

IVY SUPER HOLDCO LIMITED

**Report and Financial Statements
for the year ended 31 December 2023**

Company Registration Number 12069556

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**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2023**

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Michael McGhee
Olivier Mathieu
Nicolas Notebaert
Rémi Maumon de Longevialle
Pierre-Hugues Schmit
David McMillan
Marten Soderbom
Lucy Chadwick
Guillaume Dubois
Sir David Higgins

SECRETARY

TMF Corporate Administration Services Limited

REGISTERED OFFICE

13th Floor
One Angel Court
London
EC2R 7HJ

INDEPENDENT AUDITOR

KPMG LLP
Global House
High Street
Crawley
RH10 1DQ

STRATEGIC REPORT

REVIEW FOR THE YEAR

Financial Review

The Company was incorporated on 25 June 2019 with its principal activity being an investment holding company. During the year ended 31 December 2023 the Company made a loss after taxation of £16.1 million largely due to finance costs (2022: £14.3 million loss largely due to finance costs), and had net assets of £6,003.6 million (2022: £6,019.7 million).

Going concern

Based on the net asset position and as further detailed in note 1, the Directors have a reasonable expectation that the Company will continue as a going concern for a period of at least 12 months from the date of approval of these financial statements and the financial statements have been prepared on that basis. As the Company's existing liabilities are due to subsidiaries within the Group, the liquidity risk, the risk that the Company has insufficient resources to meet its obligations as they fall due, is managed on a Group basis. The Company has net current liabilities of £47.2 million at the balance sheet date (2022: £31.1 million) which is due to a group company (see note 9).

Future developments

The Directors do not expect changes in the Company's activities as a holding company within the Ivy Holdco Group in the 12 months following the approval of these financial statements.

Key Performance Indicators

Given the nature of the Company, the Directors are of the opinion that analysis using key performance indicators ("KPIs") is not necessary for an understanding of the development, performance or position of the Company.

Principle risks and uncertainties

The Gatwick Airport Finance Group actively manages all identified corporate risks. Details of the risk management policies of Gatwick Airport Limited, the main trading entity within the Gatwick Airport Finance Group, are detailed in the financial statements of Gatwick Airport Limited for the year ended 31 December 2023.

There are no planned changes to the Company's principal activity.

Employees

The Company has no employees. All employees of the Group are employed by Gatwick Airport Limited, the main trading entity. Details of the employee policies of Gatwick Airport Limited are included in the financial statements of Gatwick Airport Limited for the year ended 31 December 2023.

Section 172 (1) Statement

Section 172 of the Companies Act 2006 requires the Directors of the Group to act in the way they consider, in good faith, would most likely promote the success of the Group for the benefit of its members.

In doing so, section 172 requires a Director to have regard (amongst other matters) to:

- a. The likely consequences of any decisions in the long term
- b. The interests of the company's employees
- c. The need to foster the company's business relationships with suppliers, customers and others
- d. The impact of the company's operations on the community and environment
- e. The desirability of the company maintaining a reputation for high standards of business conduct
- f. The need to act fairly as between members of the company

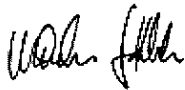
The Directors discharge their section 172 duty by having regard to the factors set out above along with other relevant factors. The Directors will ensure key decisions are in line with the Group's vision, purpose and values.

As in any large organisation, the Directors delegate authority for the day-to-day management of the Group to the EMB and then engage Management in setting, approving and overseeing execution of the business strategy and related policies.

The Group's key stakeholders are its passengers, local communities and environment, colleagues, airlines, shareholders and investors, commercial partners and supplier and regulators. The views of and the impact of the Group's activities on these stakeholders are important when making relevant decisions.

The Directors have set out below some examples of how we have actioned matters set out in section 172(1)(a) - (f) when discharging our section 172 duty.

On behalf of the Board



Marten Soderbom
Director
13 March 2024

DIRECTORS' REPORT

The Directors present their report and audited financial statements for the year ended 31 December 2023.

PRINCIPLE ACTIVITIES

The principle activity of the Company is that of a holding company. The Company and its wholly owned subsidiaries, Ivy Holdco Limited, Gatwick Airport Limited, Gatwick Funding Limited, Ivy Bidco Limited, and Gatwick Airport Pension Trustees Limited, are referred to collectively in the Strategic Report, the Directors' Report and these financial statements as "the Gatwick Airport Finance Group" or "the Group".

BOARD OF DIRECTORS

The Company's Board of Directors during the year, unless otherwise stated, and up to the date of approval of these financial statements are as follows:

Michael McGhee
Olivier Mathieu
Nicolas Notebaert
Rémi Maumon de Longevialle
Pierre-Hugues Schmit
David McMillan
Marten Soderbom
Lucy Chadwick
Guillaume Dubois (appointed 1 November 2023)
Sir David Higgins (appointed 1 November 2023)
William Woodburn (resigned 1 November 2023)
Eric Delobel (resigned 1 November 2023)

DIRECTORS' INDEMNITY

During the year ended 31 December 2023 and as at the date of approval of the financial statements, the Company's Articles of Association provide that, subject to the provisions of the Companies Act 2006, but without prejudice to any indemnity to which the person concerned might otherwise be entitled, every Director of the Company shall be indemnified out of the assets of the Company against any liability incurred by him for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

DIVIDENDS

The Directors have not declared a dividend during the year ended 31 December 2023 (2022: £nil). The Directors did not recommend the payment of a final dividend (2022: £nil).

FINANCIAL RISK MANAGEMENT

The financial risk of the Group is managed by the Company's parent, Gatwick Airport Finance plc.

The Company's financial risk management objectives and policies have been disclosed in the financial statements of Gatwick Airport Finance plc.

EMPLOYEES

Information on the Company's employees has been included in the Strategic Report on page 4.

CORPORATE GOVERNANCE ARRANGEMENTS

The corporate governance arrangements of the Group are managed by the Directors of Gatwick Airport Finance plc. Details of the arrangements are included in the financial statements of Gatwick Airport Finance plc for the year ended 31 December 2023.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual 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 are required to prepare the financial statements in accordance with UK-adopted international accounting standards and applicable law and they have elected to prepare the parent Company financial statements on the same basis.

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 company's profit or loss for that period. In preparing each of the Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- 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.

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 its 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 Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report and a Directors' Report that complies with that law and those regulations.

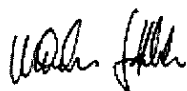
The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the Board



Marten Soderbom
Director
13 March 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IVY SUPER HOLDCO LIMITED

Opinion

We have audited the financial statements of Ivy Super Holdco Limited ("the Company") for the year ended 31 December 2023 which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Financial Position and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2023 and of its loss 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.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

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 IVY SUPER HOLDCO LIMITED
(continued)**

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. 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 material 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 and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

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 and 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 fraud 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.

Strategic report and directors' report

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

Our responsibility is to read the strategic report and 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 strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IVY SUPER HOLDCO LIMITED
(continued)**

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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 7, 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.

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.



Julie Wheeldon (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Global House
Crawley
RH10 1DQ

20 March 2024

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2023

	Note	Year ended 31 December 2023 £m	Year ended 31 December 2022 £m
Finance costs	5	(16.1)	(16.1)
Loss before taxation		(16.1)	(16.1)
Income tax credit	7	-	1.8
Loss for the year		(16.1)	(14.3)
Other comprehensive income		-	-
Total comprehensive expense		(16.1)	(14.3)

The notes on pages 13 to 19 form an integral part of these financial statements.

All profits and losses recognised during the current year and prior year are from continuing operations.

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2023

	Called up share capital £m	Retained earnings £m	Total equity £m
Balance at 1 January 2022	370.0	5,664.0	6,034.0
Loss for the year	-	(14.3)	(14.3)
Total comprehensive expense	-	(14.3)	(14.3)
Balance at 31 December 2022	370.0	5,649.7	6,019.7
Loss for the year	-	(16.1)	(16.1)
Total comprehensive expense	-	(16.1)	(16.1)
Balance at 31 December 2023	370.0	5,633.6	6,003.6


The notes on pages 13 to 19 form an integral part of these financial statements.

IVY SUPER HOLDCO LIMITED

STATEMENT OF FINANCIAL POSITION
As at 31 December 2023

	Note	31 December 2023 £m	31 December 2022 £m
Fixed assets			
Investments in subsidiary	8	6,347.5	6,347.5
Deferred tax asset	7	3.3	3.3
Total assets		6,350.8	6,350.8
Creditors: amounts falling due within one year			
Trade and other payables	9	(47.2)	(31.1)
Total current liabilities		(47.2)	(31.1)
Total assets less current liabilities		6,303.6	6,319.7
Creditors: amounts falling due after more than one year			
	10	(300.0)	(300.0)
Net assets		6,003.6	6,019.7
Equity			
Called up share capital	11	370.0	370.0
Retained earnings		5,633.6	5,649.7
Total equity		6,003.6	6,019.7

The financial statements of Ivy Super Holdco Limited (company registration number 12069556) on pages 11 to 19 were approved by the Board of Directors on 13 March 2024 and signed on its behalf by:



Marten Soderbom
Director



Rémi Maumon de Longevialle
Director

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

1. BASIS OF PREPARATION

These financial statements are the financial statements of Ivy Super Holdco Limited ("the Company") for the year ended 31 December 2023. Ivy Super Holdco Limited is a private limited company, limited by shares incorporated in England, United Kingdom. The registered number is 12069556 and the registered address is 13th Floor, One Angel Court, London, United Kingdom, EC2R 7HJ.

The financial statements have been prepared under the historic cost convention in accordance with the Companies Act 2006 and FRS 102 the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. Accounting policies have been applied consistently, other than where new policies have been adopted.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates, as included in note 3.

The financial statements contain information about Ivy Super Holdco Limited as an individual company. The Company's and its subsidiaries' results are included in the audited consolidated financial statements of VINCI SA and Gatwick Airport Finance plc for the year ended 31 December 2023, the largest and smallest groups to consolidate these financial statements. As such the Company has taken the s400 Exemption under the Companies Act 2006 from preparing consolidated financial statements. The consolidated financial statements of VINCI SA can be obtained from the Company Secretary, VINCI, 1973, boulevard de La Défense, CS 10268, 92757 Nanterre Cedex, France.

Going concern

The Directors have prepared the financial statements on a going concern basis. As at 31 December 2023, the Company had net current liabilities of £47.2 million and recognised a loss for the year ended 31 December 2023 of £16.1 million. The Company's loss arises due to interest payable to a wholly owned subsidiary (Gatwick Airport Limited, see note 5) and the net current liability relates to amounts owed to the same entity (note 9). Gatwick Airport Limited has confirmed it will not seek repayment of amounts outstanding unless adequate alternative financing has been secured by Ivy Super Holdco Limited. Gatwick Airport Limited is an entity within the Ivy Holdco Group and the going concern status at a Group level therefore directly affects the Company.

The Ivy Holdco Group's financing arrangements are cross-guaranteed by each company within the Group. This results in each company being interdependent on the overall results and cash flows of the Group as a whole. In assessing the going concern position of the Group, the Directors have considered the potential impact of ongoing political and economic situations on the cash flow and liquidity of the Group over the next 12 months, and the corresponding impact on the covenants associated with the Group's financing arrangements.

In forming this view, the directors have noted that the impact of COVID-19 was an unprecedented period in the aviation sector. However, it did demonstrate the swift actions that can be taken to manage the impact of such an event on the Group's cash flow and liquidity. Given the ongoing global political and economic situation, there remains short-term uncertainty in passenger forecasts for 2024.

As at 31 December 2023 the Group had net current liabilities of £25.1 million (2022: £99.3 million net assets). As at 31 December 2023, the Group held cash of £284.2 million and the £300.0 million Revolving Credit Facility was undrawn. To provide additional liquidity following the purchase of some of the outstanding Class A bonds, in February 2023 the Group entered into a new Revolving Credit Facility under an Authorised Credit facility of £100.0 million with a termination date of 23 August 2024 with an option to extend to 23 February 2025. The Group also has access to a committed £150.0 million Liquidity Facility to ensure interest payment obligations can be kept current for over 12 months. The Group does not currently expect to utilise the Liquidity Facility. The Group's forecasts demonstrate that the Group continues to have liquidity headroom for at least the next 12 months.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2023

During 2021, the Group was granted covenant waivers and an amendment of certain terms under the financing documents from Qualifying Borrower Secured Creditors. This includes: a) that any default relating to Senior ICR and Senior RAR levels are waived in respect of the calculation dates falling on December 2021 and June 2022; and b) a temporary amendment (until June 2024) to the calculation of the Senior RAR to replace both the April 2020 to March 2021 EBITDA and the April 2021 to March 2022 EBITDA, in such calculation with the average of the 2017, 2018 and 2019 financial years, corresponding to each relevant calendar quarter, to prevent results in this exceptional period continuing to impact the Senior RAR.

In the year ended 31 December 2023, passenger numbers increased by over 24%, from 32.8 million in 2022 to 40.9 million, reaching over 88% of 2019 levels. This bounce back was a result of strong demand from passengers and airlines putting significant capacity back into the market. The Group's most recent forecast shows expected passenger numbers in 2024 of circa 94% compared to 2019 and stronger performance compared to previous forecasts.

The Directors have considered this, in addition to a number of severe but plausible downside scenarios, including the impact of ongoing economic and political situations. The Directors consider that the Group can maintain sufficient liquidity over a period of at least 12 months from the date of the approval of the financial statements. Considering amendment of certain terms under the financing documents described above, the Group anticipates compliance with all covenant tests at the relevant calculation dates over a period of at least 12 months from the date of the approval of the financial statements. Accordingly the Directors have a reasonable expectation that the Group will continue as a going concern, and the Company financial statements have been prepared on that basis.

The financial statements were approved by the Directors on 13 March 2024.

2. ACCOUNTING POLICIES

(a) Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

(b) Dividend income

Dividend income is recognised when the right to receive payment is established.

(c) Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively. Current tax assets or liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

Deferred tax is provided on temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred taxation is determined using the tax rates and laws that have been enacted, or substantively enacted, by the financial position date and are expected to apply in the periods in which the temporary differences are expected to reverse.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2023

(d) Investments in subsidiaries

Investments are held as fixed assets and are stated at cost and reviewed for impairment if there are indications that the carrying value may not be recoverable.

(e) Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment. The entity applies Sections 11 and 12 and FRS 102 in respect of recognition and measurement of financial instruments.

(f) Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (after deducting transaction costs) and subsequently held at amortised cost. The entity applies Sections 11 and 12 and FRS 102 in respect of recognition and measurement of financial instruments.

(g) Share capital

Ordinary shares are classified as equity and are recorded at the fair value of proceeds received, net of direct issue costs. Where shares are issued above par value, the proceeds in excess of par value are recorded in the share premium account.

(h) Dividend distribution

A dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the shareholders' right to receive payment of the dividend is established by approval of the dividend at the Board Meeting. Interim dividends are recognised when paid.

(i) Cash

Cash comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

(j) Debt

Borrowings are recognised initially at fair value, net of transaction costs incurred and subsequently stated at amortised cost. Any difference between the amount initially recognised (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings using the effective interest method.

(k) Related party disclosures

The Company's ultimate parent entity in the UK is Ivy Super Topco Limited, a company registered in England and Wales. The results of the Company are included in the audited consolidated financial statements of Gatwick Airport Finance plc for the year ended 31 December 2023.

(l) Exemptions for qualifying entities under FRS 102

The Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 102 Section 7 Statement of Cash Flows, and paragraph 3.17(d) of FRS 102 Section 3 Financial Statement Presentation.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2023

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

In applying the Company's accounting policies management have made estimates and judgements. Actual results may, however, differ from the estimates calculated and management believe that the following presents the greatest level of uncertainty.

(a) Investments in subsidiaries

Management regularly assesses the performance of the subsidiaries of the Company and takes into account forecast future cash flows and activities. Management believe that the carrying value of the investments are supported by their future trade. See note 8.

4. OPERATING COSTS

Operating costs

Audit fees of £8,000 (2022: £5,000) are borne by Gatwick Airport Limited.

Employee information

The Company has no employees (2022: nil). All employees of the Gatwick Airport Finance Group are employed by Gatwick Airport Limited. Gatwick Airport Limited incurs all staff costs for the Gatwick Airport Finance Group.

Directors' remuneration

No Directors received remuneration for services to the company during the current or prior period. The emoluments of Directors who were also directors of Gatwick Airport Limited that were remunerated are disclosed in the financial statements of Gatwick Airport Limited.

No Directors are members of the Gatwick Airport Limited defined benefit pension scheme during the current or prior period.

5. FINANCE COSTS

	Year ended 31 December 2023 £m	Year ended 31 December 2022 £m
Interest payable on loans from Group undertakings ^(a)	16.1	16.1

(a) Interest on loan from Gatwick Airport Limited

6. DIVIDENDS

The Directors have not declared a dividend during the year ended 31 December 2023 (2022: £nil) The Directors did not recommend the payment of a final dividend (2022: £nil).

The Company did not receive any dividends during the year from its wholly-owned subsidiary, Ivy Holdco Limited (2022: £nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2023

7. INCOME TAX

	Year ended 31 December 2023 £m	Year ended 31 December 2022 £m
Deferred tax	-	1.8
Tax credit	-	1.8

The deferred tax asset of £3.3m at 31 December 2023 (2022: £3.3m) relates to carried forward tax losses.

Reconciliation of tax credit

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 23.5% (2022: 19.0%). The actual tax credit for the current year differs from the standard rate for the reasons set out in the following reconciliation:

	Year ended 31 December 2023 £m	Year ended 31 December 2022 £m
Loss before taxation	(16.1)	(16.1)
Tax on loss at 23.5% (2022: 19.0%)	3.8	3.1
Effect of:		
Adjustment in respect of prior years	-	1.1
Tax rate changes	-	0.7
Effects of group relief	(3.8)	(3.1)
Tax credit for the year	-	1.8

An increase in the UK corporation tax rate from 19.0% to 25.0% (effective 1 April 2022) was substantively enacted on 24 May 2022.

To address concerns about uneven profit distribution and tax contributions of large multinational corporations, various agreements have been reached at the global level, including an agreement by over 135 jurisdictions to introduce a global minimum tax rate of 15%. In December 2021, the Organisation for Economic Co-operation and Development (OECD) released a draft legislative framework, followed by detailed guidance released in March 2022, that is expected to be used by individual jurisdictions that signed the agreement to amend their local tax laws. The United Kingdom substantively enacted the tax legislation related to the top-up tax on 20 June 2023 in the Finance Act and the legislation is effective in the UK for periods commencing on or after 1 January 2024. In addition, amendments to IAS 12 'International Tax Reform – Pillar Two Model Rules' were endorsed by the UK Endorsement Board on 19 July 2023 and the exception from recognition and disclosures of deferred taxes in this regard as required by IAS 12.4A has been taken. The legislation is not expected to have a material impact on the financial statements.

8. INVESTMENTS

	31 December 2023 £m	31 December 2022 £m
Investments in subsidiaries	6,347.5	6,347.5

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2023

The Company has investments in the following subsidiary undertakings:

Subsidiary Undertakings	Principal activity	Holding	%
Ivy Holdco Limited	Holding Company	Ordinary Shares	100%
Gatwick Airport Limited ^(a)	Airport owner and operator	Ordinary Shares	100%
Gatwick Funding Limited ^(a)	Financing company	Ordinary Shares	100%
Ivy Bidco Limited ^(a)	Property company	Ordinary Shares	100%
Gatwick Airport Pension Trustees Limited ^(a)	Dormant company	Ordinary Shares	100%

(a) Held by a subsidiary undertaking

All subsidiaries (except for Gatwick Funding Limited ("GFL")) are incorporated and operate in England, United Kingdom. Gatwick Airport Limited and Gatwick Airport Pension Trustees Limited have registered office 5th Floor Destinations Place, Gatwick Airport, West Sussex, RH6 0NP. Ivy Holdco Limited and Ivy Bidco Limited have registered office 13th Floor, One Angel Court, London, EC2R 7HJ. GFL is incorporated in Jersey and has registered office 44 Esplanade, St Helier, Jersey, JE4 9WG.

9. TRADE AND OTHER PAYABLES

	31 December 2023 £m	31 December 2022 £m
Trade and other payables		
Amounts owed to group undertakings	47.2	31.1

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Other creditor amounts falling due after more than one year relate to amounts due to group undertakings. The following amounts represent interest bearing amounts in the form of a loan from Gatwick Airport Limited. Accrued interest on these loans is disclosed within amounts owed to group undertakings due within one year. The loan is repayable on 4 July 2049.

	31 December 2023 £m	31 December 2022 £m
Borrowings	300.0	300.0
Maturity Profile:		
Repayable in more than 5 years	300.0	300.0
	300.0	300.0

11. CALLED UP SHARE CAPITAL

	31 December 2023 £m	31 December 2022 £m
Called up and fully paid share capital		
370,000,001 (2022: 370,000,001) ordinary shares of £1.00 each	370.0	370.0

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2023

12. RELATED PARTY TRANSACTIONS

During the year the Company entered into the following transactions with related parties as follows:

	Interest payable with related party		Amounts owed to related party	
	Year ended 31 December 2023 £m	Year ended 31 December 2022 £m	As at 31 December 2023 £m	As at 31 December 2023 £m
Gatwick Airport Limited	16.1	16.1	347.2	331.1

Gatwick Airport Limited is a subsidiary of the Company (refer to note 8).

13. CONTROLLING PARTIES

At 31 December 2023 the Company's ultimate parent and ultimate controlling party is VINCI SA, a company incorporated in France. The Company's immediate parent is Gatwick Airport Finance plc, a company incorporated and domiciled in the UK.

On 13 May 2019, Global Infrastructure Partners, LP ("GIP 1"), together with its four co-shareholders (Abu Dhabi Investment Authority, National Pension Service of the Republic of Korea, California Public Employees' Retirement System and the Future Fund) completed the sale of a 50.01% interest in the Group to CRUISER Bidco Limited, a wholly owned subsidiary of VINCI SA for a total equity consideration of approximately £3.0 billion.