

# Heathrow Airport Limited

## Specified activities – transparency and trading statements

Year ended 31 December  
2022

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# Heathrow Airport Limited

## Specified activities – transparency and trading statements for year ended 31 December 2022

This document sets out the actual costs and income in respect of the specified activities outlined in condition C2 of Heathrow's Economic Licence.

The transparency and trading statements, combined into a single document for clarity, have been drawn up in accordance with the requirements of condition C2: Charges for other services, contained in the licence granted to Heathrow Airport Limited under the Civil Aviation Act 2012.

This document is approved by:



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Javier Echave  
Chief Financial Officer  
29 September 2023

## 1. Background

The CAA prescribes activities to be included in the transparency conditions.

The designation of specified activities for H7 is derived from Paragraph C2.12 in Heathrow's Economic Licence

- baggage handling systems;
- hold baggage screening;
- services for passengers with reduced mobility (PRMs);
- staff car parking;
- staff identity cards;
- fixed electrical ground power;
- pre-conditioned air;
- airside licences;
- waste, recycling and refuse collection;
- taxi feeder park;
- utility services (including electricity and water & sewerage); and
- the Licensee's contribution to the funding of the AOC.

## 2. Accounts

The figures included in the statements have been prepared by Heathrow Airport and have been subject to a set of specified procedures in accordance with the terms of Heathrow Airport Limited's economic licence which have been carried out by an independent external party.

A number of adjustments are made to the figures in order to derive the complete income and costs for each activity. Where applicable, the customer share of income is then calculated and used to determine the third party share of costs. Another adjustment is made to allocated costs and annuities (see note 6 below), and the final result for each activity can be seen in the last column of each statement. In order to reflect the true underlying under/over recovery for the year, adjustments are made at the bottom of the statements to remove income elements relating to the prior year's result. Figures and adjustments are presented as rounded numbers.

## 3. Cost types and the principles of cost allocation

### Direct costs

All transactions (income and expenditure) are posted to general ledger cost codes which represent cost centres within the management accounting system. Transactions posted to the cost centres which can be wholly identified with a particular specified activity form the income and direct expenditure allocated to that activity. This excludes depreciation, the impact of which is covered in the fixed costs explained below.

### Fixed costs and business rates

In the H7 Final Decision, the CAA published the level of fixed costs and business rates for the H7 regulatory period (Table 8.2 CAP2524C) which were to be recovered via ORC charges. These costs were set by the CAA and based on information provided as part of the constructive engagement process and which were in turn based on the annuity and allocated costs included in the Q6 determination. As a result of the absence of a mechanism in the price control formula, these have been fixed for the duration of H7. The CAA identified £90m relating to non-airline fixed costs and £5.5m for business rates (both in 2020 prices) to be recovered via ORCs.

A breakdown of the fixed costs and business rates which underpin Table 8.2 by activity is outlined below, including an uplift for inflation.

| Fixed Costs (£ks)    | Real<br>2020  | Nominal<br>2022 |
|----------------------|---------------|-----------------|
| Electricity          | 11,053        | 12,832          |
| Water                | 2,821         | 3,275           |
| Waste (Area)         | 175           | 203             |
| Staff Car Parking    | 3,138         | 3,644           |
| Staff Identity Cards | 211           | 245             |
| Airside Licences     | 138           | 160             |
| Taxi Feeder Park     | 746           | 866             |
| <b>Total</b>         | <b>18,282</b> | <b>21,225</b>   |

| Rates (£ks)          | Real<br>2020 | Nominal<br>2022 |
|----------------------|--------------|-----------------|
| Staff Car Parking    | 1,118        | 1,298           |
| Staff Identity Cards | 24           | 27              |
| Taxi Feeder Park     | 58           | 68              |
| <b>Total</b>         | <b>1,200</b> | <b>1,393</b>    |

## Indexation

The following indices have been used for revaluing forecasts:

|   |        |
|---|--------|
| Average RPI index for the year ended 31 December 2020 | 293.14 |
| Average RPI index for the year ended 31 December 2022 | 340.33 |

*Indexation calculations as on unrounded numbers*

(sourced from the Office for National Statistics)

## 4. Prices

For pricing information please refer to General Notice 01/22.

## 5. Explanatory notes

### Baggage handling systems

Baggage costs consist of direct costs which include: operations and maintenance of the infrastructure and utilities.

Bag volumes are calculated using a bag per departing passenger ratio.

Baggage prices are charged on a “per departing bag” basis. For the avoidance of doubt, the price per departing bag recovers the cost of managing departing, arriving and transferring bags.

### **Hold baggage screening**

HBS costs consist of direct costs which include: staff and operational contract costs.

Bag volumes are calculated using the same bag per departing passenger ratio as baggage handling systems.

HBS prices are charged on a “per departing bag” basis and cover the costs of all departing bags, arriving bags, transferring bags and “gate bags”.

### **Passengers with reduced mobility (PRMs)**

The cost of the PRM service consists of the direct operating cost (which is primarily the contracted service provider) and other miscellaneous operational costs.

The charging structure established in Q5 & Q6 will remain for H7 as the pre-notification performance is important in that it facilitates the most efficient use of resources and therefore cost. The pre-notification threshold was increased to 36 hours in line with regulatory guidance and the charging categories for PRS are as follows:

- Category 1 – at 65%+ pre-notification at 36 hours
- Category 2 – between 50% and 64.99% pre-notification at 36 hours
- Category 3 – less than 49.99% pre-notification at 36 hours

Heathrow reserves the right to amend the charging structure for the PRM service, in consultation with the airline community.

### **Staff car parking**

Staff car parking costs consist of direct costs, fixed costs and business rates. Direct costs include: bussing, car park management and rent.

Income from staff car parking is derived from sales of car park passes. In H7, the ORC charge for staff car parking will only be for perimeter staff car parks. Charges for Central Terminal Area (CTA) and S4 car park passes (formerly governed by ORC principles) will be a commercial charge and are not covered by this statement.

Staff car parks are shared by Heathrow and other users. The attached statement therefore follows the approach used in previous years, of assessment as a total with apportionment then applied to the Heathrow and other user elements, based on consumption. This ensures that income and cost are allocated equally.

### **Staff identity cards and vehicle apron passes**

Staff identity card and vehicle apron pass service costs consist of direct costs, fixed costs and business rates. Direct costs include: control and administrative costs.

Income is derived from charges to airport users for the supply of staff ID cards and vehicle apron passes.

This service is shared by Heathrow and other users. The attached statement therefore follows the approach used in previous years, of assessment as a total with apportionment then applied to the

Heathrow and other user elements, based on consumption. This ensures that income and cost are allocated equally.

### **Fixed electrical ground power (FEGP)**

FEGP costs consist of direct costs which include: staff, maintenance, parts and electricity costs.

Electricity costs are calculated using the General Notice published for the applicable regulatory year.

FEGP charges are invoiced based on kilowatt hours (kwh) used.

Automatic Meter Reading (AMR) meters have been installed on the FEGP equipment enabling electricity consumption to be measured at five minute intervals. Meter data is cross-referenced with aircraft on stand data to create an invoice showing the number of kwh consumed.

### **Pre-conditioned air (PCA)**

PCA costs consist of direct costs which include: staff, maintenance, parts and electricity costs.

Electricity costs are calculated using the General Notice published for the applicable regulatory year.

PCA charges are invoiced based on Kilowatt hours (kwh) used.

Automatic Meter Reading (AMR) meters have been installed on the PCA equipment enabling electricity consumption to be measured at five minute intervals. Meter data is cross referenced with aircraft on stand data to create an invoice showing the number of kwh consumed.

### **Airside licences**

Airside licence costs consist of direct costs and fixed costs. Direct costs include the operating and maintenance costs of the ramp operations team.

Income is derived from the sale of airside licences to users and prices are consulted upon with the Airport Users' Committee (AUC).

### **Waste, recycling and refuse collection**

Waste services costs consist of direct costs, fixed costs and business rates. Direct costs include: waste contract and staff costs.

There are two types of waste charge:

- Refuse Area Charge
- Refuse Bin Room Charge

Tiered prices are calculated to reflect the greater use of the service by some operators.

### **Taxi feeder park**

Taxi feeder park (TFP) costs consist of direct costs, fixed costs and business rates. Direct costs include: the TFP management contract, maintenance and IT costs.

Forecast movements are used to calculate an average unit price per movement and income is recovered based on movement charges with operators.

## Electricity

Electricity costs consist of direct costs and fixed costs. Direct costs include the purchase costs for the provision of high and low voltage electricity at the airport.

Forecast consumption is then used to calculate average unit prices for electricity.

Following the introduction of Electricity and Gas (Internal Market) Regulations 2011, Heathrow revised the structure of the electricity tariffs. Prices are now provided for supply of electricity only and also for the provision of high and low voltage electrical infrastructure.

Airport electricity supply is shared by Heathrow and other users. The attached statement therefore follows the approach used in previous years, of assessment as a total with apportionment then applied to the Heathrow and other user elements, based on consumption. This ensures that income and cost are allocated equally.

In the year ended 31 December 2022 Heathrow issued invoices to third party occupiers at the airport for electricity costs that were incurred in previous regulatory years. An adjustment has been included in the 2022 transparency and trading statement to reflect the appropriate increase in direct costs, calculated from the year of consumption.

## Water and sewerage

Water and sewerage costs consist of direct costs and fixed costs. Direct costs include: purchase costs, staff costs and maintenance costs.

Forecast consumption is then used to calculate average unit prices for water.

Income is derived from charges to airport users for water supply and sewerage services (excluding de-icing facilities). There are separate charges for:

- Water and sewerage
- Water supply only
- Waste water only
- Domestic hot water

In circumstances where a user has a separate trade effluent consent from Thames Water, HAL levies charges for the supply of water only i.e. the sewerage proportion of the charge is removed.

Airport water and sewerage services are shared by Heathrow and other users. The attached statement therefore follows the approach used in previous years, of assessment as a total with apportionment then applied to the Heathrow and other user elements, based on consumption. This ensures that income and cost are allocated equally.

In the year ended 31 December 2022, Heathrow issued invoices to third party occupiers at the airport for water and sewerage costs that were incurred in previous regulatory years. An adjustment has been included in the 2022 transparency and trading statement to reflect the appropriate increase in direct costs, calculated from the year of consumption.

## HAL contribution to the funding of the Airline Operators' Committee (AOC)

The AOC costs that comprise this ORC category consist of direct costs which include operating costs, largely relating to consultations taking place between Heathrow and the AOC on behalf of the airline community and are made up of facilities and resources costs. The cost and resulting charge is not intended to fund all of the AOC operating costs.

## 6. Transparency statement for specified activities

|  | Baggage<br>year ended<br>31 Dec 2022<br>£'000 | HBS<br>year ended<br>31 Dec 2022<br>£'000 | PRM<br>year ended<br>31 Dec 2022<br>£'000 | SCP<br>year ended<br>31 Dec 2022<br>£'000 | Staff ID<br>year ended<br>31 Dec 2022<br>£'000 | FEGP<br>year ended<br>31 Dec 2022<br>£'000 | PCA<br>year ended<br>31 Dec 2022<br>£'000 |
|--|---|---|---|---|--|--|---|
| Income                                       | 128,488                                       | 9,575                                     | 40,007                                    | 19,532                                    | 3,964  | 3,828                                      | 417                                       |
| Backbilling income                           |   |   |   |   |  |  |   |
| Airport Cost Recovery Charge                 |   |   |   |   |  |  |   |
| <b>Total Income</b>                          | <b>128,488</b>                                | <b>9,575</b>                              | <b>40,007</b>                             | <b>19,532</b>                             | <b>3,964</b>                                   | <b>3,828</b>                               | <b>417</b>                                |
| Expenditure                                  |   |   |   |   |  |  |   |
| Direct Expenditure                           | 90,952  | 7,633                                     | 34,288                                    | 9,724                                     | 2,035  | 3,785                                      | 359                                       |
| Rates  |   |   |   | 1,298                                     | 27   |  |   |
| Fixed Costs                                  |   |   |   | 3,644                                     | 245  |  |   |
| <b>Total Expenditure</b>                     | <b>90,952</b>                                 | <b>7,633</b>                              | <b>34,288</b>                             | <b>14,666</b>                             | <b>2,307</b>                                   | <b>3,785</b>                               | <b>359</b>                                |
| <b>Net (Under) / Over Recovery</b>           | <b>37,536</b>                                 | <b>1,942</b>                              | <b>5,719</b>                              | <b>4,866</b>                              | <b>1,657</b>                                   | <b>43</b>                                  | <b>58</b>                                 |
| Prior year (under) / over recovery           | (11,389)                                      | (17)                                      | 1,114                                     | (4,834)                                   | (670)  | 1,245                                      | (18,650)                                  |
| Backbilling cost adjustment                  |   |   |   |   |  |  |   |
| Backbilling cost adjustment reversal         |   |   |   |   |  |  |   |
| <b>Total (Under) / Over Recovery to cfwd</b> | <b>26,147</b>                                 | <b>1,925</b>                              | <b>6,833</b>                              | <b>32</b>                                 | <b>987</b>                                     | <b>1,288</b>                               | <b>(18,592)</b>                           |

|  | Waste<br>year ended<br>31 Dec 2022<br>£'000 | TFP<br>year ended<br>31 Dec 2022<br>£'000 | Electricity<br>year ended<br>31 Dec 2022<br>£'000 | Water &<br>sewerage<br>year ended<br>31 Dec 2022<br>£'000 | AOC<br>year ended<br>31 Dec 2022<br>£'000 | Airside licences<br>year ended<br>31 Dec 2022<br>£'000 |
|--|---|---|---|---|---|--|
| Income                                       | 2,556                                       | 5,287                                     | 23,188  | 2,605   | 614                                       | 1,225  |
| Backbilling income                           |   |   | 2,384   | 661   |   |  |
| Airport Cost Recovery Charge                 |   |   |   |   |   |  |
| <b>Total Income</b>                          | <b>2,556</b>                                | <b>5,287</b>                              | <b>25,572</b>                                     | <b>3,266</b>  | <b>614</b>                                | <b>1,225</b>   |
| Expenditure                                  |   |   |   |   |   |  |
| Direct Expenditure                           | 2,071                                       | 1,188                                     | 23,161  | 1,021   | 429                                       | 921  |
| Rates  |   | 68  |   |   |   |  |
| Fixed Costs                                  | 203   | 866                                       | 12,832  | 3,275   |   | 160  |
| <b>Total Expenditure</b>                     | <b>2,274</b>                                | <b>2,122</b>                              | <b>35,993</b>                                     | <b>4,296</b>  | <b>429</b>                                | <b>1,081</b>   |
| <b>Net (Under) / Over Recovery</b>           | <b>282</b>                                  | <b>3,165</b>                              | <b>(10,421)</b>                                   | <b>(1,030)</b>  | <b>185</b>                                | <b>144</b>   |
| Prior year (under) / over recovery           | (144)                                       | (1,420)                                   | (6,539)   | (2,509)   | 35  | (388)  |
| Backbilling cost adjustment                  |   |   | (637)   | (72)  |   |  |
| Price Smoothing                              |   | (716)                                     |   |   |   |  |
| <b>Total (Under) / Over Recovery to cfwd</b> | <b>138</b>                                  | <b>1,029</b>                              | <b>(17,597)</b>                                   | <b>(3,611)</b>  | <b>220</b>                                | <b>(244)</b>   |

## 7. Detailed trading statements

### Baggage handling systems

Trading statement year ended 31 December 2022

#### H7 summary

|  | 12 months to<br>31 Dec 2022 | 12 months to<br>31 Dec 2023 | 12 months to<br>31 Dec 2024 | 12 months to<br>31 Dec 2025 | 12 months to<br>31 Dec 2026 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|  | £'000                       | £'000                       | £'000                       | £'000                       | £'000                       |
| Income                                       | 128,488                     |                             |                             |                             |                             |
| Total expenditure                            | 90,952                      |                             |                             |                             |                             |
| <b>Net (under) / over recovery</b>           | <b>37,536</b>               | -                           | -                           | -                           | -                           |
| Prior year (under) / over recovery           | (11,389)                    |                             |                             |                             |                             |
| <b>Total (under) / over recovery to cfwd</b> | <b>26,147</b>               | -                           | -                           | -                           | -                           |
| Customer share                               | 100%                        | 100%                        | 100%                        | 100%                        | 100%                        |
| <b>Pricing</b>                               |                             |                             |                             |                             |                             |
| Charge per departing bag                     | £4.43                       |                             |                             |                             |                             |

## Baggage handling systems

### Trading statement year ended 31 December 2022

#### Detail

|   | Underlying<br>accounts (UA)<br>£'000 | Adjustment<br>to UA<br>£'000 | Total<br>£'000 | Customer trading<br>statement<br>£'000 | Notes |
|---|--------------------------------------|------------------------------|----------------|--|-------|
| Income  | 125,945                              | 2,543                        | 128,488        | 128,488                                | 1     |
| Direct expenditure                                    |                                      |                              |                |  |       |
| Staff   | 5,788                                | (1,326)                      | 4,462          | 4,462                                  | 2     |
| Utilities   | 6,555                                |                              | 6,555          | 6,555                                  |       |
| Maintenance and equipment                             | 69,759                               | (365)                        | 69,394         | 69,394                                 | 3     |
| Other   | 10,544                               | (3)                          | 10,541         | 10,541                                 | 4     |
| Total direct expenditure                              | 92,646                               | (1,694)                      | 90,952         | 90,952                                 |       |
| <b>Net (under) / over recovery</b>                    | <b>33,299</b>                        | <b>4,237</b>                 | <b>37,536</b>  | <b>37,536</b>                          |       |
| Bfwd (under) / over recovery from 2021 in Pricing     |                                      |                              |                | (1,906)                                |       |
| <b>(Under) / over recovery year ended 31 Dec 2022</b> |                                      |                              |                | <b>35,630</b>                          |       |
| Bfwd (under) / over recovery from 2021 not in Pricing |                                      |                              |                | (9,483)                                |       |
| <b>Total (under) / over recovery to cfwd to 2023</b>  |                                      |                              |                | <b>26,147</b>                          |       |

#### Notes

##### (1) Staff cost adjustment

An adjustment has been made to exclude HSBC Capital Rebate relating to de-scoped T4 BC216.

##### (2) Staff cost adjustment

An adjustment has been made to exclude non-recoverable costs (senior staff cost)

##### (3) Maintenance and equipment related adjustment

An adjustment has been made to exclude T5 head of stands maintenance, an expense relating to a sole user of the system who have been recharged directly.

##### (4) Other costs

An adjustment has been made to exclude non-recoverable costs (consultancy and other general expenses)

**Hold baggage screening**  
**Trading statement year ended 31 December 2022**  
**H7 summary**

|  | <b>12 months to<br/>31 Dec 2022<br/>£'000</b> | <b>12 months to<br/>31 Dec 2023<br/>£'000</b> | <b>12 months to<br/>31 Dec 2024<br/>£'000</b> | <b>12 months to<br/>31 Dec 2025<br/>£'000</b> | <b>12 months to<br/>31 Dec 2026<br/>£'000</b> |
|--|---|---|---|---|---|
| Income                                       | 9,575   |   |   |   |   |
| Total Expenditure                            | 7,633   |   |   |   |   |
| <b>Net (under) / over recovery</b>           | <b>1,942</b>                                  |   |   |   |   |
| Prior year (under) / over recovery           | (17)  |   |   |   |   |
| <b>Total (under) / over recovery to cfwd</b> | <b>1,925</b>                                  |   |   |   |   |
| Customer share                               | 100%  |   |   |   |   |
| <b>Pricing</b>                               |   |   |   |   |   |
| Charge per departing bag                     | £0.33   |   |   |   |   |

## Hold baggage screening

### Trading statement year ended 31 December 2022

#### Detail

|   | Underlying<br>accounts (UA)<br>£'000 | Adjustment<br>to UA<br>£'000 | Total<br>£'000 | Customer<br>trading<br>statement<br>£'000 | Notes |
|---|--------------------------------------|------------------------------|----------------|---|-------|
| Income  | 9,575                                |                              | 9,575          | 9,575                                     |       |
| Direct expenditure                                    |                                      |                              |                |   |       |
| Staff   | 15                                   | 152                          | 167            | 167                                       | 1     |
| Operating costs                                       | 7,538                                | (72)                         | 7,466          | 7,466                                     | 2     |
| Total direct expenditure                              | 7,553                                | 80                           | 7,633          | 7,633                                     |       |
| <b>Net (under) / over recovery</b>                    | <b>2,022</b>                         | <b>(80)</b>                  | <b>1,942</b>   | <b>1,942</b>                              |       |
| Bfwd (under) / over recovery from 2021 in Pricing     |                                      |                              |                | 25  |       |
| <b>(Under) / over recovery year ended 31 Dec 2022</b> |                                      |                              |                | <b>1,967</b>                              |       |
| Bfwd (under) / over recovery from 2021 not in Pricing |                                      |                              |                | (42)                                      |       |
| <b>Total (under) / over recovery to cfwd to 2023</b>  |                                      |                              |                | <b>1,925</b>                              |       |

#### Notes

##### (1) Staff cost adjustment

An adjustment has been made to include recoverable staff costs

##### (2) Operating Costs adjustment

An adjustment has been made to exclude non recoverable operating costs

**Passengers with reduced mobility (PRM)**  
**Trading statement year ended 31 December 2022**  
**H7 summary**

|  | 12 months to<br>31 Mar 2022<br>£'000 | 9 months to<br>31 Dec 2023<br>£'000 | 12 months to<br>31 Dec 2024<br>£'000 | 12 months to<br>31 Dec 2025<br>£'000 | 12 months to<br>31 Dec 2026<br>£'000 | Notes |
|--|--------------------------------------|-------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|-------|
| Income                                       | 40,007                               |                                     |                                      |                                      |                                      | 1     |
| Total expenditure                            | 34,288                               |                                     |                                      |                                      |                                      |       |
| <b>Net (under) / over recovery</b>           | <b>5,719</b>                         |                                     |                                      |                                      |                                      |       |
| Prior year (under) / over recovery           | 1,114                                |                                     |                                      |                                      |                                      |       |
| <b>Total (under) / over recovery to cfwd</b> | <b>6,833</b>                         |                                     |                                      |                                      |                                      |       |
| Customer share                               | 100%                                 |                                     |                                      |                                      |                                      |       |
| <b>Pricing</b>                               |                                      |                                     |                                      |                                      |                                      |       |
| Charge per departing passenger               |                                      |                                     |                                      |                                      |                                      |       |
| Category 1                                   | £1.12                                |                                     |                                      |                                      |                                      |       |
| Category 2                                   | £1.32                                |                                     |                                      |                                      |                                      |       |
| Category 3                                   | £3.23                                |                                     |                                      |                                      |                                      |       |

**Notes**

**(1) Income**

| January to December 2022 |         |                         |                  |
|--------------------------|---------|-------------------------|------------------|
| Category                 | Price £ | Departing<br>passengers | Income<br>£'000s |
| Cat 1                    | £1.12   | 21,447,157              | 24,021           |
| Cat 2                    | £1.32   | 6,518,762               | 8,605            |
| Cat 3                    | £3.23   | 2,285,313               | 7,381            |
| <b>Total</b>             |         | <b>30,251,232</b>       | <b>40,007</b>    |

**Passengers with reduced mobility (PRM)**  
**Trading statement year ended 31 December 2022**  
**Detail**

|   | Underlying<br>Accounts (UA)<br>£'000 | Adjustment<br>to UA<br>£'000 | Total<br>£'000 | Customer<br>trading<br>statement<br>£'000 | Notes |
|---|--------------------------------------|------------------------------|----------------|---|-------|
| Income  | 40,007                               | -                            | 40,007         | 40,007                                    | 1     |
| Direct Expenditure                                    |                                      |                              |                |   |       |
| Staff   | 628                                  | (289)                        | 339            | 339                                       | 2     |
| Operating costs                                       | 34,231                               | (282)                        | 33,949         | 33,949                                    | 3     |
| Total Direct Expenditure                              | 34,859                               | (571)                        | 34,288         | 34,288                                    |       |
| <b>Net (under) / over recovery</b>                    | <b>5,148</b>                         | <b>571</b>                   | <b>5,719</b>   | <b>5,719</b>                              |       |
| Bfwd (under) / over recovery from 2021 in Pricing     |                                      |                              |                | 25  |       |
| <b>(Under) / over recovery year ended 31 Dec 2022</b> |                                      |                              |                | <b>5,744</b>                              |       |
| Bfwd (under) / over recovery from 2021 not in Pricing |                                      |                              |                | 1,089                                     |       |
| <b>Total (under) / over recovery to cfwd to 2023</b>  |                                      |                              |                | <b>6,833</b>                              |       |

**Notes**

**(1) Income**

|       | January to December 2022 |                         |                  |
|-------|--------------------------|-------------------------|------------------|
|       | Price £                  | Departing<br>passengers | Income<br>£'000s |
| Cat 1 | £1.12                    | 21,447,157              | 24,021           |
| Cat 2 | £1.32                    | 6,518,762               | 8,605            |
| Cat 3 | £3.23                    | 2,285,313               | 7,381            |
|       |                          | <b>30,251,232</b>       | <b>40,007</b>    |

**(2) Staff costs**

Adjustment to include agreed recoverable staff costs

**(3) Operating cost adjustment**

Adjustment made to exclude additional services.

**Staff car parking**  
**Trading statement year ended 31 December 2022**  
**H7 summary**

|  | <b>12 months to<br/>31 Mar 2022<br/>£'000</b> | <b>9 months to<br/>31 Dec 2023<br/>£'000</b> | <b>12 months to<br/>31 Dec 2024<br/>£'000</b> | <b>12 months to<br/>31 Dec 2025<br/>£'000</b> | <b>12 months to<br/>31 Dec 2026<br/>£'000</b> |
|--|---|--|---|---|---|
| Income                                       | 19,532  |  |   |   |   |
| <b>Expenditure</b>                           |   |  |   |   |   |
| Direct expenditure                           | 9,724   |  |   |   |   |
| Rates  | 1,298   |  |   |   |   |
| Fixed Costs                                  | 3,644   |  |   |   |   |
| <b>Total expenditure</b>                     | <b>14,666</b>                                 |  |   |   |   |
| <b>Net (under) / over recovery</b>           | <b>4,866</b>                                  |  |   |   |   |
| Prior year (under) / over recovery           | (4,834)                                       |  |   |   |   |
| <b>Total (under) / over recovery to cfwd</b> | <b>32</b>                                     |  |   |   |   |
| Customer share                               | 82%   |  |   |   |   |
| <b>Annual Pass Prices</b>                    |   |  |   |   |   |
| Perimeter passes                             | £1,092.83                                     |  |   |   |   |
| Lost passes                                  | £30.00  |  |   |   |   |

**Staff car parking**  
**Trading statement year ended 31 December 2022**  
**Detail - with customer share**

|   | Underlying<br>Accounts (UA)<br>£'000 | Adjustment<br>to UA<br>£'000 | Total<br>£'000 | Customer<br>Share<br>£'000 | Customer<br>Trading<br>Statement<br>£'000 | Notes |
|---|--------------------------------------|------------------------------|----------------|----------------------------|---|-------|
|   |                                      |                              |                | 81.84%                     |   |       |
| Income  | 19,532                               | 4,334                        | 23,866         | 19,532                     | 19,532                                    | 1     |
| Direct Expenditure                                    |                                      |                              |                |                            |   |       |
| Staff Car Park Management                             |                                      | 390                          | 390            | 319                        | 319                                       | 2     |
| Staff Bussing   | 12,541                               | (6,457)                      | 6,084          | 4,979                      | 4,979                                     | 3     |
| Staff Bussing Fuel                                    | 2,900                                | (609)                        | 2,291          | 1,875                      | 1,875                                     | 3     |
| Staff Costs   |                                      | 118                          | 118            | 97                         | 97  | 4     |
| Rent  |                                      | 2,801                        | 2,801          | 2,292                      | 2,292                                     | 5     |
| Maintenance & Parts                                   |                                      | 198                          | 198            | 162                        | 162                                       | 6     |
| Total Direct Expenditure                              | 15,441                               | (3,559)                      | 11,882         | 9,724                      | 9,724                                     |       |
| Rates as per Table 8.2 breakdown                      |                                      |                              |                | 1,298                      | 1,298                                     |       |
| Fixed costs as per Table 8.2 breakdown                |                                      |                              |                | 3,644                      | 3,644                                     |       |
| Total Expenditure                                     | 15,441                               | (3,559)                      | 11,882         | 14,666                     | 14,666                                    |       |
| <b>Net (under) / over recovery</b>                    | <b>4,091</b>                         | <b>7,893</b>                 | <b>11,984</b>  | <b>4,866</b>               | <b>4,866</b>                              |       |
| Bfwd (under) / over recovery from 2021 in Pricing     |                                      |                              |                |                            | (7,679)                                   |       |
| <b>(Under) / over recovery year ended 31 Dec 2022</b> |                                      |                              |                |                            | <b>(2,813)</b>                            |       |
| Bfwd (under) / over recovery from 2021 not in Pricing |                                      |                              |                |                            | 2,845                                     |       |
| <b>Total (under) / over recovery to cfwd to 2023</b>  |                                      |                              |                |                            | <b>32</b>                                 |       |

**Notes**

**(1) Income**

A notional income has been included for HAL non-chargable passes

**(2) Staff Car Park Management**

Adjustment to allocate management cost of Staff Car Parks excluding West Ramp Coach Park and Taxi Feeder Park

**(3) Staff Bussing**

An adjustment has been made to exclude Bussing charges that do not relate to Staff Car Parks

**(4) Staff**

The staff cost reflects the time of HAL staff directly related to the provision of the service

**(5) Rent**

The rental charge is for the Pionair site leased from Pickering Properties which forms part of the PEX staff car park and for the Magnatex Car Park

**(6) Maintenance and Parts**

An adjustment has been made to include Maintenance and Parts relating to Staff Car Parks

**Staff identity cards**  
**Trading statement year ended 31 December 2022**  
**H7 summary**

|  | <b>12 months to<br/>31 Mar 2022</b> | <b>9 months to<br/>31 Dec 2023</b> | <b>12 months to<br/>31 Dec 2024</b> | <b>12 months to<br/>31 Dec 2025</b> | <b>12 months to<br/>31 Dec 2026</b> |
|--|-------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
|  | <b>£'000</b>                        | <b>£'000</b>                       | <b>£'000</b>                        | <b>£'000</b>                        | <b>£'000</b>                        |
| Income                                       | 3,964                               |                                    |                                     |                                     |                                     |
| Expenditure                                  |                                     |                                    |                                     |                                     |                                     |
| Direct expenditure                           | 2,035                               |                                    |                                     |                                     |                                     |
| Rates  | 27                                  |                                    |                                     |                                     |                                     |
| Fixed Costs                                  | 245                                 |                                    |                                     |                                     |                                     |
| Total expenditure                            | 2,307                               |                                    |                                     |                                     |                                     |
| Net (under) / over recovery                  | <b>1,657</b>                        |                                    |                                     |                                     |                                     |
| Prior year (under) / over recovery           | (670)                               |                                    |                                     |                                     |                                     |
| <b>Total (under) / over recovery to cfwd</b> | <b>987</b>                          |                                    |                                     |                                     |                                     |
| Customer share                               | 86%                                 |                                    |                                     |                                     |                                     |

Detailed pricing information is available on the General Notice

## Staff identity cards

### Trading statement year ended 31 December 2022

#### Detail - with customer share

|   | Underlying<br>accounts (UA)<br>£'000 | Adjustment<br>to UA<br>£'000 | Total<br>£'000 | Customer<br>share<br>£'000 | Customer<br>trading<br>statement<br>£'000 |
|---|--------------------------------------|------------------------------|----------------|----------------------------|---|
|   |                                      |                              |                | 86.40%                     |   |
| Income  | 3,964                                | 624                          | 4,588          | 3,964                      | 3,964                                     |
| Direct expenditure                                    |                                      |                              |                |                            |   |
| Staff   | 1,930                                | (567)                        | 1,363          | 1,178                      | 1,178                                     |
| Property related                                      |                                      | 128                          | 128            | 111                        | 111                                       |
| General expenses & Maintenance                        | 337                                  | (75)                         | 262            | 226                        | 226                                       |
| BSC processing costs                                  | 909                                  | (826)                        | 83             | 72                         | 72  |
| Accreditation Check Cost (CAA)                        |                                      | 148                          | 148            | 128                        | 128                                       |
| IT Costs  |                                      | 320                          | 320            | 276                        | 276                                       |
| Electricity   |                                      | 51                           | 51             | 44                         | 44  |
| Total direct expenditure                              | 3,176                                | (821)                        | 2,355          | 2,035                      | 2,035                                     |
| Rates as per Table 8.2 breakdown                      |                                      |                              |                | 27                         | 27  |
| Fixed costs as per Table 8.2 breakdown                |                                      |                              |                | 245                        | 245                                       |
| Total expenditure                                     | 3,176                                | (821)                        | 2,355          | 2,307                      | 2,307                                     |
| <b>Net (under) / over recovery</b>                    | <b>788</b>                           | <b>1,445</b>                 | <b>2,233</b>   | <b>1,657</b>               | <b>1,657</b>                              |
| Bfwd (under) / over recovery from 2021 in Pricing     |                                      |                              |                |                            | (756)                                     |
| <b>(Under) / over recovery year ended 31 Dec 2022</b> |                                      |                              |                |                            | <b>901</b>                                |
| Bfwd (under) / over recovery from 2021 not in Pricing |                                      |                              |                |                            | 86  |
| <b>Total (under) / over recovery to cfwd to 2023</b>  |                                      |                              |                |                            | <b>987</b>                                |

#### Notes

##### (1) Income

Adjustment to include notional income for HAL passes.

##### (2) Staff cost adjustment

An adjustment has been made to exclude non-recoverable staff costs

##### (3) Property related costs

A property charge has been made included as this has not been charged through the normal mechanism

|                | Sq m          | Sq ft | Rate    | ended 31 Dec<br>2022 |
|----------------|---------------|-------|---------|----------------------|
| Space occupied | 420           | 4,525 |         |                      |
| Rent           | Sq m          |       | £262.53 | £123,034             |
| Waste          | Per 250 Sq ft |       | £252.44 | £5,031               |
|                |               |       |         | <b>£128,065</b>      |

##### (4) General expenses & Maintenance

An adjustment has been made to excluded non-recoverable expenses

##### (5) BSC processing costs

An adjustment has been made included to remove non-recoverable BSC Processing costs

##### (6) Accreditation Check Cost (CAA)

An adjustment has been made to include costs levied by the Civil Aviation Authority for accreditation checks

##### (7) IT Costs

An adjustment has been made to included recoverable IT system & support costs such as licence fees for ID Gateway

##### (8) Electricity

An electricity charge has been made included as this has not been charged through the normal mechanism

|                | Total                             |
|----------------|-----------------------------------|
| Units (kwh)    | 234,969                           |
| Price per unit | £0.216 (Heathrow General Notices) |
| <b>Total</b>   | <b>£50,753</b>                    |

**Fixed electrical ground power (FEGP)**  
**Trading statement year ended 31 December 2022**  
**H7 summary**

|  | 12 months to<br>31 Dec 2022 | 12 months to<br>31 Dec 2023 | 12 months to<br>31 Dec 2024 | 12 months to<br>31 Dec 2025 | 12 months to<br>31 Dec 2026 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|  | £'000                       | £'000                       | £'000                       | £'000                       | £'000                       |
| Income                                       | 3,828                       |                             |                             |                             |                             |
| Total expenditure                            | 3,785                       |                             |                             |                             |                             |
| <b>Net (under) / over recovery</b>           | <b>43</b>                   |                             |                             |                             |                             |
| Prior year (under) / over recovery           | 1,245                       |                             |                             |                             |                             |
| <b>Total (under) / over recovery to cfwd</b> | <b>1,288</b>                |                             |                             |                             |                             |
| Customer share                               | 100%                        |                             |                             |                             |                             |
| Pricing - per kwh                            | £0.19                       |                             |                             |                             |                             |

**Fixed electrical ground power (FEGP)**  
**Trading statement year ended 31 December 2022**  
**Detail**

|   | Underlying<br>Accounts (UA)<br>£'000 | Adjustment<br>to UA<br>£'000 | Total<br>£'000 | Customer<br>trading<br>statement<br>£'000 | Notes |
|---|--------------------------------------|------------------------------|----------------|---|-------|
| Income  | 3,828                                |                              | 3,828          | 3,828                                     |       |
| Direct expenditure                                    |                                      |                              |                |   |       |
| Staff   |                                      | 18                           | 18             | 18  | 1     |
| Electricity   |                                      | 3,367                        | 3,367          | 3,367                                     | 2     |
| Maintenance and parts                                 |                                      | 400                          | 400            | 400                                       | 3     |
| Total direct expenditure                              |                                      | 3,785                        | 3,785          | 3,785                                     |       |
| <b>Net (under) / over recovery</b>                    | <b>3,828</b>                         | <b>(3,785)</b>               | <b>43</b>      | <b>43</b>                                 |       |
| Bfwd (under) / over recovery from 2021 in Pricing     |                                      |                              |                | 25  |       |
| <b>(Under) / over recovery year ended 31 Dec 2022</b> |                                      |                              |                | <b>68</b>                                 |       |
| Bfwd (under) / over recovery from 2021 not in Pricing |                                      |                              |                | 1,220                                     |       |
| <b>Total (under) / over recovery to cfwd to 2023</b>  |                                      |                              |                | <b>1,288</b>                              |       |

**Notes**

**(1) Staff**

An adjustment has been made to include direct costs of HAL staff working on FEGP activities

**(2) Electricity**

Adjustment to include the internal cost of electricity.

**(3) Maintenance and parts**

Adjustment to include internal maintenance charges and direct costs.

**Pre-conditioned air (PCA)**  
**Trading statement year ended 31 December 2022**  
**H7 summary**

|  | <b>12 months to<br/>31 Dec 2022</b> | <b>12 months to<br/>31 Dec 2023</b> | <b>12 months to<br/>31 Dec 2024</b> | <b>12 months to<br/>31 Dec 2025</b> | <b>12 months to<br/>31 Dec 2026</b> |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
|  | <b>£'000</b>                        | <b>£'000</b>                        | <b>£'000</b>                        | <b>£'000</b>                        | <b>£'000</b>                        |
| Income                                       | 417                                 |                                     |                                     |                                     |                                     |
| Total expenditure                            | 359                                 |                                     |                                     |                                     |                                     |
| <b>Net (under) / over recovery</b>           | <b>58</b>                           |                                     |                                     |                                     |                                     |
| Prior year (under) / over recovery           | (18,650)                            |                                     |                                     |                                     |                                     |
| <b>Total (under) / over recovery to cfwd</b> | <b>(18,592)</b>                     |                                     |                                     |                                     |                                     |
| Customer share                               | 100%                                |                                     |                                     |                                     |                                     |
| <b>Pricing - per kwh</b>                     | <b>£1.00</b>                        |                                     |                                     |                                     |                                     |

**Pre-conditioned air (PCA)**  
**Trading statement year ended 31 December 2022**  
**Detail**

|   | Underlying<br>Accounts (UA)<br>£'000 | Adjustment<br>to UA<br>£'000 | Total<br>£'000 | Customer<br>trading<br>statement<br>£'000 | Notes |
|---|--------------------------------------|------------------------------|----------------|---|-------|
| Income  | 417                                  |                              | 417            | 417                                       |       |
| Direct expenditure                                    |                                      |                              |                |   |       |
| Staff   |                                      | 2                            | 2              | 2   | 1     |
| Electricity   |                                      | 128                          | 128            | 128                                       | 2     |
| Maintenance and parts                                 |                                      | 229                          | 229            | 229                                       | 3     |
| Total direct expenditure                              |                                      | 359                          | 359            | 359                                       |       |
| <b>Net (under) / over recovery</b>                    | <b>417</b>                           | <b>(359)</b>                 | <b>58</b>      | <b>58</b>                                 |       |
| Bfwd (under) / over recovery from 2021 in Pricing     |                                      |                              |                | (18,618)                                  |       |
| <b>(Under) / over recovery year ended 31 Dec 2022</b> |                                      |                              |                | <b>(18,560)</b>                           |       |
| Bfwd (under) / over recovery from 2021 not in Pricing |                                      |                              |                | (32)                                      |       |
| <b>Total (under) / over recovery to cfwd to 2023</b>  |                                      |                              |                | <b>(18,592)</b>                           |       |

**Notes**

**(1) Staff**

An adjustment has been made to include direct costs of HAL staff working on pre-conditioned air activities

**(2) Electricity**

An adjustment has been made to include internal cost of electricity

**(3) Maintenance and parts**

An adjustment has been made to include internal maintenance charges in direct costs

**Airside licences**  
**Trading statement year ended 31 December 2022**  
**H7 summary**

|  | 12 months to<br>31 Dec 2022 | 12 months to<br>31 Dec 2023 | 12 months to<br>31 Dec 2024 | 12 months to<br>31 Dec 2025 | 12 months to<br>31 Dec 2026 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|  | £'000                       | £'000                       | £'000                       | £'000                       | £'000                       |
| Income                                       | 1,225                       |                             |                             |                             |                             |
| Expenditure                                  |                             |                             |                             |                             |                             |
| Direct expenditure                           | 921                         |                             |                             |                             |                             |
| Fixed Costs                                  | 160                         |                             |                             |                             |                             |
| Total expenditure                            | 1,081                       |                             |                             |                             |                             |
| <b>Net (under) / over recovery</b>           | <b>144</b>                  |                             |                             |                             |                             |
| Prior year (under) / over recovery           | (388)                       |                             |                             |                             |                             |
| <b>Total (under) / over recovery to cfwd</b> | <b>(244)</b>                |                             |                             |                             |                             |
| Customer share                               | 98%                         |                             |                             |                             |                             |
| <b>Pricing</b>                               |                             |                             |                             |                             |                             |
| Annual charge per licence                    | £3,866                      |                             |                             |                             |                             |

## Airside licences

### Trading statement year ended 31 December 2022

#### Detail - with customer share

|   | Underlying<br>Accounts (UA)<br>£'000 | Adjustment<br>to UA<br>£'000 | Total<br>£'000 | Customer<br>share<br>£'000 | Customer<br>trading<br>statement<br>£'000 | Notes |
|---|--------------------------------------|------------------------------|----------------|----------------------------|---|-------|
|   |                                      |                              |                | 97.57%                     |   |       |
| Income  | 1,225                                | 31                           | 1,256          | 1,225                      | 1,225                                     | 1     |
| Direct expenditure                                    |                                      |                              |                |                            |   |       |
| Staff   | 390                                  | 287                          | 677            | 661                        | 661                                       | 2     |
| Maintenance & equipment                               | 100                                  | (84)                         | 16             | 15                         | 15  | 3     |
| General expenses                                      | 311                                  | (60)                         | 251            | 245                        | 245                                       | 4     |
| Total Direct Expenditure                              | 801                                  | 143                          | 944            | 921                        | 921                                       |       |
| Fixed costs as per Table 8.2 breakdown                |                                      |                              |                | 160                        | 160                                       |       |
| Total Expenditure                                     | 801                                  | 143                          | 944            | 1,081                      | 1,081                                     |       |
| <b>Net (under) / over recovery</b>                    | <b>424</b>                           | <b>(112)</b>                 | <b>312</b>     | <b>144</b>                 | <b>144</b>                                |       |
| Bfwd (under) / over recovery from 2021 in Pricing     |                                      |                              |                |                            | (424)                                     |       |
| <b>(Under) / over recovery year ended 31 Dec 2022</b> |                                      |                              |                |                            | <b>(280)</b>                              |       |
| Bfwd (under) / over recovery from 2021 not in Pricing |                                      |                              |                |                            | 36  |       |
| <b>Total (under) / over recovery to cfwd to 2023</b>  |                                      |                              |                |                            | <b>(244)</b>                              |       |

#### Notes

##### (1) Income

Income is stated after including notional income for licences issued to third parties free of charge & HAL licences

##### (2) Staff cost adjustment

An adjustment has been made to exclude non-recoverable staff costs in Ramp Operations.

##### (3) Maintenance & equipment cost adjustment

An adjustment has been made to exclude non-recoverable maintenance and equipment costs

##### (4) General Expenses cost adjustment

An adjustment has been made to exclude non-recoverable ISAGO costs

**Waste, recycling and refuse collection**  
**Trading statement year ended 31 December 2022**  
**H7 summary**

|   | 12 months to<br>31 Dec 2022 | 12 months to<br>31 Dec 2023 | 12 months to<br>31 Dec 2024 | 12 months to<br>31 Dec 2025 | 12 months to<br>31 Dec 2026 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|   | £'000                       | £'000                       | £'000                       | £'000                       | £'000                       |
| Income  | 2,556                       |                             |                             |                             |                             |
| Expenditure   |                             |                             |                             |                             |                             |
| Direct expenditure  | 2,071                       |                             |                             |                             |                             |
| Fixed Costs   | 203                         |                             |                             |                             |                             |
| Total expenditure   | 2,274                       |                             |                             |                             |                             |
| <b>Net (under) / over recovery</b>                        | <b>282</b>                  |                             |                             |                             |                             |
| Prior year (under) / over recovery                        | (144)                       |                             |                             |                             |                             |
| <b>Total (under) / over recovery to cfwd</b>              | <b>138</b>                  |                             |                             |                             |                             |
| Customer share  |                             |                             |                             |                             |                             |
| Refuse Area   | 72%                         |                             |                             |                             |                             |
| Refuse Bin  | 100%                        |                             |                             |                             |                             |
| <b>Pricing</b>  |                             |                             |                             |                             |                             |
| <b>Refuse Area Charge - per assessed unit per quarter</b> |                             |                             |                             |                             |                             |
| Low Waste Use (eg Services)                               | £69.49                      |                             |                             |                             |                             |
| Low Waste Use GREEN TARIFF                                | £60.72                      |                             |                             |                             |                             |
| Medium Waste Use (eg Shops)                               | £79.92                      |                             |                             |                             |                             |
| Medium Waste Use GREEN TARIFF                             | £69.83                      |                             |                             |                             |                             |
| High Waste Use (eg Food and Beverage outlets)             | £90.34                      |                             |                             |                             |                             |
| High Waste Use GREEN TARIFF                               | £78.94                      |                             |                             |                             |                             |
| <b>Refuse Bin Charge - per outlet per quarter</b>         |                             |                             |                             |                             |                             |
| Low Waste Use (eg Services)                               | £773.46                     |                             |                             |                             |                             |
| Low Waste Use GREEN TARIFF                                | £675.84                     |                             |                             |                             |                             |
| Medium Waste Use (eg Shops)                               | £2,524.21                   |                             |                             |                             |                             |
| Medium Waste Use GREEN TARIFF                             | £2,205.62                   |                             |                             |                             |                             |
| High Waste Use (eg Food and Beverage outlets)             | £4,670.08                   |                             |                             |                             |                             |
| High Waste Use GREEN TARIFF                               | £4,080.65                   |                             |                             |                             |                             |

**Waste, recycling and refuse collection**  
**Trading statement year ended 31 December 2022**  
**Detail - with customer share**

|   | Underlying<br>accounts (UA)<br>£'000 | Adjustment<br>to UA<br>£'000 | Total<br>£'000 | Refuse<br>Area<br>£'000 | Refuse<br>Bin<br>£'000 | Customer<br>Share<br>£'000 | Customer<br>trading<br>statement<br>£'000 | Notes |
|---|--------------------------------------|------------------------------|----------------|-------------------------|------------------------|----------------------------|---|-------|
|   |                                      |                              |                | 71.70%                  | 100%                   |                            |   |       |
| Income  | 2,555                                | 1,008                        | 3,563          | 1,444                   | 1,112                  | 2,556                      | 2,556                                     | 1     |
| Direct expenditure                                    |                                      |                              |                |                         |                        |                            |   |       |
| Management fee @ 40%                                  | 3,392                                |                              | 3,392          | 973                     |                        | 973                        | 973                                       | 2     |
| Sortation   | 13                                   |                              | 13             | 9                       |                        | 9                          | 9   | 2     |
| T5 & T2 Bin Rooms Cost                                | 1,089                                |                              | 1,089          |                         | 1,089                  | 1,089                      | 1,089                                     | 2     |
| Total direct expenditure                              | 4,494                                | -                            | 4,494          | 982                     | 1,089                  | 2,071                      | 2,071                                     |       |
| Fixed costs as per Table 8.2 breakdown                |                                      |                              |                |                         |                        | 203                        | 203                                       |       |
| Total expenditure                                     | 4,494                                | -                            | 4,494          | 982                     | 1,089                  | 2,274                      | 2,274                                     |       |
| <b>Net (under) / over recovery</b>                    | <b>(1,939)</b>                       | <b>1,008</b>                 | <b>(931)</b>   | <b>462</b>              | <b>23</b>              | <b>282</b>                 | <b>282</b>                                |       |
| Bfwd (under) / over recovery from 2021 in Pricing     |                                      |                              |                |                         |                        |                            | (236)                                     |       |
| <b>(Under) / over recovery year ended 31 Dec 2022</b> |                                      |                              |                |                         |                        |                            | <b>46</b>                                 |       |
| Bfwd (under) / over recovery from 2021 not in Pricing |                                      |                              |                |                         |                        |                            | 92  |       |
| <b>Total (under) / over recovery to cfwd to 2023</b>  |                                      |                              |                |                         |                        |                            | <b>138</b>                                |       |

**Notes**

**(1) Income**

Adjustment to include notional income attributable to HALs waste activities.

**(2) Direct expenditure**

An adjustment has been made to include the element of T3 & T4 sortation, T2 and T5 bin room costs plus 40% of the management fee relating to waste area and bin room activities. The remaining cost of the management fee is recovered through airport charges

**Taxi feeder park**  
**Trading statement year ended 31 December 2022**  
**H7 summary**

|  | 12 months to<br>31 Mar 2022<br>£'000 | 9 months to<br>31 Dec 2023<br>£'000 | 12 months to<br>31 Dec 2024<br>£'000 | 12 months to<br>31 Dec 2025<br>£'000 | 12 months to<br>31 Dec 2026<br>£'000 | Notes |
|--|--------------------------------------|-------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|-------|
| Income                                       | 5,287                                |                                     |                                      |                                      |                                      |       |
| <b>Expenditure</b>                           |                                      |                                     |                                      |                                      |                                      |       |
| Direct expenditure                           | 1,188                                |                                     |                                      |                                      |                                      |       |
| Rates  | 68                                   |                                     |                                      |                                      |                                      |       |
| Fixed Costs                                  | 866                                  |                                     |                                      |                                      |                                      |       |
| <b>Total expenditure</b>                     | <b>2,122</b>                         |                                     |                                      |                                      |                                      |       |
| <b>Net (under) / over recovery</b>           | <b>3,165</b>                         |                                     |                                      |                                      |                                      |       |
| Prior year (under) / over recovery           | (1,420)                              |                                     |                                      |                                      |                                      |       |
| Price Smoothing                              | (716)                                |                                     |                                      |                                      |                                      | 1     |
| <b>Total (under) / over recovery to cfwd</b> | <b>1,029</b>                         |                                     |                                      |                                      |                                      |       |
| Customer share                               | 100%                                 |                                     |                                      |                                      |                                      |       |
| <b>Pricing</b>                               |                                      |                                     |                                      |                                      |                                      |       |
| Price per Movement (incl VAT)                | £7.20                                |                                     |                                      |                                      |                                      |       |

**(1) Price Smoothing**

2020 under-recovery reclaimed over 2 years

## Taxi feeder park

### Trading statement year ended 31 December 2022

#### Detail

|   | Underlying<br>Accounts (UA)<br>£'000 | Adjustment<br>to UA<br>£'000 | Total<br>£'000 | Customer<br>Trading<br>Statement<br>£'000 | Notes |
|---|--------------------------------------|------------------------------|----------------|---|-------|
| Income  | 5,287                                | -                            | 5,287          | 5,287                                     |       |
| Direct Expenditure                                    |                                      |                              |                |   |       |
| Staff   |                                      | 43                           | 43             | 43  | 1     |
| Management Fee  |                                      | 954                          | 954            | 954                                       | 2     |
| Internal Maintenance                                  |                                      | 38                           | 38             | 38  | 3     |
| IT Support  |                                      | 153                          | 153            | 153                                       | 4     |
| Total Direct Expenditure                              |                                      | 1,188                        | 1,188          | 1,188                                     |       |
| Rates as per Table 8.2 breakdown                      |                                      |                              |                | 68  |       |
| Fixed costs as per Table 8.2 breakdown                |                                      |                              |                | 866                                       |       |
| Total Expenditure                                     |                                      | 1,188                        | 1,188          | 2,122                                     |       |
| <b>Net (under) / over Recovery</b>                    | <b>5,287</b>                         | <b>(1,188)</b>               | <b>4,099</b>   | <b>3,165</b>                              |       |
| Bfwd (under) / over recovery from 2021 in Pricing     |                                      |                              |                | (1,272)                                   |       |
| <b>(Under) / over recovery year ended 31 Dec 2022</b> |                                      |                              |                | <b>1,893</b>                              |       |
| Bfwd (under) / over recovery from 2021 not in Pricing |                                      |                              |                | (148)                                     |       |
| Price Smoothing                                       |                                      |                              |                | (716)                                     | 5     |
| <b>Total (under) / over recovery to cfwd to 2023</b>  |                                      |                              |                | <b>1,029</b>                              |       |

#### Notes

##### (1) Staff costs

Adjustment to include agreed recoverable staff costs

##### (2) Management Fee

An adjustment has been made to include the element of the Management Fee relating to the Taxi Feeder Park.

##### (3) Internal Maintenance

An adjustment has been made to include the maintenance costs relating to the Taxi Feeder Park.

##### (4) IT Support

An adjustment has been made to include the IT support charges relating to Taxi Feeder Park.

##### (5) Price Smoothing

2020 under-recovery reclaimed over 2 years

**Electricity**  
**Trading statement year ended 31 December 2022**  
**H7 summary**

|  | 12 months to<br>31 Dec 2022<br>£'000 | 12 months to<br>31 Dec 2023<br>£'000 | 12 months to<br>31 Dec 2024<br>£'000 | 12 months to<br>31 Dec 2025<br>£'000 | 12 months to<br>31 Dec 2026<br>£'000 |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Income                                       | 23,188                               |                                      |                                      |                                      |                                      |
| Backbilling income                           | 2,384                                |                                      |                                      |                                      |                                      |
| <b>Total income</b>                          | <b>25,572</b>                        |                                      |                                      |                                      |                                      |
| Expenditure                                  |                                      |                                      |                                      |                                      |                                      |
| Direct expenditure                           | 23,161                               |                                      |                                      |                                      |                                      |
| Fixed Costs                                  | 12,832                               |                                      |                                      |                                      |                                      |
| <b>Total Expenditure</b>                     | <b>35,993</b>                        |                                      |                                      |                                      |                                      |
| <b>Net (under) / over recovery</b>           | <b>(10,421)</b>                      |                                      |                                      |                                      |                                      |
| Prior year (under) / over recovery           | (6,539)                              |                                      |                                      |                                      |                                      |
| Backbilling cost adjustment                  | (637)                                |                                      |                                      |                                      |                                      |
| <b>Total (under) / over recovery to cfwd</b> | <b>(17,597)</b>                      |                                      |                                      |                                      |                                      |
| Customer share                               | 28%                                  |                                      |                                      |                                      |                                      |
| <b>Pricing</b>                               |                                      |                                      |                                      |                                      |                                      |
| HV electricity price ( per kwh)              | £0.183                               |                                      |                                      |                                      |                                      |
| LV electricity price (per kwh)               | £0.216                               |                                      |                                      |                                      |                                      |

## Electricity

### Trading statement year ended 31 December 2022

#### Detail - with customer share

|   | Underlying<br>accounts (UA)<br>£'000 | Adjustment<br>to UA<br>£'000 | Total<br>£'000 | Customer<br>share<br>£'000 | Customer<br>adjusted<br>trading<br>statement<br>£'000 |
|---|--------------------------------------|------------------------------|----------------|----------------------------|---|
|   |                                      |                              |                | 27.58%                     |   |
| Income  | 25,572                               | 58,489                       | 84,061         | 23,188                     | 23,188  |
| Backbilling income                                    |                                      | 2,384                        | 2,384          | 2,384                      | 2,384   |
| <b>Total Income</b>                                   |                                      |                              |                |                            | <b>25,572</b>   |
| Direct expenditure                                    |                                      |                              |                |                            |   |
| Supplier costs  | 83,966                               | 340                          | 84,306         | 23,256                     | 23,256  |
| CLC   |                                      | (344)                        | (344)          | (95)                       | (95)  |
| Total Direct Expenditure                              | 83,966                               | (4)                          | 83,962         | 23,161                     | 23,161  |
| Fixed costs as per Table 8.2 breakdown                |                                      |                              |                | 12,832                     | 12,832  |
| Total Expenditure                                     | 83,966                               | (4)                          | 83,962         | 35,993                     | 35,993  |
| <b>Net (under) / over recovery</b>                    | <b>(58,394)</b>                      | <b>60,877</b>                | <b>2,483</b>   | <b>(10,421)</b>            | <b>(10,421)</b>                                       |
| Bfwd (under) / over recovery from 2021 in Pricing     |                                      |                              |                |                            | (6,308)   |
| Backbilling cost adjustment                           |                                      |                              |                |                            |   |
| 2019  |                                      |                              |                |                            | 3   |
| 2020  |                                      |                              |                |                            | 4   |
| 2021  |                                      |                              |                |                            | (644)   |
| Total   |                                      |                              |                |                            | <b>(637)</b>  |
| <b>(Under) / over recovery year ended 31 Dec 2022</b> |                                      |                              |                |                            | <b>(17,366)</b>                                       |
| Bfwd (under) / over recovery from 2021 not in Pricing |                                      |                              |                |                            | (231)   |
| <b>Total (under) / over recovery to cfwd to 2023</b>  |                                      |                              |                |                            | <b>(17,597)</b>                                       |

#### Notes

##### (1) Income

Income is stated after including notional income for HAL usage and reflects backbilling income separately

##### (2) Backbilling adjustment

An adjustment is made to account for additional revenue billed to customers relating to consumption in the periods before the year ended 31 Dec 2021 and the associated increase in costs

##### (3) Supplier costs

An adjustment has been made to include recoverable costs

##### (4) CLC

An adjustment has been made to exclude non-recoverable costs

## Water and sewerage

### Trading statement year ended 31 December 2022

#### H7 summary

|  | 12 months to<br>31 Dec 2022<br>£'000 | 12 months to<br>31 Dec 2023<br>£'000 | 12 months to<br>31 Dec 2024<br>£'000 | 12 months to<br>31 Dec 2025<br>£'000 | 12 months to<br>31 Dec 2026<br>£'000 | 12 months to<br>31 Dec 2020<br>£'000 | 12 months to<br>31 Dec 2021<br>£'000 | Notes |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|-------|
| Income                                       | 2,605                                |                                      |                                      |                                      |                                      |                                      |                                      |       |
| Backbilling income                           | 661                                  |                                      |                                      |                                      |                                      |                                      |                                      |       |
| <b>Total income</b>                          | <b>3,266</b>                         |                                      |                                      |                                      |                                      |                                      |                                      |       |
| Expenditure                                  |                                      |                                      |                                      |                                      |                                      |                                      |                                      |       |
| Direct expenditure                           | 1,021                                |                                      |                                      |                                      |                                      |                                      |                                      |       |
| Fixed Costs                                  | 3,275                                |                                      |                                      |                                      |                                      |                                      |                                      |       |
| <b>Total Expenditure</b>                     | <b>4,296</b>                         |                                      |                                      |                                      |                                      |                                      |                                      |       |
| <b>Net (under) / over recovery</b>           | <b>(1,030)</b>                       |                                      |                                      |                                      |                                      |                                      |                                      |       |
| Prior year (under) / over recovery           | (2,509)                              |                                      |                                      |                                      |                                      |                                      |                                      |       |
| Backbilling cost adjustment                  | (72)                                 |                                      |                                      |                                      |                                      |                                      |                                      |       |
| <b>Total (under) / over recovery to cfwd</b> | <b>(3,611)</b>                       |                                      |                                      |                                      |                                      |                                      |                                      |       |
| Customer share                               | 25%                                  |                                      |                                      |                                      |                                      |                                      |                                      |       |
| <b>Pricing (per cubic metre)</b>             |                                      |                                      |                                      |                                      |                                      |                                      |                                      |       |
| Water & sewerage                             | £8.60                                |                                      |                                      |                                      |                                      |                                      |                                      |       |
| Water supply only                            | £6.65                                |                                      |                                      |                                      |                                      |                                      |                                      |       |
| Waste water only                             | £2.57                                |                                      |                                      |                                      |                                      |                                      |                                      |       |
| Domestic Hot Water                           | £10.16                               |                                      |                                      |                                      |                                      |                                      |                                      |       |

## Water and sewerage

### Trading statement year ended 31 December 2022

#### Detail - with customer share

|   | Underlying<br>accounts (UA)<br>£'000 | Adjustment<br>to UA<br>£'000 | Total<br>£'000 | Customer<br>share<br>£'000 | Customer<br>trading<br>statement<br>£'000 | Notes |
|---|--------------------------------------|------------------------------|----------------|----------------------------|---|-------|
|   |                                      |                              |                | 24.76%                     |   |       |
| Income  | 3,266                                | 7,255                        | 10,521         | 2,605                      | 2,605                                     | 1     |
| Backbilling income adjustment                         |                                      | 661                          | 661            | 661                        | 661                                       | 2     |
|   |                                      |                              |                |                            | 3,266                                     |       |
| Direct expenditure                                    |                                      |                              |                |                            |   |       |
| Water in and water out                                | 3,996                                | (1,868)                      | 2,128          | 527                        | 527                                       | 3     |
| Staff   | 2,310                                | (1,155)                      | 1,155          | 286                        | 286                                       | 4     |
| Maintenance   | 839                                  |                              | 839            | 208                        | 208                                       |       |
| General expenses                                      | -                                    |                              | -              | -                          | -   |       |
| Total direct expenditure                              | 7,145                                | (3,023)                      | 4,122          | 1,021                      | 1,021                                     |       |
| Fixed costs as per Table 8.2 breakdown                |                                      |                              |                | 3,275                      | 3,275                                     |       |
| Total Expenditure                                     | 7,145                                | (3,023)                      | 4,122          | 4,296                      | 4,296                                     |       |
| <b>Net (under) / over recovery</b>                    | <b>(3,879)</b>                       | <b>10,939</b>                | <b>7,060</b>   | <b>(1,030)</b>             | <b>(1,030)</b>                            |       |
| Bfwd (under) / over recovery from 2021 in Pricing     |                                      |                              |                |                            | (1,662)                                   |       |
| Backbilling cost adjustment                           |                                      |                              |                |                            |   |       |
| 2019  |                                      |                              |                |                            | -   | 2     |
| 2020  |                                      |                              |                |                            | 7   | 2     |
| 2021  |                                      |                              |                |                            | (79)                                      | 2     |
|   |                                      |                              |                |                            | (72)                                      |       |
| <b>(Under) / over recovery year ended 31 Dec 2022</b> |                                      |                              |                |                            | <b>(2,764)</b>                            |       |
| Bfwd (under) / over recovery from 2021 not in Pricing |                                      |                              |                |                            | (847)                                     |       |
| <b>Total (under) / over recovery to cfwd to 2023</b>  |                                      |                              |                |                            | <b>(3,611)</b>                            |       |

#### Notes

##### (1) Income

Income is stated after including notional income for HAL usage and reflects backbilling income separately

##### (2) Backbilling adjustment

An adjustment is made to account for additional revenue billed to customers relating to consumption in the periods before the year ended 31 associated increase in costs

##### (3) Water in and water out

An adjustment has been made to exclude non-recoverable costs

##### (4) Staff costs

Staff costs are adjusted to reflect time spent on water and sewerage only (time spent on other water related activities including environmental are excluded)

**Airline Operators Committee (AOC)**  
**Trading statement year ended 31 December 2022**  
**H7 summary**

|  | 12 months to<br>31 Mar 2022<br>£'000 | 12 months to<br>31 Mar 2023<br>£'000 | 12 months to<br>31 Mar 2024<br>£'000 | 12 months to<br>31 Mar 2025<br>£'000 | 12 months to<br>31 Mar 2026<br>£'000 |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Income                                       | 614                                  |                                      |                                      |                                      |                                      |
| Total expenditure                            | 429                                  |                                      |                                      |                                      |                                      |
| <b>Net (under) / over recovery</b>           | <b>185</b>                           |                                      |                                      |                                      |                                      |
| Prior year (under) / over recovery           | 35                                   |                                      |                                      |                                      |                                      |
| <b>Total (under) / over recovery to cfwd</b> | <b>220</b>                           |                                      |                                      |                                      |                                      |
| Customer share                               | 100%                                 |                                      |                                      |                                      |                                      |
| <b>Pricing</b>                               |                                      |                                      |                                      |                                      |                                      |
| Charge per departing passenger               | £0.0203                              |                                      |                                      |                                      |                                      |

**Airline Operators Committee (AOC)**  
**Trading statement year ended 31 December 2022**  
**Detail**

|   | Underlying<br>accounts (UA)<br>£'000 | Adjustment<br>to UA<br>£'000 | Total<br>£'000 | Customer<br>trading<br>statement<br>£'000 | Notes |
|---|--------------------------------------|------------------------------|----------------|---|-------|
| Income  | 614                                  | -                            | 614            | 614                                       |       |
| Direct expenditure                                    |                                      |                              |                |   |       |
| AOC contribution costs                                | (3,548)                              | 3,977                        | 429            | 429                                       | 1     |
| Total expenditure                                     | (3,548)                              | 3,977                        | 429            | 429                                       |       |
| <b>Net (under) / over recovery</b>                    | <b>4,162</b>                         | <b>(3,977)</b>               | <b>185</b>     | <b>185</b>                                |       |
| Bfwd (under) / over recovery from 2021 in Pricing     |                                      |                              |                | 48  |       |
| <b>(Under) / over recovery year ended 31 Dec 2022</b> |                                      |                              |                | <b>233</b>                                |       |
| Bfwd (under) / over recovery from 2021 not in Pricing |                                      |                              |                | (13)                                      |       |
| <b>Total (under) / over recovery to cfwd to 2023</b>  |                                      |                              |                | <b>220</b>                                |       |

**Notes**

**(1) AOC contribution costs**

An adjustment has been made to only included the agreed AOC contribution costs