government recognised these findings when it removed the remaining restrictions for fully vaccinated passengers at the turn of the calendar year, while also indicating such controls will only be re-introduced in exceptional circumstances.

This development sparked a rapid return of demand to the market, with passenger numbers rising sharply towards the end of the financial year. That trend has continued into the new period, with traffic across the Group in April 2022 reaching 80% of 2019 levels, rising to 85% by July 2022.

Like all airports across the UK, it has been challenging to build back our staffing levels quickly enough to meet this returning demand. This has meant we have at times seen disruption at some of our airports. But our major recruitment campaigns at all three Group airports are delivering results, and we expect to have the resources we need in place ahead of the busy 2023 summer season.

Directors' report *(continued)*

Business review *(continued)*

Impact and recovery from COVID-19 (continued)

The fact this improved outlook only materialised in the final month of the financial year means it has had limited impact on the performance of the Group during the period covered by this report.

Passenger volumes across the Group in FY22 were 20.5m. While this was up on the 6.3m served in FY21, it was still significantly lower than the 59.6m recorded in FY20.

The past two years have been exceptionally difficult and we know that our recovery over the coming months will not be without its challenges. Our immediate focus is on rebuilding resource in our operation but we cannot ignore the strategic risks presented by external factors such as geopolitical stability and the war in Ukraine, the growing cost of living crisis here in the UK, and the relative insecurity of energy and fuel supplies. We are monitoring these and other risks closely to ensure we are ready for any further disruption we might face in due course.

Climate change

With climate change the defining issue of our time, it is particularly notable that MAG has been named a Financial Times European Climate Leader for 2021 and 2022, recognising our longstanding commitment to decarbonise our business and the wider aviation industry.

Over the last 12 months we have continued to demonstrate our commitment to delivering our five-year CSR Strategy – “Working together for a brighter future”. Despite the challenges of the pandemic, the Group has made progress towards decarbonising our business and the wider aviation industry, ensured that education and training resources remained accessible, and provided support to our local communities when they needed it most.

Throughout this year, we have maintained our focus on building a sustainable future for our business. We remain committed to decarbonising aviation and are on track to achieve our goal of net zero for our operations by 2038 ahead of the Governments 2050 goal.

MAG continues to meet the ‘comprehensive’ standard for disclosures established by the Global Reporting Initiative, including the publication of a new climate data compendium. This report has also been enhanced, responding to recommendations from the Task Force on Climate-Related Financial Disclosures, demonstrating the focus MAG places on the risks posed by climate change and ensuring MAG’s strategic and CSR reporting reflect the changes to environmental, social and governance (ESG) needs of investors. The Task Force on Climate-Related Finance Disclosure can be found on pages 75 and 76 in the Manchester Airports Holdings Limited annual report.

Our mature understanding of physical climate risks directly informs asset standards and infrastructure planning. Further work to consider the financial implications of climate change will position MAG well as economies more generally decarbonise.

Principal risks and uncertainties

The key risks faced by the Company are aligned with those of Manchester Airports Holdings Limited. The key risks for the Company are the long term implication of Brexit and wider macroeconomic risks and climate change. For more details of these risks, and how they are managed please refer to pages 69 to 74 of the Strategic report in the annual report and accounts for Manchester Airports Holdings Limited. The directors have not identified any other significant risks for the Company.

Going Concern

The financial statements have not been prepared on a going concern basis as the Company’s trading activities are not expected to recommence in future financial years. As the directors do not intend to acquire a replacement trade, they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 1.

Directors' report *(continued)*

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows:

J Bramall

K O'Toole (appointed 21 April 2022)

K Smart (resigned 12 May 2022)

Dividend

In March 2022, the Company settled its loan due from group undertaking, Manchester Airport Plc of £8,990,000 by declaring a dividend for the same amount (2021: £nil).

Post Balance Sheet Events

Subsequent to the year end, on 27 May 2022 the Group completed the refinancing of its revolving credit and liquidity facilities ('RCF' and 'LF'), details of which can be found in note 9 to the financial statements.

By order of the Board



J Bramall

Director

30 September 2022

6th Floor
Olympic House
Manchester Airport
Manchester
M90 1QX

Statement of directors' responsibilities relating to the Directors' report and the financial statements

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so (as explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



1 St Peter's Square
Manchester
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United Kingdom

Independent auditor's report to the members of Ringway Developments Limited (formerly Ringway Developments Plc)

Opinion

We have audited the financial statements of Ringway Developments Limited (formerly Ringway Developments Plc) ("the Company") for the year ended 31 March 2022 which comprise the Statement of financial position, Income statement and other comprehensive income, Statement of changes in equity, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Non-going concern basis of preparation

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reason set out in that note 1. Our opinion is not modified in respect of this matter.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of directors and inspection of policy documentation as to the Group's policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.

Independent auditor's report to the members of Ringway Developments Limited (formerly Ringway Developments Plc) (continued)

Fraud and breaches of laws and regulations – ability to detect (continued)

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Company management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as going concern. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions.

We did not identify any additional fraud risks.

We performed procedures including agreeing all accounting entries in the period to supporting documentation.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation, taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This Company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements..

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent auditor's report to the members of Ringway Developments Limited (formerly Ringway Developments Plc) *(continued)*

Directors' report

The directors are responsible for the Directors' report. Our opinion on the financial statements does not cover the reports and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' report;
- in our opinion the information given in the report for the financial year is consistent with the financial statements; and
- in our opinion the report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

**Independent auditor's report to the members of Ringway Developments Limited
(formerly Ringway Developments Plc) *(continued)***

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Christian Bower-Sloane (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE
United Kingdom
30 September 2022

Income statement and other comprehensive income
for the year ended 31 March 2022

	<i>Note</i>	2022 £000	2021 £000
Revenue		-	-
Operating costs		-	-
		<hr/>	<hr/>
Profit before taxation		-	-
Tax on profit		-	-
		<hr/>	<hr/>
Profit for the financial year		-	-
		<hr/>	<hr/>
Other comprehensive income for the year net of tax		-	-
		<hr/>	<hr/>
Total comprehensive income for the year		-	-
		<hr/>	<hr/>

The notes on pages 12 to 14 form an integral part of these financial statements.

Statement of financial position

at 31 March 2022

	<i>Note</i>	2022 £000	2022 £000	2021 £000	2021 £000
Current assets					
Trade and other receivables	4	-		8,990	
		-		8,990	
Current liabilities					
Trade and other payables		-		-	
Net current assets		-		8,990	
Net assets			-		8,990
Capital and reserves					
Called up share capital	5		-		8,626
Share premium	6		-		364
Retained earnings	6		-		-
Shareholders' funds			-		8,990

The notes on pages 12 to 14 form an integral part of these financial statements.

These financial statements of Ringway Developments Limited, registered number 02027822, were approved by the Board of directors on 30 September 2022 and were signed on its behalf by:



J Bramall
 Director

Statement of changes in equity
for the year ended 31 March 2022

	Called up share capital	Share premium	Retained earnings	Total shareholders' funds
	£000	£000	£000	£000
Balance at 1 April 2021	8,626	364	-	8,990
Transactions with owners recorded in equity				
Capital reduction of 8,626,644 shares	(8,626)	(364)	8,990	-
Dividends paid to Manchester Airport Plc	-	-	(8,990)	(8,990)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 March 2022	-	-	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Called up share capital	Share premium	Retained earnings	Total shareholders' funds
	£000	£000	£000	£000
Balance at 1 April 2020	8,626	364	-	8,990
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 March 2021	8,626	364	-	8,990
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 12 to 14 form an integral part of these financial statements.

Notes to the financial statements

1 Accounting policies

The following accounting policies have been applied consistently throughout the year in dealing with items that are considered material in relation to the financial statements, except as noted below.

Basis of preparation and going concern

The financial statements have been prepared in accordance with the Companies Act and applicable accounting standards in the United Kingdom, and on a historical cost basis.

For the year ended 31 March 2022, the directors have not prepared the financial statements on a going concern basis, due to no trade expected in the future periods. No adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements.

Intercompany balances

Intercompany balances are stated on the historic cost basis.

2 Notes to the income statement

Amounts receivable by the Company's auditor and the auditor's associates relating to services to the Company have been borne by the Company's ultimate parent, Manchester Airports Holdings Limited. The directors believe that the proportion of the consolidated fee applicable to the Company would be £1,000 (2021: £nil).

3 Remuneration of directors

J Bramall was a director of Manchester Airports Holdings Limited during the year, and their aggregate remuneration is disclosed in that company's consolidated financial statements. K Smart was also a director of Ringway Developments Plc during the year, but not a director in MAHL. The proportion of their aggregate remuneration applicable to the Company based on services provided is £1,000 (2021: £1,000). The total amount of £1,000 includes £nil (2021: £nil) received under long term incentive schemes and nil (2021: £nil) of company contributions to pension plans.

The aggregate emoluments for the highest paid director during the year was £1,000 (2021: £1,000). The £1,000 includes Salary, benefits, £nil (2021: £nil) received under long term incentive schemes and £nil (2021: £nil) of company contributions to pension plans.

4 Trade and other receivables

	2022 £000	2021 £000
Amounts owed by group undertakings	-	8,990
	-	8,990

In March 2022, the Company settled its loan due from group undertaking, Manchester Airport Plc (£8,990,000), by declaring a dividend for the same amount.

Notes to the financial statements (continued)

5 Called up share capital

	2022 £000	2021 £000
<i>Issued, called up and fully paid</i>		
4,226,971 'A' Ordinary shares of £1 each	4,227	4,227
4,399,673 'B' Ordinary shares of £1 each	4,399	4,399
Capital reduction of 8,626,644 bonus shares to aggregate value £1	(8,626)	-
	<hr/>	<hr/>
	-	8,626
	<hr/>	<hr/>

The 'A' and 'B' ordinary shares are separate classes of shares and carry respective voting rights and rights to appoint and remove directors and are subject to differing restrictions on transfer but in all other respects rank pari passu. During the year there has been a capital reduction, leaving a total share value of £1.

6 Reserves

	Share premium £000	Retained earnings £000
At beginning of year	364	-
Convert share premium to distributable reserves	(364)	364
Capital reduction of 8,626,644 shares	-	8,626
Dividends paid to Manchester Airport Plc	-	(8,990)
	<hr/>	<hr/>
At end of year	-	-
	<hr/>	<hr/>

7 Contingent liabilities

Under the Common Terms Agreement signed on 14 February 2014, the Company and a number of its fellow subsidiaries have entered into a security agreement with the Group's bondholders and banks. The bonds and bank loans are secured by a fixed and floating charge over substantially all of the Group's assets. The total amount outstanding under this agreement at 31 March 2022 is £1,921.2m (2021: £1,920.8m).

8 Ultimate parent company and parent undertaking of larger group of which the Company is a member

The Company is a subsidiary undertaking of Manchester Airport Plc. The smallest Group in which the results of the Company are consolidated is that headed by Manchester Airport Group Investments Limited. The Company's ultimate parent is Manchester Airports Holdings Limited. The consolidated financial statements of these Groups are available to the public and may be obtained from Company Secretary at Olympic House, Manchester Airport, Manchester M90 1QX, or via the website at www.magairports.com.

Notes to the financial statements *(continued)*

9 Post balance sheet events

Subsequent to the year end, on 27 May 2022 the Group completed the refinancing of its revolving credit and liquidity facilities ('RCF' and 'LF'), comprising a £500m revolving credit facility and £90m in standby liquidity facilities, each with a five year term, maturing in May 2027, with optional extensions. The liquidity facility is sized to cover 12 months interest on secured debt and is a 364-day revolving facility with a five year term on each annual renewal. The facilities replace similar facilities that were due to mature in June 2023. These new facilities ensure sufficient headroom throughout the business plan period to ensure compliance with the Group's internal treasury policy. Both the RCF and LF are held within fellow group undertaking Manchester Airport Group Finance Limited, and drawings from the facility are transferred within the Group in line with the Group's internal treasury policy.