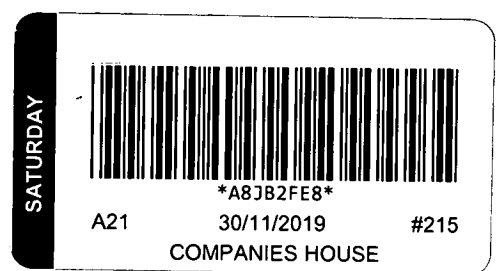


***Jet2.com* Limited**

Report and Accounts

For the year ended 31 March 2019



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DIRECTORS AND OTHER INFORMATION

DIRECTORS

Philip Meeson	Executive Chairman	
Stephen Heapy	Chief Executive Officer	
Gary Brown	Chief Financial Officer	
Philip Ward	Managing Director	
Richard Chambers	Human Resources Director	
Sean Ablett	Contact Centre Director	Appointed 6 November 2018
Ian Brooks	Procurement Director	Appointed 7 May 2019
Ian Day	Legal Director	
Paul Dobson	Director - Flight Operations	
Ian Doubtfire	Business Development Director	
Gavin Forth	Marketing Director	
Stephen Guy	Procurement Director	Resigned 2 August 2019
Christopher Hubbard	Director of Engineering & Maintenance	
Gary Isaacs	Chief Information Officer	
Stephen Lee	Commercial Director	
Andrew Menzies	Technical Director	Resigned 31 January 2019
Adam Mulroy	Revenue Director	

SECRETARY AND REGISTERED OFFICE

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Low Fare Finder House
Leeds Bradford International Airport
Leeds
LS19 7TU

AUDITOR

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1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

BANKERS

Barclays Bank plc
Barclays House
5 St Ann's Street
Newcastle upon Tyne

HSBC Bank plc
4th Floor City Point
29 King Street
Leeds
LS1 2HL

Lloyds Bank plc
10 Gresham Street
London
EC2V 7AE

SOLICITORS

Herbert Smith Freehills LLP
Exchange House
Primrose Street
London
EC2A 2EG

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12 New Fetter Lane
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EC4A 1JP

Norton Rose Fulbright LLP
3 More London Riverside
London
SE1 2AQ

STRATEGIC REPORT

THE BUSINESS

We take people on holiday! Our UK Leisure Travel business specialises in the provision of scheduled holiday flights by our award-winning leisure airline, **Jet2.com**, and ATOL licensed package holidays by our acclaimed tour operator, **Jet2holidays**, to destinations in the Mediterranean, the Canary Islands and to European Leisure Cities.

Jet2.com Limited (the “Company”) is the parent of **Jet2holidays** Limited and together form one single “Leisure Travel” business. The Company is a subsidiary of Dart Group plc, which is fully committed to the continued growth and development of its Leisure Travel business.

During the year, **Jet2.com** flew a total of 12.82m flight-only and package holiday passengers (one-way passenger sectors) (2018: 10.38m), with our flight-only product enjoyed by 6.49m passengers, a growth of 21%. Demand for our **Real Package Holidays™** continued to grow, as **Jet2holidays** took 3.17m customers on package holidays (2018: 2.50m), an increase of 27%. Our two newest operating bases at Birmingham and London Stansted are proving popular in just their second year of operation, with many passengers having chosen **Real Package Holidays™** with **Jet2holidays**.

We are an integrated leisure travel provider and this Summer we will have 100 aircraft in our fleet and are fully in control of our seat supply. Together with our customer volumes, this allows us to optimise load factors which are consistently above 90% and to serve many destinations daily and others several times a week during the Spring, Summer and Autumn months, offering a great choice of variable duration holidays at affordable prices, and to deliver the flexibility that today’s holidaymakers require.

We know that taking a holiday is one of the most important family experiences of the year. We therefore do our very best to ensure that each of our customers “**has a lovely holiday**” that can be both eagerly anticipated and fondly remembered, supported by our core principles of being family friendly, offering value for money and giving great customer service.

Putting the customer first is what has driven **Jet2’s** success and the delivery of great service is at the core of **Jet2.com** and **Jet2holidays** brand values as we recognise that, whether taking a holiday flight with **Jet2.com**, or end-to-end **Real Package Holidays™** with **Jet2holidays**, the delivery of an attractive and memorable holiday experience, engenders loyalty and repeat bookings. The combined power of our proposition, product, people and purpose is what will fuel our ongoing success, as we constantly seek to improve our customers’ holiday choice, experience and enjoyment, giving us the greatest opportunity to retain and attract new customers – the key to continuing profitable growth!

We continually review and refresh our product offerings, whilst carefully expanding our resorts presence - our hotel portfolio now numbers over 4,000 for Summer 2019 (Summer 2018: over 3,400 hotels). We often place substantial deposits to secure dependable and competitive room offerings in the most attractive properties, always ensuring that we are satisfying our customers’ desire for choice and quality. Encompassing a wide range of great value 2 to 5-star accommodation, catering for the young, not so young and families alike, many have adjacent waterparks and other great attractions included in the package, adding enjoyment and interest to the overall holiday experience. Over 40% of our package holidays were sold on an all-inclusive basis offering a ‘Defined Price’ for the whole holiday experience, including flights, transfers, meals, drinks for the adults and ice lollies for the kids! This is a particularly resilient, great value offering for families managing to a tight budget and is particularly attractive in these times of economic uncertainty.

STRATEGIC REPORT (continued)

Innovation helps to make sure we are truly reflecting diversity in our product range and allows us to meet our customers' developing expectations:

- Our market leading **Resort Flight Check-In®** service, which allows **Jet2holidays'** customers to check-in their bags at their hotel and to enjoy their final day, bag and hassle free before going to the airport for their flight home, has proved to be an attractive and valued service engendering great customer feedback. As a result, we have expanded the service to over 280 hotels for Summer 2019 (Summer 2018: over 250 hotels) in 44 key holiday resorts.
- **Jet2Villas**, our ATOL protected **Jet2.com** flight + car + villa package which launched in June 2017 has also proven very popular and now offers an increased range of over 2,000 self-catering villas, many with a private pool, in more than 35 European beach destinations, all secured with just a £60 per person deposit!
- **Jet2CityBreaks**, which offers a packaged flight + hotel in attractive European Leisure Cities continues to grow profitably at an encouraging rate; and
- Our **Indulgent Escapes** brand of hand-picked 5-star hotels for those who perhaps want more luxury and refinement, goes from strength to strength.

And, to ensure that each of our customers has a pleasant holiday experience, in Summer 2019 we will employ nearly 700 in-resort customer helpers, backed up by 24-hour customer helplines, to give practical assistance in all eventualities. Together with convenient airport-to-hotel transfer services, everything is organised to make our customers' holidays easy and carefree.

Real Package Holidays™ are not easily replicated by non-specialists and take considerable organisation and attention to detail. To ensure this is as comprehensive as possible, **Jet2holidays** employs over 1,000 colleagues developing product, contracting & administering hotels, managing the finances and providing operational support.

In Summer 2018, **Jet2.com** flew 90 aircraft (Summer 2017: 75) from our nine UK bases. We were very proud to be recognised in the Top 10 Airlines of the World and as both Best Airline - UK and Best Airline - Europe at the TripAdvisor Travellers' Choice Awards 2019. In addition, we were once again the Top UK Airline for Punctuality of flights running on time over the previous 12 months, as measured by the world's leading travel intelligence company OAG.

We have continued to develop our customer-focused flying programme into Summer 2019 when the aircraft fleet increases to 100, with a commensurate increase in pilots, engineers and cabin crew. To ensure we have well trained colleagues to support our continued growth, our Flight Simulator and Training Centre in Bradford has recently taken delivery of a fifth flight simulator.

We are keen to create the right environment for all our colleagues to thrive and are committed to delivering a balanced lifestyle. To achieve this, for our aircraft crews we have launched our "Lifestyle 2020" programme, which is being implemented through 2019 and 2020. The substantial financial investment that this programme requires highlights our commitment to be a career airline of choice for all.

Our long-term ambition remains the same - To be the Leading UK Leisure Travel Business. **Jet2.com** is the UK's third largest airline by fleet size and **Jet2holidays** has consolidated its position as the UK's second largest ATOL licensed package holidays operator, however there is always more we can do as we learn, evolve and grow. Our business model is unchanged - we continue to focus on delivering wonderful holiday experiences with priceless memories, ensuring that the customer remains at the centre of everything we do. Whilst our flight-only product remains very important, we believe our package holiday business continues to have increasing potential. We are fully focused on expanding this offering with its inherent higher margin and are encouraged

STRATEGIC REPORT (continued)

that sales continue to grow, outstripping the market, as our reputation for providing **'package holidays you can trust'**[™] strengthens. This gives us every confidence that we continue to have a bright future in the Leisure Travel marketplace.

We are proud and pleased that the financial year ended 31 March 2019 saw the start of the Dart Group Discretionary Colleague Profit Share Scheme, to reward those colleagues who do not already participate in performance related bonus or commission schemes and who have been continuously employed for at least 12 months. The first payments were made at the end of July 2019 - we are thrilled to be sharing our success with our fantastic colleagues!

() ATOL, which is managed by the UK Civil Aviation Authority ('CAA'), is a statutory licensing scheme which also provides financial protection to consumers of licensable air travel. As a licensing scheme it ensures that only businesses regarded as financially robust and fit can sell licensable travel, and as a financial protection scheme, it ensures that if an ATOL holder fails, affected consumers are able to complete their holiday and be repatriated or, if they cannot get away, receive a full refund.*

RESULTS AND DIVIDENDS

The results for the year are set out in the Consolidated Income Statement and show a profit after taxation of £127.9m (2018: £84.9m). No dividend was paid in the year (2018: £nil.)

Our performance reflects the growing success of our Leisure Travel products - holiday flights with our award-winning airline **Jet2.com** and package holidays with our acclaimed ATOL (*) licensed tour operator **Jet2holidays** – which has led to continuing strong customer demand for both.

The growing awareness and appreciation of our leisure travel products resulted in an overall 24% increase in passenger sectors flown to 12.82m (2018: 10.38m). Passengers choosing our important flight-only product increased by 21% to 6.49m (2018: 5.37m), whilst customers choosing our higher margin package holiday product increased by 27% to 3.17m (2018: 2.50m). Package holiday customers now represent 49% of overall flown customers (2018: 48%).

Average flight-only ticket yield per passenger sector at £81.79 (2018: £73.01) was 12% higher compared to the challenging market experienced in the prior year, with average load factors increasing to 92.8% (2018: 92.2%) against a 23% increase in seat capacity.

The increasing mix of Package Holiday customers is pleasing, as the longer duration, end-to-end holiday experience allows greater value to be added through product innovation and service at each point in the customer's journey. This proposition lends itself to brand loyalty and retention and a better quality of recurring revenue and profitability, compared to the more impulsive, price-sensitive, shorter duration, flight-only product.

The percentage of overall package holiday customers taking shorter duration package holidays increased by 2 percentage points during the year, whilst the percentage taking all-inclusive holidays and higher value 4 and 5-star packages has remained broadly consistent. The cost of acquiring hotel rooms increased primarily because of the stronger Euro and as a result the overall average price of a package holiday increased to £669 (2018: £633).

Non-ticket retail revenue per passenger grew by 7% to £24.07 (2018: £22.52). This revenue stream, which is primarily discretionary in nature, continues to be optimised through our customer contact programme as we focus on continually developing our customer services.

Overall, revenue in our Leisure Travel business grew by 34% to £2,964.4m (2018: £2,211.4m) at an operating profit margin of 6.7% (2018: 5.5%), resulting in operating profit growth of 48% to £151.6m (2018: £102.2m).

STRATEGIC REPORT (continued)

We recognise that investing for the long-term success of the business is essential to stay ahead. For many families, booking a holiday is the most important purchase of the year and we know that in an increasingly crowded market, it is vital that customers are constantly made aware of our brand and product proposition to consider us when making a booking. We therefore commit significant marketing investment to ensure our brand building share of voice is imaginative and strong, whether that be through traditional media such as TV, radio, newspapers or outdoor advertising, or via social media channels, video on demand or influencers.

The delivery of a friction-free experience at every stage of the customer booking journey is of paramount importance, whichever booking channel is chosen. Over 60% of our package holidays are sold online via **Jet2holidays.com**, whilst 91% of our flight-only seats are booked directly on the **Jet2.com** website.

We know that our websites and mobile applications must work for everyone, as customers' online browsing and purchasing habits perpetually evolve – our shop window is whatever screen a customer is looking at and we want everyone to be able to find and book our holiday flights and package holidays quickly and easily. Investment in, and development of, digital strategy is therefore integral to the Leisure Travel business and we commit considerable monies to ensure that the search and booking experience is as effortless and efficient as possible, whether the customer uses a PC, tablet or mobile phone.

Additionally, we continue to build on the strong foundation of our existing Customer Relationship Management programme and to invest in our data science and analytics capability to improve our recommendations algorithms. Over time this will deliver even more personalised communications and content to customers to strengthen our already strong relationships with them.

We also recognise that personal interaction is important for many customers when making such an important purchase. Our customer contact centres in Leeds, Manchester and Palma, Majorca, employ over 350 sales and customer service advisers to ensure customers' individual needs are catered for. Currently 15% (or approximately 480,000) of our package holiday customers book through this channel. In addition, approximately a quarter of our package holiday sales are booked through independent travel agents, who are considered very valuable and important distribution partners for our business.

Brand awareness continues to improve as a result of our broad marketing strategy and attention to customer service, with increasing repeat bookings from customers satisfied by the overall product experience. With our sparkling net promoter scores and **Jet2.com & Jet2holidays** having recently been awarded Which? Recommended Provider status, it's a clear endorsement of the VIP experience we offer, and why we believe the Leisure Travel business remains well-placed to deliver successfully going forward.

OUTLOOK

Looking ahead, the Travel Industry in general is facing cost pressures in relation to fuel, carbon and other operating charges which, together with the necessary continued investment in our own products and operations, including that required to attract and retain colleagues, are headwinds that the business faces. However, in the long term we are confident of the resilience our Leisure Travel business.

The Group particularly dedicates significant resources to deliver **Real Package Holidays™** and we believe we have the strategy to grow our flight-only and package holiday businesses, with the products, the people and the proposition to go from strength to strength. With our Customer focused approach, we are confident that our customers will continue to be keen to travel with us from our Rainy Island to the sun spots of the Mediterranean, the Canary Islands and to European Leisure Cities.

STRATEGIC REPORT (continued)

Key Performance Indicators	2019	2018	Change
Number of routes operated during the year	329	306	8%
Leisure Travel sector seats available (capacity)	13.81m	11.27m	23%
Leisure Travel passenger sectors flown	12.82m	10.38m	24%
Leisure Travel load factor	92.8%	92.2%	0.6 pts
Flight-only passenger sectors flown	6.49m	5.37m	21%
Package holiday customers	3.17m	2.50m	27%
Average flight-only ticket yield per passenger sector (excl. taxes)	£81.79	£73.01	12%
Average package holiday price	£669	£633	6%
Non-ticket revenue per passenger sector*	£24.07	£22.52	7%
Average hedged price of fuel (per tonne)	\$604	\$516	17%
Fuel requirement hedged – next 12 months	90%	90%	-
Advance sales made as at 31 March	£1,734.5m	£1,486.6m	17%

*Presentation of the Non-ticket revenue per passenger sector KPI has been adjusted for the impact of IFRS 15 and also to remove certain non-ticket revenue items included within the Average package holiday price KPI.

PRINCIPAL RISKS AND UNCERTAINTIES

This section describes the principal risks and uncertainties which may affect the business's operations, its reputation, financial results and strategic objectives. This list is not intended to be exhaustive.

Safety and security

The safety and security of our customers and our colleagues is a key priority. Failure to prevent or deal effectively with a major safety incident, including a security related threat, could adversely affect the business's reputation and operational and financial performance.

Our airline business operates a robust Safety Management System based upon a 'Just Culture', which provides an environment where all colleagues are encouraged to report and submit safety related information in a timely manner. This enables proactive assessment and mitigation of risk associated with our operation, escalated via regular internal safety action groups and steering committees.

Compliant and effective Safety Management System oversight is provided by the appropriate use of occurrence report investigations, flight data management, safety risk management, health and safety and aviation security inspections, together with compliance & assurance audits across our operations.

All airline safety and security matters are managed by our Safety, Compliance and Security Group, which reports directly to the Accountable Manager (the Managing Director of Jet2.com Limited) and the Safety Review Board. The Board meets quarterly, monitors trends and identifies any areas of safety risk that require closer attention.

The assessment of health and safety risks in the hotels we feature, as well as the other holiday components we package, is part of our normal package holiday business routine, and is reflected in our processes and procedures.

Jet2holidays' Risk and Safety teams have developed a risk management framework that enables a consistent approach to the assessment, monitoring and control of risk throughout the customer journey, with supplier accommodation, transport and excursions evaluated using assessment tools.

Compliance with **Jet2holidays'** risk and safety standards is measured in a number of ways, including physical audits, plus inspections and reviews of documentation and certification. The emphasis for accountability is placed on the supplier and **Jet2holidays** uses risk assessment models to identify suppliers who need additional support from the **Jet2holidays** teams to comply with our risk and safety standards.

STRATEGIC REPORT (continued)

Our control systems include a team of subject matter experts, inter-departmental focus groups and the **Jet2holidays** Risk and Safety Committee, chaired by the Chief Executive Officer. The Committee meets monthly and reports on emerging risks, and appropriate strategies to mitigate or control those risks.

Competition

The business operates in competition with tour operators, online travel agents and low-cost airlines and changes to market capacity and pricing can have an adverse financial impact.

The business will continue to focus on its core principles, which are: to be family friendly; to offer value for money; and to give great customer service. We also continue to focus on customer driven scheduling of flights on routes to popular leisure destinations in order to maximise load factor, average flight-only ticket yield (excluding taxes), non-ticket revenue and average package holiday price, whilst ensuring that its great value proposition remains attractive to its customers.

We continue to work alongside and invest in relationships with selected hoteliers, often placing substantial deposits to secure dependable and competitive room offerings in the most attractive properties, always ensuring that we are satisfying our customers' desire for choice and quality.

The development of digital strategy is integral to the Leisure Travel business as its capability helps to build customer loyalty, drive revenue growth and deliver greater customer satisfaction. Investment in this digital strategy is therefore key to the Leisure Travel business and we commit considerable monies to ensure that the search and booking experience is as effortless and efficient as possible, whether the customer uses a PC, tablet or mobile phone.

We continue to differentiate our Leisure Travel business through innovative product development, such as **Jet2Villas**, and the provision and expansion of added value services, such as our **Resort Flight Check-In®** service.

IT system dependency and information security

The business is reliant on a number of key IT systems and processes, their scalability and ongoing development. The loss of access to these systems, or the **Jet2.com** and **Jet2holidays** websites may result in significant disruption to operations and could adversely impact the business's reputation and financial performance.

The primary IT risks to the business are a loss of systems, unauthorised access to facilities, or a security breach, which could lead to disruption that has an operational, reputational and/or financial impact.

To mitigate these risks and to ensure any potential loss of functionality is minimised, the business regularly tests failover of key systems between geographically dispersed data centres and has recently introduced a 24/7 onsite IT Operations function. The business uses leading web application protection and denial of service protection services.

The business carries out regular, comprehensive, internal and external vulnerability scanning and penetration testing using GCHQ-NCSC accredited third parties. It also continues to strengthen its cyber threat mitigation through a process of repeated testing, hardening, hardware refresh and education. Cyber threats and mitigations are reviewed monthly at the Dart Group Cyber Security steering board, which includes main board members.

In the twelve months since the introduction of the General Data Protection Regulation, the business has reviewed and where necessary improved data security measures on the over one hundred internal systems and established a standardised vetting process and contract clauses for new suppliers that process data or interact with Group IT systems.

STRATEGIC REPORT (continued)

Following the 'Magecart' breaches elsewhere in the industry, the business has worked with a trusted security partner to develop and implement real-time data breach monitoring and runs several thousand synthetic customer e-commerce journeys every month minimising exposure to this particular threat.

Airlines are now required by card schemes to be PCI DSS compliant. The business maintains this compliance across its Airline and Package Holidays businesses.

The business remains confident that it has controls, systems and processes in place which will continually evolve and are current and appropriate to the external and internal security threats that it faces.

Input cost volatility

The business incurs considerable operational costs which are euro and US dollar denominated and can be exposed to sudden movements in exchange rates. The cost of fuel is also a material element of the cost base of the business and the effective management of aviation fuel price volatility remains important.

The business's strategy is to manage foreign exchange rate and fuel price risk via forward currency contracts and aviation fuel swaps with approved counterparties.

Further information on hedging, the business's key mitigation to input cost volatility risk, and details of the business's hedge policy, are contained within Note 17 to the consolidated financial statements.

Economic conditions

Whilst we believe that UK consumers regard their summer holiday as a very important element of the annual household budget, ultimately, economic conditions are likely to have an impact on the level of demand for the Company's services.

The business will continue to provide scheduled holiday flights by its airline, **Jet2.com**, and ATOL licensed package holidays by its tour operator, **Jet2holidays**, to leisure destinations in the Mediterranean, the Canary Islands and to European Leisure Cities.

The business has built a strong brand and reputation for providing **Package Holidays you can trust®**. The delivery of an attractive and memorable holiday experience, engenders loyalty and repeat bookings. The combined power of our proposition, product, people and purpose is what will fuel our ongoing success, as we constantly seek to improve our customers' holiday choice, experience and enjoyment, giving us the greatest opportunity to retain and attract new customers. We serve many destinations daily and others several times a week during the Spring, Summer and Autumn months, offering a great choice of variable duration holidays at affordable prices, delivering the flexibility that today's holidaymakers require.

Government policy and regulatory intervention

The leisure travel industry is heavily regulated. There is a continuing risk that the imposition of taxes and charges, which are levied by regulatory decision rather than by commercial negotiation at levels in excess of economic cost, may result in reduced passenger demand or adversely impact our cost base.

The business will maintain its focus on delivering a great value package holiday product, the careful management of its route network and on-time performance. The business will also continue to engage with policy setters and regulators to encourage legislation that is fit for purpose and to ensure full awareness of proposed future changes.

STRATEGIC REPORT (continued)

Environmental risks

The business is at potential risk of disruption from the force of nature, such as extreme weather conditions and volcanic activity, and through other external factors, such as: acts of terrorism; epidemics; pandemics; and strike action.

The business mitigates these risks by regularly updating a carefully planned response to be implemented by a team of experts should there be significant disruption to our leisure travel activities. In addition, our commercial centre in Leeds and our operations centre at Leeds Bradford Airport give us the ability to run our business from more than one site, which supports business continuity planning.

The business has a dedicated emergency response facility from which our response to serious operational incidents can be managed and performs regular emergency management exercises. We have automated systems to support the activation of our emergency response team, enabling us to respond promptly to incidents, deploy appropriate solutions and thereby mitigate the impact on our customers and limit any potential interruption to our business.

The business also maintains prudent levels of liquid funds to enable the business to continue to operate through a period of sustained disruption.

Liquidity and capital risk

Liquidity and capital risk is the risk that the business will have insufficient funds to meet its financial obligations as they fall due.

The business's strategy for managing liquidity and capital risk is to maintain cash balances in an appropriately liquid form and in accordance with approved counterparty limits, whilst securing the continuity and flexibility of funding through the use of committed banking facilities.

Short-term cash flow risk, in relation to margin calls in respect of fuel and foreign currency hedge positions, is minimised through diversification of counterparties together with appropriate credit thresholds.

A regular assessment is made of Dart Group plc's banking facility covenant compliance and the UK Civil Aviation Authority's 'liquidity threshold test'.

The business maintains prudent levels of liquid funds to enable it to continue to operate through fluctuations in economic conditions or through a period of sustained disruption.

Recruitment and retention of talent

The current and future success of the business is reliant on the recruitment and retention of the right people with the right capabilities. Inability to recruit and retain key personnel may impact adversely on the business's ability to deliver its strategic objectives.

The business prepares and executes role-specific seasonal recruitment campaigns to recruit and train the resources required to deliver our operational plan. The business also operates a defined leadership framework, which enables the business to identify those colleagues who have the potential to develop into leadership roles and supports the succession planning process.

The business also operates apprentice schemes to train pilots and engineers. Over 200 pilots have qualified through our apprentice scheme since its inception.


Brexit

Brexit risk reflects the potential impact of the UK's decision to leave the EU on the business's operations and financial position. Brexit is the subject of negotiation between the UK Government and the EU and the full implications for the business remain unclear.

STRATEGIC REPORT (continued)

The following points are deemed to be of continuing importance for the business:

- On 11 April 2019 the Prime Minister agreed with the EU27 leaders an extension to the Article 50 period ending on 31 October 2019. During this extension, the EU has been clear that the UK will continue to hold full membership rights and the UK has committed to fulfilling its obligations as a Member State. If, at any point between now and 31 October 2019, the Withdrawal Agreement is ratified by both sides, the UK will leave the EU with a deal on the first day of the following month. In the meantime, we continue to make contingency arrangements for the scenario where the UK leaves the EU without a deal.
- Legislation has been passed by the EU which provides UK airlines (including **Jet2.com**) with the facility to fly in and out of Europe for a period until 29 March 2020 (the 3rd and 4th freedom flying rights) in a no-deal Brexit scenario. This date was set in order to provide a 12-month transitional period from the original exit date of 29 March 2019, pending the conclusion of a comprehensive aviation services agreement between the UK and the EU. On 12 June 2019, the European Commission released a communication on their no deal preparations entitled, "State of play of preparations of contingency measures for the withdrawal of the United Kingdom from the European Union". In this document they stated that the Commission will "continue to monitor political developments and assess if any extension of the adopted measures will be needed". Both the UK and EU have consistently demonstrated a commitment to maintaining aviation connectivity even in a "no deal" scenario and the Department for Transport has informed us that they will be continuing to discuss options with their EU counterparts in respect of the period after 29 March 2020. The Directors have therefore reached the reasonable conclusion that in the event that a comprehensive aviation services agreement has not been concluded between the EU and the UK by 29 March 2020, this transitional period will be extended to ensure that there is no interruption in connectivity.
- Our application to the European Union Aviation Safety Agency (EASA) for "third country operator" status, which will be required to operate **Jet2.com** in Europe, has been approved and will be issued upon the UK leaving the EU. We have also made individual applications at a member state level to each of the countries to which we operate.
- The most recent EU notice on travel has confirmed the intention to include the UK within the list of visa-exempt countries for short stays (fewer than 90 days in any 180 day period), even in the event of a no-deal scenario, on the condition of reciprocity from the UK for EU travellers.
- The precise impact of Brexit on our colleagues remains uncertain as it will depend on whether the UK leaves the EU in a deal or no-deal scenario. The UK has clearly set out the rules that will apply to EU27 nationals currently living and working in the UK and who wish to do so post-Brexit, although the terms may be refined when the precise exit arrangements are confirmed. The EU27 have also confirmed the deal and no-deal arrangements with varying levels of detail for each member state although, again, these may be subject to change as the political negotiations continue. We are closely monitoring the situation in each of the countries in which we operate and are advising colleagues of steps that they can take now to protect their rights. Members of our Human Resources and Recruitment teams have also received Brexit training from our specialist legal counsel.
- The Directors continue to closely monitor negotiations between the UK Government and the European Commission, reviewing the latest political developments, attending relevant briefing meetings and workshops and engaging in discussions with the Department for Transport, the Department for Exiting the European Union, the UK Civil Aviation Authority - our regulator, relevant tax authorities and trade associations.



Philip Meeson
Executive Chairman

22 August 2019

DIRECTORS' REPORT

The Directors present their report and accounts for the year ended 31 March 2019.

DIRECTORS AND THEIR INTERESTS

The details of Directors who held office during the year and after the year end are those listed on page 2.

None of the Directors who held office at the year end had any interest in the ordinary share capital of the Company. Philip Meeson, Stephen Heapy and Gary Brown were also Directors of Dart Group plc, during the year. Their interests in the share capital of Dart Group plc are disclosed in the accounts of that company.

GOING CONCERN

The Directors have prepared financial forecasts for the **Jet2.com** group, comprising profit before and after taxation, balance sheets and cash flows through to 31 March 2022.

For the purpose of assessing the appropriateness of the preparation of these consolidated **Jet2.com** accounts on a going concern basis, the Directors have considered the current cash position, the availability of banking facilities and sensitised forecasts of future trading through to 31 March 2022, including performance against the financial covenants of Dart Group plc, the implications, including those considered remote, of Brexit and the assessment of principal areas of risk and uncertainty.

Having considered the points above, the Directors have a reasonable expectation that the business has adequate resources to continue in operational existence for a period of 12 months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2019.

The Directors' responsibility for preparing the financial statements is explained on page 16 and the reporting responsibilities of the Auditor are set out in their report on page 19.

RELATIONSHIP WITH CUSTOMERS

We take people on holiday! Our UK Leisure Travel business specialises in the provision of scheduled holiday flights by our award-winning leisure airline, **Jet2.com**, and ATOL licensed package holidays by our acclaimed tour operator, **Jet2holidays**, to destinations in the Mediterranean, the Canary Islands and to European Leisure Cities.

We know that taking a holiday is one of the most important family experiences of the year. We therefore do our very best to ensure that each of our customers **"has a lovely holiday"** that can be both eagerly anticipated and fondly remembered, supported by our core principles of being family friendly, offering value for money and giving great customer service. Putting the customer first is what has driven **Jet2's** success and the delivery of great service is at the core of **Jet2.com** and **Jet2holidays** brand values.

RELATIONSHIP WITH SUPPLIERS

Our business is supported by more than 3,000 non-hotel suppliers who partner with us and we therefore seek open, constructive and effective relationships with them to help sustain the successful delivery of the business's services. In response, a supplier management framework has been developed and an annual supplier conference is held to brief on many aspects of the business and the support expected from the supplier community in helping our business achieve its aims.

Since **Jet2holidays'** inception, we have also carefully developed relationships with over 4,000 hotels, often placing substantial deposits to secure a dependable and competitive room offering in the most attractive hotels.

We recognise that paying suppliers on time and in full is vital for their financial well being. The 'Duty to report on payment practices and performance' legislation under section 3 of the Small Business, Enterprise and

DIRECTORS' REPORT (continued)

Employment Act 2015 came into effect for the Group in the financial year ended 31 March 2019. The Group has uploaded the relevant supplier KPIs onto the HMRC government portal and the average time taken to pay supplier invoices during the year was 27.0 days.

MODERN SLAVERY ACT

The Modern Slavery Act requires the Company to publish an annual slavery and human trafficking statement. The latest statement can be found on the Dart Group plc website. Neither the Company nor any of its subsidiaries permit, condone or otherwise accept any form of human trafficking or slavery in its business or supply chains.

THE ENVIRONMENT

The business takes its responsibility to the environment seriously, with fuel emissions being an important issue. It is in the business's own and its customers' interest to ensure we operate in the most efficient and environmentally friendly way, minimising noise and emissions.

During the year ended 31 March 2019, **Jet2.com**, like all airlines operating within, or into and out of EU airports, continued its reporting under the regulatory mandate of the European Union Emissions Trading Scheme (EU ETS). **Jet2.com** supports the introduction of CORSIA (the Carbon Offsetting and Reduction Scheme for International Aviation) and its goal of zero CO₂ emission gains from the global aviation sector beyond 2020.

As part of a continuous drive to operate more efficiently, **Jet2.com** continues to reduce its fuel consumption and carbon emissions per flown mile by means of its "efficient flying" programme. This programme looks at all aspects of the airline's operation which can influence or directly impact the efficiency of its flying activities, including Single Engine Taxi Operations, careful fuel requirement planning, performance-based navigation approaches and reduced contingency fuel. In addition, the airline continues to invest in the growth of the Boeing 737-800NG fleet, 96% of which is now fitted with fuel saving winglets.

OUR COMMUNITIES

Across the Group, we endeavour to support our local communities in a variety of ways, including the provision of prizes for local fundraising activities. The Group also continues to support its chosen charity, Hope for Children www.hope-for-children.org.

LEARNING AND DEVELOPMENT

Putting the customer first is what has driven the business's success.

The delivery of great service is at the core of the **Jet2.com** and **Jet2holidays** brand values, which are known internally as **Take Me There**. All **Jet2.com** and **Jet2holidays** colleagues take part in a one-day induction to the business, which introduces these values: Be Present, Create Memories, Take Responsibility and Work As One Team. These values are intrinsic to the success of the Leisure Travel business and the engagement of its colleagues and customers. The business recognises the need to provide regular development for colleagues and managers. To ensure that committed and skilled talent continue to support the business, the focus within the Learning and Development function is to continually support the advancement and progression of our colleague population.

The business operates a Leadership Framework that is designed to guide colleagues in terms of the personal qualities and practical experiences they require to excel in their current role, whilst also giving them a clear view of the qualities required to progress to the next level.

DIRECTORS' REPORT (continued)

To support colleagues in developing their skills and competencies, a blended learning approach has been adopted by the Leisure Travel business which includes face-to-face training, digital learning, knowledge share, the provision of 'How To' guides, and opportunities to contribute to business projects. In addition, a Management Development Programme ("MDP") is delivered to all people managers across the business, which links to the **Take Me There** values and the business's Leadership Framework.

Given the variety of interesting roles available at **Jet2.com** and **Jet2holidays**, Learning and Development have established a Future Talent strategy, working alongside the Recruitment Team and individual business areas to review opportunities that may be available for graduates and apprentices.

To ensure our pilots receive the best possible training and ongoing professional support **Jet2.com** runs its own UK Civil Aviation Authority ("CAA") and European Aviation Safety Agency ("EASA") approved training facility, currently housing five flight simulators, to take pilots on a journey of excellence throughout all aspects of their training. Our Training Team, which includes more than 190 of our pilots, continues to develop and deliver in-house training courses to support the growth of our skilled pilot workforce. Our inhouse type rating courses are designed to qualify candidates – whether experienced long-haul Captains or young talented pilots from our Pilot Apprentice Scheme – to operate all types of **Jet2.com** aircraft. Following such a course, all **Jet2.com** pilots are rigorously assessed every six months and provided with support and development training to allow them to progress through the Company's Through-Life Career Development Schemes - developing them all the way from Second Officer to experienced Senior Trainer.

Our team of 75 Cabin Crew Performance Trainers have had their busiest year ever. We have welcomed and trained over 650 new entrant cabin crew across the network along with recurrent training for just over 1,650 existing cabin crew.

Prior to flying, our cabin crew colleagues must successfully complete our intensive four-week training course that meets EASA requirements. Training encompasses safety, first aid, security, service and sales and links to our **Take Me There** values to ensure that we create great memories for our customers and that they have a lovely and safe holiday.

All **Jet2.com** engineers receive engineering induction training, which includes **Take Me There** training. A team of six Technical Trainers deliver recurrent continuation training and, where business needs demand, specialist training to over 860 EASA Part 145 and Part M engineering colleagues. This is supplemented with technical update training across all line and maintenance base facilities every year.

The **Jet2.com** Engineering Training Team are UK CAA Part 147 approved, enabling the team to deliver aircraft type rating training to engineering colleagues for all three of the fleet types currently operated.

The team are also an Approved Apprenticeship Learning Provider and hold City and Guilds approval, enabling them to deliver an in-house 4-year Engineering Apprenticeship scheme for 20+ students.

Jet2.com Ground Operations colleagues in the UK and overseas receive intensive induction programmes tailored to their roles. This combines technical training focusing on safety, security and compliance, in addition to developing a culture of outstanding customer service through interactive learning activities. Significant development has taken place over the last year to achieve a standardised approach to training content across the network. All existing colleagues continue to receive annual recurrent training to refresh key skills and prepare for the year ahead.

The overseas training team consists of qualified trainers covering Spain, Portugal, Cyprus, Croatia, Greece and Turkey supporting our **Jet2holidays** colleagues in delivering award-winning customer service.

DIRECTORS' REPORT (continued)

The Customer Contact Training Team support our colleagues in both Sales and Pre-Travel Services by providing ongoing learning and development through a range of solutions from digital learning, face to face classroom sessions, webinars and a new digital knowledge base, catering for both office-based and homeworker colleagues.

RECOGNITION

The business has an in-house recognition and reward scheme called **A Great Deal Friendlier** which underpins the Leisure Travel business's **Take Me There** values. The scheme recognises individuals and teams who have provided excellent customer service and those who have gone the extra mile for either internal or external customers. Nomination volumes continue to grow, with colleagues nominating individuals and teams from across all business areas for their excellent customer service approach.

COMMUNICATION

The business recognises the importance of promoting and maintaining good communication with colleagues. Our policy is to keep colleagues regularly informed on matters relating to their employment through a variety of weekly and monthly information bulletins and newsletters covering a wide range of topics. These are supplemented by annual presentations at each business location by the Senior Management Team.

As the business grows, it is increasingly important that colleagues communicate well and that everyone works together as one team. Senior management must have an appreciation of the views and thoughts of colleagues and it is crucial that colleagues understand the reasons for key decisions and, when appropriate, are consulted about planned change. An Information and Consultation Agreement and Protocol, consisting of five separate agreements, covers every UK-based Leisure Travel colleague. The agreements set out how **Jet2.com** and **Jet2holidays** inform and consult with colleagues as well as how each group works in practice, including how representatives are elected. Representatives are actively encouraged to speak up and challenge; as a result, their views and ideas have already helped to contribute to organisational change. Senior Managers and Directors, including our Executive Chairman and Chief Executive Officer, regularly attend meetings.

EQUALITY AND DIVERSITY

The Group is committed to promoting diversity and ensuring equality of opportunity for all within the workplace, regardless of age, disability, gender reassignment, marriage or civil partnership status, pregnancy and maternity, race, religion or belief, gender or sexual orientation.

The Group is also committed to ensuring that its procedures and selection processes in respect of recruitment, terms and conditions of employment, access to training and promotion and the terms upon which it offers access to facilities and services are free from discrimination.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the date of approval of this Directors' Report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's Auditor is unaware; and
- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

AUDITOR

In accordance with section 487 of the Companies Act 2006, the Auditor is deemed to be re-appointed and KPMG LLP will therefore continue in office.

DIRECTORS' REPORT (continued)

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

The Directors are responsible for preparing the Report and Accounts, Strategic Report, the Directors' Report and the Group and Parent Company financial statements in accordance with applicable law and regulations.

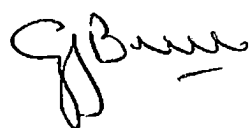
Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law they have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) and applicable law and have elected to prepare the Parent Company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- for the Parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

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

By order of the Board



Gary Brown
Chief Financial Officer
Jet2.com Limited
Registered No. 02739537

22 August 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JET2.COM LIMITED

Opinion

We have audited the financial statements of Jet2.com Limited ("the Company") for the year ended 31 March 2019 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity, Parent Company Balance Sheet, Parent Company Statement of Changes in Equity and related notes, including the accounting policies in Note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2019 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the Directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a Company and this is particularly the case in relation to Brexit.

Going concern

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

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors' conclusions, we considered the inherent risks to the Group's business model, including the impact of Brexit, and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this Auditor's Report is not a guarantee that the Group or the Company will continue in operation.

Strategic Report and Directors' Report

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

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

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 16, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

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

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

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



Nick Plumb (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

22 August 2019

CONSOLIDATED INCOME STATEMENT

for the year ended 31 March 2019

	Note	2019 £m	2018 £m Restated
REVENUE	4	2,964.2	2,211.4
Net operating expenses	5	(2,812.6)	(2,109.2)
OPERATING PROFIT	6	151.6	102.2
Finance income		8.1	4.7
Net FX revaluation losses		(1.8)	(1.2)
Net financing income	8	6.3	3.5
Profit on disposal of property, plant and equipment		0.1	-
PROFIT BEFORE TAXATION		158.0	105.7
Taxation	9	(30.1)	(20.8)
PROFIT FOR THE FINANCIAL YEAR <i>all attributable to equity shareholders of the parent</i>		127.9	84.9

The notes on pages 24 to 50 form an integral part of these financial statements.

The results for the current and prior years all relate to continuing activities.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2019

	2019 £m	2018 £m Restated
Profit for the year	127.9	84.9
Other comprehensive (expense) / income		
Cash flow hedges:		
Fair value (losses) / gains in year	(30.5)	48.7
Add back gains transferred to income statement in year	(23.6)	(59.3)
Related taxation credit	10.0	2.0
Other comprehensive expense for the period, net of taxation	(44.1)	(8.6)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD <i>all attributable to equity shareholders of the parent</i>	83.8	76.3

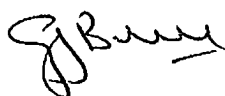
Figures shown for the year ended 31 March 2018 have been restated as detailed in Note 24.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 March 2019

	Note	2019 £m	2018 £m Restated	2017 £m Restated
NON-CURRENT ASSETS				
Property, plant and equipment	10	122.9	93.3	79.8
Derivative financial instruments	17	4.0	21.6	9.3
Deferred taxation asset	9	3.8	-	-
		130.7	114.9	89.1
CURRENT ASSETS				
Inventories	11	1.0	1.2	0.7
Trade and other receivables	12	1,091.2	615.3	488.3
Derivative financial instruments	17	49.6	64.3	74.6
Money market deposits	13	50.0	170.2	135.1
Cash and cash equivalents	13	540.1	579.1	456.6
		1,731.9	1,430.1	1,155.3
TOTAL ASSETS		1,862.6	1,545.0	1,244.4
CURRENT LIABILITIES				
Trade and other payables	14	(205.5)	(146.0)	(123.2)
Deferred revenue	15	(937.1)	(806.0)	(596.6)
Borrowings	17	(1.4)	(1.0)	(31.9)
Provisions and liabilities	16	(220.0)	(197.4)	(184.7)
Derivative financial instruments	17	(53.9)	(40.7)	(15.2)
		(1,417.9)	(1,191.1)	(951.6)
NON-CURRENT LIABILITIES				
Deferred revenue		(2.8)	(1.3)	(0.6)
Derivative financial instruments	17	(16.3)	(7.7)	(20.6)
Deferred taxation	9	-	(3.2)	(6.3)
		(19.1)	(12.2)	(27.5)
TOTAL LIABILITIES		(1,437.0)	(1,203.3)	(979.1)
NET ASSETS		425.6	341.7	265.3
SHAREHOLDER'S EQUITY				
Share capital	18	0.3	0.3	0.3
Cash flow hedging reserve	18	(13.7)	30.4	39.0
Retained earnings		439.0	311.0	226.0
TOTAL SHAREHOLDER'S EQUITY		425.6	341.7	265.3

The accounts were approved by the Board of Directors at a meeting held on 22 August 2019 and were signed on its behalf by:



Gary Brown

Director

Jet2.com Limited

Registered No. 02739537

Figures shown for the year ended 31 March 2018 have been restated as detailed in Note 24.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2019

	Note	2019 £m	2018 £m Restated
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit before taxation		158.0	105.7
Finance income	8	(8.1)	(4.7)
Net FX revaluation losses	8	1.8	1.2
Depreciation	10	21.6	17.5
Equity settled share based payments	18	0.1	0.1
OPERATING CASH FLOWS BEFORE MOVEMENTS IN WORKING CAPITAL		173.4	119.8
Decrease / (increase) in inventories		0.2	(0.5)
Increase in trade and other receivables		(478.2)	(127.3)
Increase in trade and other payables		59.9	29.5
Increase in deferred revenue		132.6	209.9
Increase in provisions		23.7	14.3
CASH USED IN OPERATIONS		(88.4)	245.7
Interest received		8.1	4.7
Income taxes paid		(25.4)	(28.2)
NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES		(105.7)	222.2
CASH FLOWS FROM/ (USED IN) INVESTING ACTIVITIES			
Purchase of property, plant and equipment	10	(51.2)	(31.1)
Proceeds from sale of property, plant and equipment		-	0.1
Net decrease / (increase) in money market deposits	13	120.2	(35.1)
NET CASH FROM / (USED IN) INVESTING ACTIVITIES		69.0	(66.1)
CASH USED IN FINANCING ACTIVITIES			
Repayment of borrowings		(0.6)	(31.9)
NET CASH USED IN FINANCING ACTIVITIES		(0.6)	(31.9)
NET (DECREASE) / INCREASE IN CASH IN THE YEAR		(37.3)	124.2
Cash and cash equivalents at beginning of year		579.1	456.6
Effect of foreign exchange rate changes		(1.7)	(1.7)
CASH AND CASH EQUIVALENTS AT END OF YEAR		540.1	579.1

Figures shown for the year ended 31 March 2018 have been restated as detailed in Note 24.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2019

	Share capital £m	Cash flow hedging reserve £m	Retained earnings £m	Total shareholder's equity £m
Balance at 31 March 2017 - as originally reported	0.3	39.0	237.5	276.8
Effect of transition to IFRS 15	-	-	(11.5)	(11.5)
Balance at 31 March 2017- as restated	0.3	39.0	226.0	265.3
Total comprehensive income for the year	-	(8.6)	84.9	76.3
Share based payments	-	-	0.1	0.1
Balance at 31 March 2018- as restated	0.3	30.4	311.0	341.7
Total comprehensive income for the year	-	(44.1)	127.9	83.8
Share based payments	-	-	0.1	0.1
Balance at 31 March 2019	0.3	(13.7)	439.0	425.6

Figures shown for the year ended 31 March 2018 have been restated as detailed in Note 24.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Jet2.com Limited (the “Company”) is a company incorporated and domiciled in England and Wales and the financial statements of the Company are presented as required by the Companies Act 2006.

These group financial statements consolidate those of the Company and its subsidiaries (together referred to as the “Group”).

Basis of preparation

The consolidated financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the EU (“Adopted IFRS”) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The Company has elected to prepare its Parent Company financial statements in accordance with FRS 101 *Reduced Disclosure Framework*; these statements are presented on pages 51 to 60.

The financial statements of both the Group and the Parent Company are presented in pounds sterling and all values are rounded to the nearest £100,000, except where indicated otherwise.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements.

The financial statements have been prepared under the historical cost convention except for all derivative financial instruments that have been measured at fair value.

Going concern

The Directors have prepared financial forecasts for the **Jet2.com** Group, comprising profit before and after taxation, balance sheets and cash flows through to 31 March 2022.

For the purpose of assessing the appropriateness of the preparation of the Group’s accounts on a going concern basis, the Directors have considered the current cash position, the availability of banking facilities, and sensitised forecasts of future trading through to 31 March 2022, including performance against the financial covenants of Dart Group plc, and the implications, including those considered remote, of Brexit and the assessment of principal areas of risk and uncertainty.

Having considered the points above, the Directors have a reasonable expectation that the Company and the Group as a whole have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2019.

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated on consolidation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

Revenue

Revenue (which excludes Value Added Tax and Air Passenger Duty) arises from package holidays, passenger aircraft operations, charter aircraft operations and non-ticket retail activities.

Revenue from ticket sales for scheduled passenger flights is recognised at the date of departure. Charter aircraft income is recognised in the period in which the service is provided. A proportion of flight delay compensation payments are offset against revenue up to the full value of the ticket price. Non-ticket revenues such as hold baggage charges, extra legroom charges and in-flight retail sales are also recognised once the associated flight has departed, or holiday started. Revenue from package holidays is apportioned over the duration of the holiday. Commission earned from car hire bookings is recognised on departure, reflecting the point when services are performed. Commission earned from travel insurance is recognised at the time of booking, as the Group acts solely as an agent of the insurance company.

Cash amounts received from customers for whom revenue has not yet been recognised are recorded in the Statement of Financial Position as deferred revenue within current liabilities, or within non-current liabilities if the Group's services are expected to be performed more than 12 months from the reporting date.

Finance income

Interest income is recognised in the Consolidated Income Statement in the period in which it is earned.

Foreign currencies

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date, and differences arising are recognised in the Consolidated Income Statement in the period in which they arise. Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are held at the exchange rate at the date of the transaction.

Taxation

Taxation on the profit or loss for the year comprises current and deferred taxation. Taxation is recognised in the Consolidated Income Statement or the Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in equity, in which case the tax is recognised in equity. Current taxation is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to taxation payable in respect of previous years.

Deferred taxation is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred taxation provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred taxation asset is recognised only to the extent that it is probable that future taxable profits will be available, against which the asset can be utilised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

Property, plant & equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any provision for impairment. Depreciation is calculated to write down the cost of each asset's estimated residual value using the straight-line method over its estimated useful economic life as follows:

Freehold property	25 - 30 years
Short leasehold property	Over the life of the lease
Aircraft related assets	2 - 30 years
Plant, vehicles and equipment	3 - 7 years

Financial instruments

Financial instruments are recognised initially at fair value, normally the transaction price.

Following the implementation of IFRS 9 Financial Instruments, the Group classifies its financial assets as measured at amortised cost or fair value through profit and loss. Assets categorised as fair value through profit and loss at 31 March 2019 are, by concession, deferred via the Consolidated Statement of Other Comprehensive Income ('OCI') since the movements relate to the effective portion of the cashflow hedge.

The classification of each financial asset is determined by whether the business model of the Group is to hold the asset to collect contractual cash flows or to benefit from changes in the fair value of the asset.

Financial liabilities are classified as measured at amortised cost or fair value through profit and loss. Liabilities attaching to hedging derivatives may be classified as fair value through other comprehensive income.

Trade and other receivables and payables

Trade receivables are recognised at fair value and subsequently measured at amortised cost based on the applicable effective interest rate.

Trade payables, and contract payables, are recognised at fair value and subsequently measured at amortised cost based on the applicable interest rate.

Interest bearing loans and borrowings

All loans and borrowings are initially recorded at fair value less any directly-attributable transaction costs. The loans and borrowings are, where applicable, subsequently measured at amortised cost.

Derivative financial instruments and hedging

The Group uses forward foreign currency contracts and interest rate and aviation fuel swaps to hedge its exposure to foreign exchange rates, interest rates and aviation fuel price volatility. It also uses forward EU Allowance contracts and forward Certified Emissions Reduction contracts to hedge exposure to Carbon Emissions Allowance price volatility. Such derivative financial instruments are stated at fair value, and are measured at fair value through other comprehensive income.

Where a derivative financial instrument is designated as a hedge of a highly probable forecast transaction, the effective portion of the gain or loss on the hedging instrument from the inception of the hedging relationship is recognised directly in the cash flow hedging reserve within equity and in other comprehensive income. Any ineffective portion is recognised within the Consolidated Income Statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

For the effective portion of hedging instruments, amounts reported in other comprehensive income are reclassified to the Consolidated Income Statement in the same period in which the hedged transaction affects profit and loss.

Credit risk

IFRS 9 introduces a requirement to recognise expected credit losses on financial assets. Expected credit losses are recognised as a loss allowance, effectively an impairment of the value of the asset. The carrying values presented in the financial statements are net of loss allowances.

The Group has two types of financial asset that are subject to the new credit loss model: trade receivables and cash and cash equivalents. Derivative assets are not subject to the new credit loss model, although credit risk is considered when assessing whether those assets are impaired.

The Group makes an assessment to determine whether financial assets are impaired. Credit-impaired receivables would include overdue receivables six months or more past the due date, or receivables where the counterparty's solvency indicates that the Group has no reasonable expectation of recovery. In the latter case, the receivables are written off; in the former case, the expected cash flows are discounted and the difference between the discounted expected cash flows and the face value of the receivable is recognised as a loss allowance, in the form of a provision against doubtful debts.

The Group calculates expected credit losses for its trade receivables using the simplified approach permitted by IFRS 9, applicable where the transaction contains no significant financing element. Under the simplified approach, expected lifetime credit losses are recognised in the period.

The Group's policy is to place funds with deposit takers with a long-term credit-rating no lower than A-/A3 and a short-term credit rating no lower than A-2, F2, P2. In the event of the credit ratings for the deposit taker being inconsistent between agencies, the lowest credit rating is taken in making this assessment. Where a rating outlook is negative, the rating is deemed to be one notch lower. As a result, expected credit losses on cash and money market deposits are considered low. However, where a deposit taker is considered to be at risk of default, the expected future cash flows are discounted and the difference from the expected cash inflows recognised as a loss allowance.

Inventories

Inventories are accounted for on a FIFO basis and stated at the lower of cost and net realisable value. Net realisable value is the estimated resale value.

Money market deposits

Money market deposits comprise deposits with a maturity of more than three months at the point of placement and are accounted for within the amortised cost category of financial assets under IFRS 9.

Cash and cash equivalents

Cash and cash equivalents include short-term deposits maturing within three months of placement and restricted cash, if any, paid over to various counterparties as collateral against relevant exposures. For the purposes of the Consolidated Statement of Cash Flows, bank overdrafts which are repayable on demand, and form an integral part of the Group's cash management activities, are included as a component of cash and cash equivalents.

Provisions

Aircraft maintenance provision

The business undertakes specific periodic maintenance on the aircraft it operates, whether those aircraft are leased from its parent company, Dart Group plc, other leasing companies owned by Dart Group plc or from third party aircraft lessors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

These obligations require **Jet2.com** to maintain each aircraft and engine in accordance with the manufacturers' published maintenance programmes during the term of the lease and to ensure that each is returned to the lessor in accordance with its contractual requirements. As there is a legal and constructive obligation to return each aircraft and engine in a specified condition, a profit and loss charge is made by the business and a maintenance provision, based on activity levels, is created under *IAS 37 Provisions, contingent assets and liabilities* in Provisions.

The business pays a monthly security deposit to Dart Group plc, and other leasing companies owned by Dart Group plc, based on a monthly usage calculation. The deposit is refunded to **Jet2.com** once the maintenance activity has been completed, and paid for. Accordingly, these deposits are classified as amounts due from parent undertaking and amounts due from group undertakings within Trade and Other Receivables (see Note 12).

The monthly security deposit payment is set at a level which is estimated to cover the cost of future maintenance events when they occur.

Other provisions

Further details on the nature and calculation of other provisions are provided within Note 2 below.

Short-term maintenance

All maintenance expenditure relating to events expected to occur annually, or more frequently, is expensed as incurred.

Operating leases

Rental charges on operating leases are charged to the Consolidated Income Statement on a straight-line basis over the life of the lease.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis over the time period when economic benefits from the leased assets are consumed.

Employee benefits

Defined contribution plans

All Group pensions are provided from the proceeds of money purchase schemes. The charge to the Consolidated Income Statement represents the payments due during the year.

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, which are described in Note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Such estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is changed and in future periods if applicable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Critical judgements in applying accounting policies

The Directors have identified no critical judgements, apart from those involving estimates, made in the application of the Group's accounting policies that would have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The following are the key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Provisions and liabilities

A charge is made in the Consolidated Income Statement, based on hours or cycles flown, to provide for the cost of the Group's obligation to maintain leased aircraft in accordance with the aircraft manufacturer's published maintenance programmes. Estimates are required in relation to the likely utilisation of the leased aircraft and the expected cost of maintenance events at the time they are expected to occur. If the Group's estimated cost of a maintenance event on third-party leased aircraft were to increase by 5% for each event respectively, this would have resulted in an increase in the provision at 31 March 2019 of £0.9m.

Accounting for provisions and liabilities for customer compensation claims requires estimates to be made in relation to historical flight delays under Regulation (EC) No 261/2004 and possible customer compensation claims that cannot be reclaimed from hotels. The bases of all estimates are reviewed no less frequently than annually, or when information becomes available that is capable of causing a material change to an estimate. If the estimated claim rate on customer compensation claims were to increase by 5%, this would have resulted in an increase in the provision at 31 March 2019 of £2.6m.

Further details of the provisions and liabilities held by the Group at 31 March 2019 can be found in Note 16.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. NEW IFRS AND AMENDMENTS TO IAS AND INTERPRETATIONS

In the current year, the Group has applied a number of amendments to IFRSs issued by the International Accounting Standard Board ("IASB") that are mandatorily effective for an accounting period that begins on or after 01 January 2018.

International Financial Reporting Standards

Applying to accounting periods beginning after

IFRS 15 *Revenue from Contracts with Customers*

January 2018

The Group has adopted IFRS 15 in its financial statements for the year ended 31 March 2019 and has applied the fully retrospective transition method, with the comparative year and opening net assets (as at 1 April 2017) restated. This new standard supersedes all existing revenue requirements in IFRS. Its core principle is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

IFRS 15 discusses whether a contract contains more than one distinct good or service. In light of this guidance, the Group considered whether its package holidays offering contained more than one promised service, and concluded that a package holiday constituted delivery of one distinct performance obligation including flights, accommodation, transfers and other holiday-related services.

Under IFRS 15, revenues are recognised when a performance obligation is satisfied, which happens when control of the the goods or services underlying the particular performance obligation is transferred to the customer. The impact of this for the business is to defer the recognition of certain non-ticket revenue streams to the date of departure rather than the date of booking. The revenue associated with package holidays is now apportioned over the duration of the holiday, where it was previously recognised on departure.

In addition, a proportion of flight delay compensation payments made to customers, previously recorded wholly within net operating expenses, will be offset against revenues. This presentational change will reduce revenue where the performance obligation has not been fully satisfied, but will have a net nil impact on the overall profit for the year.

The impact on the Group financial statements for the year ended 31 March 2018 is shown in Note 24.

IFRS 9 *Financial Instruments*

January 2018

The Group has adopted IFRS 9 for the year ended 31 March 2019. This new standard replaces current guidance provided by IAS 39 *Financial Instruments: Recognition and Measurement* on classification and measurement of financial assets and liabilities. In addition, IFRS 9 includes new requirements for general hedge accounting and impairment of financial assets.

Overall, there is no impact on the Group's net assets or profit for the period on transition to IFRS 9.

The adoption of IFRS 9 resulted in changes to accounting policies, particularly affecting classification and impairment of financial instruments, although no adjustments were required to amounts recognised in the financial statements for previous periods and hence no restatement was necessary. The accounting policies applied from 1 April 2018 are set out in Note 1.

Under IFRS 9, all recognised financial assets within scope are required to be subsequently measured at amortised cost or fair value. The classification of each financial asset is determined by whether the business model of the Group is to hold assets to collect contractual cash flows or to benefit from changes in the fair value of assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. NEW IFRS AND AMENDMENTS TO IAS AND INTERPRETATIONS (continued)

The impairment model under IFRS 9 recognises expected credit losses, as opposed to only incurred credit losses under IAS 39. The Group has applied the practical expedient afforded by IFRS 9 in calculating credit losses and therefore has not recorded any changes to its current impairment calculations.

Finally, under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting. This new guidance is aligned with the Group's current hedging policy and therefore does not result in any material changes.

The IASB has issued the following standards and interpretations, with an effective date after the date of these financial statements. The Group continues to evaluate the potential impact of their adoption as described below.

International Financial Reporting Standards	Applying to accounting periods beginning after
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IFRS 16 <i>Leases</i>	January 2019
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The Group will adopt IFRS 16 in its financial statements for the year ending 31 March 2020. IFRS 16 replaces IAS 17 and removes the requirement for lessees to report on finance and operating leases separately.

Under IFRS 16, the Group will distinguish between leases and service contracts based on whether there is an identified asset controlled by the Group. Control exists if the customer has the right to obtain substantially all of the economic benefit from the use of the asset and the right to direct the use of that asset. Where control exists, the Group will be required to recognise a right-of-use asset and also a lease liability, rather than accounting for operating lease payments through profit and loss.

Upon application of the new standard, the Group expect to capitalise all aircraft and properties currently accounted for as operating leases. As a result, the Group will incur depreciation charges on these assets and interest charges on the associated lease liabilities, in place of the operating lease charges currently incurred. The lease term applied will correspond to the duration of the contracts signed except in cases where the Group is reasonably certain that it will exercise contractual extension options. The Group will utilise the exemption afforded by this standard not to recognise right-of-use assets and associated lease liabilities for either short-term leases or low-value assets.

The Group intends to apply the fully retrospective transition method available under IFRS 16, with the comparative year and opening net assets (as at 1 April 2018) restated. This will result in a reduction in opening net assets at 1 April 2018 of approximately £5m-£10m. The Group expects to capitalise right-of-use assets of approximately £335m-£345m, with associated lease liabilities of approximately £340m-£350m. The impact on profit before FX revaluation and taxation for the year ended 31 March 2019 is not anticipated to be material.

The Group will incur foreign exchange gains / losses for its US dollar and Euro denominated leases as a result of the implementation of IFRS 16. Lease liabilities will be considered as monetary items and retranslated at the period end exchange rate, whereas right-of-use assets are non-monetary items and therefore will remain at their translated values on inception. The foreign exchange impact for the year ended 31 March 2019, is expected to be a loss of £17m-£20m, predominantly as a result of the US Dollar strengthening from \$1.402 at 31 March 2018 to \$1.303 at 31 March 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. SEGMENTAL REPORTING

IFRS 8 *Operating segments* requires operating segments to be determined based on the Group's internal reporting to the Chief Operating Decision Maker ("CODM").

The CODM is responsible for the overall resource allocation and performance assessment of the Group. The Board of Directors approves major capital expenditure, assesses the performance of the Group and also determines key financing decisions. Consequently, the Board of Directors is considered to be the CODM.

For management purposes, the Group is organised into one operating segment: the Leisure Travel business. This operating segment is consistent with how information is presented to the CODM for the purpose of resource allocation and assessment of their performance and as such, they are also deemed to be the reporting segments.

The Leisure Travel business specialises in the provision of scheduled holiday flights by its airline, **Jet2.com**, and ATOL licensed package holidays by its tour operator, **Jet2holidays**, to holiday destinations in the Mediterranean, the Canary Islands and to European Leisure Cities. Resource allocation decisions are based on the business's entire route network and the deployment of its entire aircraft fleet.

Revenue is principally generated from within the UK, the Group's country of domicile. No customer represents more than 10% of the Group's revenue.

Revenue can be further disaggregated by its nature for the purposes of IFRS 15 as follows:

	2019 £m	2018 £m Restated
Flight-only ticket revenue	530.8	392.1
Non-ticket revenue	308.6	233.8
Package holidays	2,118.4	1,585.5
Other Leisure Travel	6.4	-
Total revenue	2,964.2	2,211.4

5. NET OPERATING EXPENSES

	2019 £m	2018 £m Restated
Direct operating costs	2,202.2	1,651.7
Staff costs (including agency staff)	357.2	259.0
Depreciation of fixed assets	21.6	17.5
Other operating charges	231.6	181.0
	2,812.6	2,109.2

6. OPERATING PROFIT

	2019 £m	2018 £m
Operating profit is stated after charging:		
Auditor's remuneration	0.1	0.1
Operating lease rentals - land and buildings	6.4	4.8
Operating lease rentals - plant and machinery: short-term leases	34.3	25.5
Operating lease rentals - plant and machinery: long-term leases	23.8	23.3
Operating lease rentals - aircraft rentals payable to Group undertakings	87.9	64.2

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. EMPLOYEES

	2019 No.	2018 No.
<i>Average number of employees during the year including Directors:</i>		
Operations	7,339	5,989
Administration	1,044	900
	<u>8,383</u>	<u>6,889</u>
	2019 £m	2018 £m
Wages and salaries	298.7	223.4
Social security costs	32.5	24.7
Other pension costs	14.2	9.8
Share based payment charge	0.1	0.1
	<u>345.5</u>	<u>258.0</u>

The share based payment charge relates to rights granted by Dart Group plc to its equity instruments to the business's employees, which are accounted for as equity-settled in accordance with IFRS 2 *Share based Payments*.

	£m	£m
<i>Directors' remuneration:</i>		
Emoluments	4.3	3.4
Pension contributions	0.3	0.3
	<u>4.6</u>	<u>3.7</u>
<i>Highest paid Director:</i>		
Emoluments	0.5	0.4
Pension contributions	-	-
	<u>0.5</u>	<u>0.4</u>

During the year Philip Meeson, Stephen Heapy and Gary Brown were paid by the Company's ultimate parent company Dart Group plc. Details of their remuneration are disclosed in the accounts of that company.

The number of Directors accruing benefits under the Group's pension scheme was 13 (2018: 14). The number of Directors who, at the start of the financial year, held share options under long-term incentive schemes in the ultimate parent company, Dart Group plc, was 8 (2018: 5).

8. NET FINANCING INCOME

	2019 £m	2018 £m
<i>Finance income:</i>		
From group undertakings	4.1	1.9
From third parties	4.0	2.8
	<u>8.1</u>	<u>4.7</u>
Net foreign exchange revaluation losses	(1.8)	(1.2)
	<u>6.3</u>	<u>3.5</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. TAXATION

	2019 £m	2018 £m Restated
Current taxation:		
UK corporation taxation based upon the profits for the year:		
- current year	26.9	21.4
- prior year	0.2	0.5
Current taxation charge for the year	27.1	21.9
Deferred taxation:		
Origination and reversal of timing differences:		
- current year	3.4	(1.1)
- prior year	(0.4)	-
Deferred taxation charge / (credit) for the year	3.0	(1.1)
Total taxation in income statement in the year	30.1	20.8
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Taxation relating to components of other comprehensive income	(10.0)	(2.0)
Total taxation recognised in Consolidated Income Statement and Other Comprehensive Income in the year	20.1	18.8

The taxation assessed for the current year is higher (2018: higher) than the standard rate of corporation tax in the UK. The differences are explained below:

	2019 £m	2018 £m Restated
Profit before taxation	158.0	105.7
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	30.0	20.1
Effects of:		
Expenses not deductible	0.4	0.3
Adjustments to tax charge in previous periods	(0.2)	0.5
Other differences	(0.1)	(0.1)
Total (see above)	30.1	20.8

Deferred taxation in the year has been provided at 17% (2018: 17%) as a consequence of legislation enacted in prior years, which will reduce the rate of UK corporation tax to 17% from 1 April 2020.

	2019 £m	2018 £m Restated
Net deferred taxation asset/(liability):		
Deferred taxation assets	3.8	3.9
Deferred taxation liabilities	-	(7.1)
	3.8	(3.2)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. TAXATION (continued)

The movement in the net deferred taxation asset/(liability) is as follows:	2019 £m	2018 £m Restated
Opening at 1 April - as originally reported	(3.2)	(8.8)
Effect of transition to IFRS 15	-	2.5
Opening at 1 April – as restated	(3.2)	(6.3)
(Charged) / credited to income statement	(3.0)	1.1
Credit taken direct to equity	10.0	2.0
Closing as at 31 March	3.8	(3.2)

Movements in deferred taxation assets and liabilities prior to offset are shown below:

Deferred taxation assets	Accelerated capital allowances £m	Financial instruments £m	Other £m	Total £m
At 31 March 2017- as originally reported	0.3	-	-	0.3
Effect of transition to IFRS 15	-	-	2.5	2.5
At 31 March 2017 – as restated	0.3	-	2.5	2.8
Credit to income	0.3	-	-	0.3
Credit to equity	-	-	0.8	0.8
At 31 March 2018– as restated	0.6	-	3.3	3.9
Credit / (charge) to income	0.3	-	(3.3)	(3.0)
Transfer from deferred liabilities	-	2.9	-	2.9
At 31 March 2019	0.9	2.9	-	3.8

The taxation assessed for the current year is higher (2018: higher) than the standard rate of corporation tax in the UK. The differences are explained below:

Deferred taxation liabilities	Total £m
<i>Financial instruments:</i>	
At 31 March 2017	9.1
Credit to equity	(2.0)
At 31 March 2018	7.1
Credit to equity	(10.0)
Transfer to deferred assets	2.9
At 31 March 2019	-

Deferred taxation in relation to financial instruments in the tables above includes the impact of the Group's forward foreign currency contracts, aviation fuel swaps, EU Allowance contracts and forward Certified Emissions Reduction contracts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Aircraft related assets	Plant, vehicles and equipment	Total
	£m	£m	£m	£m
Cost:				
At 31 March 2017	19.8	59.7	59.3	138.8
Additions	0.6	18.0	12.5	31.1
Disposals	-	-	(0.2)	(0.2)
At 31 March 2018	20.4	77.7	71.6	169.7
Additions	3.5	29.3	18.4	51.2
Disposals	-	-	(0.2)	(0.2)
At 31 March 2019	23.9	107.0	89.8	220.7
Depreciation:				
At 31 March 2017	(3.7)	(20.1)	(35.2)	(59.0)
Charged during the year	(1.3)	(8.8)	(7.4)	(17.5)
Disposals	-	-	0.1	0.1
At 31 March 2018	(5.0)	(28.9)	(42.5)	(76.4)
Charged during the year	(1.5)	(11.3)	(8.8)	(21.6)
Disposals	-	-	0.2	0.2
At 31 March 2019	(6.5)	(40.2)	(51.1)	(97.8)
Net book value:				
At 31 March 2019	17.4	66.8	38.7	122.9
At 31 March 2018	15.4	48.8	29.1	93.3

11. INVENTORIES

	2019	2018
	£m	£m
Goods for re-sale	1.0	1.2

12. TRADE AND OTHER RECEIVABLES

	2019	2018
	£m	£m
		Restated
Trade receivables	47.8	41.6
Amounts due from parent undertaking	794.9	393.8
Amounts due from group undertakings	29.2	7.6
Deposits and prepayments	207.5	160.7
Other receivables	11.8	11.6
	1,091.2	615.3

Included in amounts due from parent undertaking is £185.2m (2018: £160.0m) of aircraft maintenance security deposits, repayable to the Company by Dart Group plc.

Other debtors and prepayments include balances totalling £25.4m (2018: £29.2m) recoverable after more than one year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

12. TRADE AND OTHER RECEIVABLES (continued)

Ageing analysis of trade receivables

	31 March 2019 £m			31 March 2018 £m		
	Gross receivables	Provision for doubtful debts	Net trade receivables	Gross receivables	Restated Provision for doubtful debts	Net trade receivables
Not past due	45.4	-	45.4	40.2	-	40.2
Up to one month past due	0.7	-	0.7	0.5	-	0.5
Over one month past due	1.8	(0.1)	1.7	1.1	(0.1)	1.0
	47.9	(0.1)	47.8	41.8	(0.1)	41.7

13. CASH AND CASH EQUIVALENTS (including money market deposits)

	2019 £m	2018 £m
Free cash	539.6	498.8
Money market deposits	50.0	170.2
Total free cash	589.6	669.0
Bonds and guarantees	0.5	5.0
Merchant acquirer cash	-	75.3
Total restricted cash	0.5	80.3
Total cash and cash equivalents (including money market deposits)	590.1	749.3

14. TRADE AND OTHER PAYABLES

	2019 £m	2018 £m Restated
Trade payables	52.7	40.3
Other taxation and social security	13.7	11.8
Amounts owed to parent undertaking	-	3.0
Amounts owed to group undertakings	9.8	0.5
Other creditors and accruals	129.3	90.4
	205.5	146.0

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. DEFERRED REVENUE

	Receivables £m	Deferred Revenue £m	Cash from customers £m
Balance at 31 March 2018 - as originally reported	708.6	(1,455.7)	(747.1)
Effect of IFRS 15 (Note 24)	-	(30.8)	(30.8)
Effect of accrued revenue reclassification (Note 24)	(679.2)	679.2	-
Balance at 31 March 2018 - as restated	29.4	(807.3)	(777.9)
Revenue recognised that was included in deferred revenue at the beginning of the year	-	806.0	806.0
Increase in receivables	4.6	(4.6)	-
Increase in cash received, excluding amounts recognised as revenue in the period	-	(934.0)	(934.0)
Balance at 31 March 2019	34.0	(939.9)	(905.9)

Receivables (as restated) relates to invoicing of amounts due from travel agents in respect of package holiday deposits and balance payments, and is included within Trade Receivables in Note 12.

The Group's aggregate sales value allocated to the performance obligations that were unsatisfied (or partially unsatisfied) as at 31 March 2019 was £1,734.5m (2018: £1,486.6m) of which £1,721.9m (2018: £1,474.0m) is expected to be recognised as revenue within one year. The remaining balance will be recognised as revenue between one and two years.

16. PROVISIONS AND LIABILITIES

	Maintenance		Customer Compensation Claims		Total	
	2019 £m	2018 £m	2019 £m	2018 £m	2019 £m	2018 £m
Opening	173.3	162.0	24.1	22.7	197.4	184.7
Provision in the year	115.1	53.1	16.0	11.2	131.1	64.3
Transferred in from other creditors and accruals	-	-	-	-	-	-
Utilised	(95.3)	(41.8)	(12.3)	(7.2)	(107.6)	(49.0)
Released unused	-	-	(0.9)	(2.6)	(0.9)	(2.6)
Closing at 31 March	193.1	173.3	26.9	24.1	220.0	197.4

Maintenance provisions relate entirely to the Group's obligation to maintain leased aircraft in accordance with the aircraft manufacturer's published maintenance programmes during the lease term, and to ensure that aircraft are returned to the lessor in accordance with its contractual requirements.

Customer compensation claims provisions and liabilities relate to the Group's obligation to possible passenger claims for historical flight delays under Regulation (EC) No 261/2004 and possible customer compensation claims that cannot be reclaimed from hotels. The main assumptions underlying the possible passenger claims for flight delays and possible customer compensation claims are the number of valid claims received and which may be received, the amount at which those claims may be settled, and additionally for customer compensation claims the proportion which may be reclaimed from hotels. The majority of cash outflows connected with these provisions are expected to occur within three years of the balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. FINANCIAL INSTRUMENTS

The Group has exposure to the following risks from its use of financial instruments:

Credit risk

The Group is exposed to credit risk to the extent of non-performance by its counterparties in respect of financial assets receivable. However, the Group has policies and procedures in place to ensure such risk is limited and sets credit limits for each counterparty accordingly. The Group regularly monitors such limits, incorporating this information into credit risk controls, and does not currently hold any collateral.

Since the Group does not place funds with any deposit taker with a long-term credit rating lower than A-/A3, and a short-term credit rating lower than A-2, F2, P2, expected credit losses for cash and cash equivalents are considered immaterial and hence no impairments were identified. The Group considers that expected credit losses on derivative assets arising from the default of counterparties are not material.

As any expected credit loss are reflected in the value of the financial assets, the maximum exposure to credit risk is limited to the net carrying value of each asset as summarised in section (a) below.

Liquidity risk

The Group's strategy for managing liquidity risk is to maintain cash balances in an appropriately liquid form and in accordance with approved counterparty limits, while securing the continuity and flexibility of funding through the use of committed banking facilities.

Short-term cash flow risk, in relation to margin calls in respect of fuel and foreign currency hedge positions, is minimised through diversification of counterparties together with appropriate credit thresholds. In addition, a regular assessment is made of Dart Group plc's banking facility covenant compliance and the UK Civil Aviation Authority's 'liquidity threshold test'.

Foreign currency risk

The Group incurs considerable operational costs that are euro and US dollar denominated, and can be exposed to sudden movements in exchange rates.

Transactional currency exposures arise as a result of expenditure on hotel accommodation, aviation fuel, aircraft maintenance, air traffic control, and airport charges. The Group's policy is to cover up to 90% of its foreign currency requirements by the start of the financial year. The remainder of the requirement is hedged within the financial year. The Groups enters into forward foreign exchange contracts up to 30 months in advance of the hedged transaction.

Aviation fuel price risk

The cost of fuel is a material element of the cost base of the Group and the effective management of aviation fuel price volatility remains important. The Group's policy is to forward cover up to 90% of fuel requirements with aviation fuel swaps by the start of the financial year. The remainder of the requirement is hedged within the financial year. The Group enters into aviation fuel swaps up to 30 months in advance of the hedged transaction.

Carbon price risk

The Group is exposed to carbon price risk through its obligation to purchase carbon emissions allowances ('carbon credits') to offset emissions in each calendar year. The Group hedges carbon emissions allowances in line with its approved policy.

The Group purchases carbon emissions allowances under fixed price forward contracts with different maturity dates from a range of domestic and international sources.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. FINANCIAL INSTRUMENTS (continued)

(a) Carrying amount and fair values of financial instruments

The carrying amounts and fair value of all of the Group's financial assets and liabilities at the year end was as follows:

	31 March 2019		31 March 2018	
	Measured at amortised cost	Derivatives hedging instruments measured at fair value through profit and loss	Total carrying amount	Total carrying amount
	£m	£m	£m	£m Restated
Financial assets				
Cash and cash equivalents	540.1	-	540.1	579.1
Money market deposits	50.0	-	50.0	170.2
Trade receivables	47.8	-	47.8	41.6
Derivative financial instruments	-	53.7	53.7	85.9
Loan to parent	623.9	-	623.9	231.9
Total financial assets	1,261.8	53.7	1,315.5	1,108.7
Financial liabilities				
Trade payables	52.7	-	52.7	40.3
Bank overdraft	1.4	-	1.4	1.0
Derivative financial instruments	-	70.2	70.2	48.4
Total financial liabilities	54.1	70.2	124.3	89.7

The following notes relate to the table above:

- assets categorised as fair value through profit and loss at 31 March 2019 are, by concession, deferred through other comprehensive income as the movements relate to the effective portion of the cashflow hedge;
- fair values at 31 March 2019 are stated net of credit loss allowances. No credit losses were recognised in the years ended 31 March 2019 or 31 March 2018;
- due to the short maturity of money market deposits and cash and cash equivalents, amortised cost is considered to be a close approximation to fair value;
- for trade receivables, trade payables, aircraft loans and obligations under finance leases, carrying value, at amortised cost, approximates to fair value;
- the fair value of derivative financial instruments has been measured by reference to the fair value of the instruments, as provided by external counterparties; and
- the adoption of IFRS 9 did not change the carrying value of any of the Group's financial assets or liabilities. The only changes were to the classification of certain financial assets.

IFRS 13 *Fair Value Measurement* requires the classification of fair value measurements using a hierarchy that reflects the nature of the inputs used in making the assessments.

The fair values of the Group's derivative financial instruments are derived using available market information, other than quoted prices in active markets for identical assets and liabilities. The inputs into the fair value calculations include quotations by brokers and price index data, and are classified as level 2 within the fair value hierarchy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. FINANCIAL INSTRUMENTS (continued)

(a) Carrying amount and fair values of financial instruments (continued)

The valuation methodologies used are as follows:

- the fair values of forward foreign exchange contracts are calculated by discounting the contracted forward values ('forward points') and translating at the appropriate balance sheet rates;
- the fair values of aviation fuel swaps are calculated by discounting expected future cash flows and translating at appropriate balance sheet rates; and
- the fair values of carbon forward contracts are calculated by discounting the contracted forward values and translating at appropriate balance sheet rates.

The Group uses derivative financial instruments to manage its exposure to currency exchange rates, aviation fuel prices and carbon prices, consistent with its risk management policies and objectives.

These derivatives are analysed as follows:

	31 March 2019			31 March 2018		
	Asset fair value	Liability fair value	Cash flow hedging reserve	Asset fair value	Liability fair value	Cashflow hedging reserve
	£m	£m	£m	£m	£m	£m
US dollar forward	18.0	(3.7)	(14.3)	0.8	(32.3)	31.5
Euro forward contract	0.5	(56.7)	56.2	7.1	(16.1)	9.0
Aviation forward contract	29.7	(9.8)	(19.9)	71.4	-	(71.4)
Carbon forward contract	5.4	-	(5.4)	6.6	-	(6.6)
Total	53.6	(70.2)	16.6	85.9	(48.4)	(37.5)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. FINANCIAL INSTRUMENTS (continued)

(a) Carrying amount and fair values of financial instruments (continued)

The impact of cash flow hedging instruments, by category of risk hedged, on the Statement of Financial Position is as follows:

Hedging instruments and location in Statement of Financial Position	Notional Amount	31 March 2019
		Carrying amount
	£m	£m
Currency forward contracts		
Non-current assets	151.2	1.6
Current assets	421.9	16.9
Current liabilities	1,466.2	(47.0)
Non-current liabilities	482.1	(13.4)
	2,521.4	(41.9)
Aviation fuel swaps		
Non-current assets	43.9	1.7
Current assets	194.3	28.0
Current liabilities	89.0	(6.9)
Non-current liabilities	51.0	(2.9)
	378.2	(19.9)
Carbon forward contracts		
Non-current assets	5.8	0.7
Current assets	11.3	4.7
Current liabilities	-	-
Non-current liabilities	-	-
	17.1	5.4

(b) Movements in fair value of financial instruments

Net movements in fair value of financial instruments are as follows:

	Cash flow hedges	
	Assets	Liabilities
	£m	£m
At 31 March 2017	83.9	(35.8)
Other comprehensive income	2.0	(12.6)
At 31 March 2018	85.9	(48.4)
Other comprehensive income	(32.2)	(21.8)
At 31 March 2019	53.7	(70.2)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. FINANCIAL INSTRUMENTS (continued)

(b) Movements in fair value of financial instruments (continued)

The impact of cash flow hedges on reserves is as follows:

	Foreign currency risk £m	Aviation fuel price risk £m	Carbon price risk £m	Total cashflow hedging reserve £m
Balance at 31 March 2017	(28.8)	(10.9)	0.7	(39.0)
Gains / (losses) taken into reserves	33.0	(74.9)	(6.7)	(48.6)
Transfer to profit and loss for the period	43.0	17.0	(0.7)	59.3
Deferred tax movement	(14.5)	11.0	1.4	(2.1)
Balance at 31 March 2018	32.7	(57.8)	(5.3)	(30.4)
Gains / (losses) taken into reserves	34.5	0.7	(4.7)	30.5
Transfer to profit and loss for the period	(33.1)	50.9	5.8	23.6
Deferred tax movement	-	(9.8)	(0.2)	(10.0)
Balance at 31 March 2019	34.1	(16.0)	(4.4)	13.7

No movements on cash flow hedges were caused by hedge ineffectiveness.

Gains and losses on revaluation of derivatives designated as cash flow hedges, shown in the table above, have an equal and opposite impact on other comprehensive income. There were no reclassification adjustments other than the transfer of gains and losses from the cashflow hedging reserve into the profit and loss account.

(c) Maturity profile of financial assets and liabilities

The maturity profile of the carrying value of the Group's financial assets at the end of the year was as follows:

	Less than one year £m	Between one and two years £m	31 March 2019 Total £m	31 March 2018 Total Restated £m
Financial assets				
Derivative financial instruments	49.7	4.0	53.7	85.9
Liquid assets and receivables	1,261.8	-	1,261.8	1,022.8
Total financial assets	1,311.5	4.0	1,315.5	1,108.7
Financial liabilities				
Derivative financial instruments	54.0	16.3	70.3	48.4
Trade payables	54.1	-	54.1	41.3
Total financial liabilities	108.1	16.3	124.4	89.7

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. FINANCIAL INSTRUMENTS (continued)

(c) Maturity profile of financial assets and liabilities (continued)

	Period of maturity		Total £m
	Less than one year £m	Between one and two years £m	
Notional value of derivatives			
US dollar forward contracts	561.0	189.8	750.8
Euro forward contracts	1,327.1	443.5	1,770.6
Aviation fuel swaps	283.3	94.9	378.2
Carbon forward contracts	13.1	6.8	19.9
	2,184.5	735.0	2,919.5

(d) Interest rate risk

Financial assets - money market deposits & cash and cash equivalents:

Financial assets	31 March 2019			31 March 2018		
	Floating rate financial assets £m	Financial assets on which no interest is receivable £m	Total £m	Floating rate financial assets £m	Financial assets on which no interest is receivable £m	Total £m
Money market deposits & cash and cash equivalents:						
Sterling	522.0	27.3	549.3	657.4	73.9	731.3
US dollar	51.6	(2.2)	49.4	20.8	(13.6)	7.2
Euro	-	(9.7)	(9.7)	0.1	10.3	10.4
Other	-	1.1	1.1	0.1	0.3	0.4
Loans:						
To parent (Sterling)	623.9	-	623.9	231.9	-	231.9
	1,197.5	16.5	1,214.0	910.3	70.9	981.2

The floating rate financial assets comprise cash on deposit and intercompany loans at various market rates according to currency and term. Money market deposits comprise deposits with a maturity of more than three months at the point of placement.

Financial liabilities – borrowings:

Financial liabilities	31 March 2019			31 March 2018		
	Floating rate financial liabilities £m	Fixed rate financial liabilities £m	Total £m	Floating rate financial liabilities £m	Fixed rate financial liabilities £m	Total £m
Overdrafts:						
Sterling	1.4	-	1.4	1.0	-	1.0
	1.4	-	1.4	1.0	-	1.0

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. FINANCIAL INSTRUMENTS (continued)

(e) Currency exposure

Financial instruments that are not denominated in the functional currency of the operating unit involved expose the Group to a currency risk. The carrying value of the Group's financial instruments at 31 March, including derivative financial instruments, on which exchange differences would be recognised in the Consolidated Income Statement in the following year, were as follows:

	US dollar £m	Euro £m	Other £m	Total £m
31 March 2018	(4.0)	(40.8)	0.1	(44.7)
31 March 2019	<u>(16.5)</u>	<u>(72.4)</u>	<u>0.8</u>	<u>(88.1)</u>

(f) Sensitivity analysis

The following table shows the impact of currency translation exposures arising from monetary assets and liabilities of the Group that are not denominated in sterling, along with the impact of a reasonably possible change in fuel prices and interest rates, with all other variables held constant.

	31 March 2019		31 March 2018	
	Income statement	Other comprehensive income	Income statement	Other comprehensive income
10% increase in jet fuel prices	-	39.9	-	33.6
10% weakening in GBP vs USD	(1.8)	85.1	(0.4)	56.4
10% weakening in GBP vs EUR	(8.0)	190.7	(3.7)	148.1
10% decrease in jet fuel prices	-	(39.9)	-	(33.6)
10% strengthening in GBP vs USD	1.5	(69.6)	0.3	(46.1)
10% strengthening in GBP vs EUR	6.6	(156.1)	3.0	(121.1)

18. CAPITAL AND RESERVES

Share capital

	Allotted, called up and fully paid	
	2019	2018
	£m	£m
Ordinary shares of £1 each	<u>0.3</u>	<u>0.3</u>

Cash flow hedging reserve

The cash flow hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet matured.

Dividends

No dividends were recognised during the period (2018: £nil per ordinary share).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

19. SHARE BASED PAYMENTS

Details of the employee share schemes operated by Dart Group plc are disclosed in Note 25 of that company's financial statements. The amount charged in the consolidated results for the year, which is based on the Group's employees participating in the schemes, was £0.1m (2018: £0.1m).

20. CONTINGENT LIABILITIES

Various guarantees have been issued in the ordinary course of business, none of which are expected to lead to a financial gain or loss.

21. PENSION SCHEME

The Group operates a defined contribution pension scheme. The pension charge for the period represents contributions payable by the Group into the scheme and amounted to £14.2m (2018: £9.8m). There were no outstanding or prepaid contributions at either the current or previous year end.

OTHER FINANCIAL COMMITMENTS

Minimum future commitments under non-cancellable operating leases are as follows:

	2019 Land and Buildings £m	2019 Plant and Machinery £m	2018 Land and Buildings £m	2018 Plant and Machinery £m
Operating leases which expire:				
- within one year	4.7	127.9	4.8	99.9
- within two to five years	17.3	262.1	18.1	224.8
- over five years	17.9	3.2	22.3	1.8
	39.9	393.2	45.2	326.5

22. RELATED PARTY TRANSACTIONS

During the year, **Jet2.com** group companies entered into the following transactions with related parties who are not members of the group:

	2019 £m	2018 £m
Dart Group plc	45.0	41.4
Dart Leasing & Finance Limited	42.7	19.2
Jet2 Support Services (Spain) Limited	9.8	1.9
Total	97.5	62.5

The following amounts were outstanding at the balance sheet date:

	Amounts owed from related parties		Amounts owed to related parties	
	2019 £m	2018 £m	2019 £m	2018 £m
Dart Group plc	811.7	393.8	16.8	3.0
Dart Leasing & Finance Limited	16.5	5.3	-	-
Jet2 Support Services (Spain) Limited	7.1	2.3	4.2	0.5
Total	835.3	401.4	21.0	3.5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

23. RELATED PARTY TRANSACTIONS (continued)

The parent of the smallest and largest group of undertakings for which consolidated accounts are drawn up, and of which **Jet2.com** is a member, is Dart Group plc. Dart Group plc is registered in England and Wales and copies of its accounts can be obtained from Low Fare Finder House, Leeds Bradford International Airport, Leeds, LS19 7TU.

Dart Group plc is a related party of the group because it is the parent and the ultimate controlling party of **Jet2.com**. Dart Leasing & Finance Limited and Jet2 Support Services (Spain) Limited are related parties to **Jet2.com** because they share the same parent as **Jet2.com**, Dart Group plc.

Transactions made during the year between **Jet2.com** group companies and Dart Group plc were at arm's length and included rental payments for aircraft leased from Dart Group plc to **Jet2.com** and various recharges for shared costs between Dart Group plc and **Jet2.com** and **Jet2holidays**.

Transactions made during the year between **Jet2.com** group companies and Dart Leasing & Finance Limited were at arm's length and included rental payments for aircraft leased from Dart Leasing & Finance Limited to **Jet2.com**.

Transactions made during the year between **Jet2.com** group companies and Jet2 Support Services (Spain) Limited were at arm's length and included charges for leisure travel support services.

These amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of amounts owed by related parties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. RESTATEMENT OF PRIOR YEAR FINANCIAL STATEMENTS

The following tables summarise the restatement of previously reported consolidated financial statements.

Consolidated Income Statement for the year ended 31 March 2018

	Year ended 31 March 2018 £m As restated	Year ended 31 March 2018 £m IFRS 15 Adjustments	Year ended 31 March 2018 £m As originally reported
Revenue	2,211.4	(11.8)	2,223.2
Net operating expenses	(2,109.2)	7.4	(2,116.6)
Operating profit	102.2	(4.4)	106.6
Finance income	4.7	-	4.7
Finance expense	-	-	-
Net FX revaluation gains	(1.2)	-	(1.2)
Net financing income	3.5	-	3.5
Profit on disposal of property, plant and equipment	-	-	-
Profit before taxation	105.7	(4.4)	110.1
Taxation	(20.8)	0.8	(21.6)
Profit for the period	84.9	(3.6)	88.5
Total comprehensive income for the period	76.3	(3.6)	79.9

The impact of IFRS 15 is:

- to defer the recognition of certain non-ticket revenue streams to the date of departure rather than the date of booking, resulting in a reduction in revenue and an increase in deferred revenue;
- to apportion the revenue associated with Package Holidays over the duration of the holiday, where it was previously recognised on departure, resulting in a reduction in revenue and an increase in deferred revenue. The costs of a Package Holiday are also apportioned over the duration of the holiday, resulting in a reduction in net operating expenses and a decrease in accruals; and
- to offset a proportion of flight delay compensation payments made to customers, previously recorded wholly within net operating expenses, against revenue up to the full value of the ticket price, resulting in a reduction in revenue and a reduction in net operating expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. RESTATEMENT OF PRIOR YEAR FINANCIAL STATEMENTS (continued)

Consolidated Statement of Financial Position at 31 March 2018

	Year ended 31 March 2018 As restated £m	Year ended 31 March 2018 Accrued revenue Restatement (1) £m	Year ended 31 March 2018 IFRS 15 Adjustments £m	Year ended 31 March 2018 As originally reported £m
Non-current assets				
Property, plant and equipment	93.3	-	-	93.3
Derivative financial instruments	21.6	-	-	21.6
	114.9	-	-	114.9
Current assets				
Inventories	1.2	-	-	1.2
Trade and other receivables	615.3	(679.2)	-	1,294.5
Derivative financial instruments	64.3	-	-	64.3
Money market deposits	170.2	-	-	170.2
Cash and cash equivalents	579.1	-	-	579.1
	1,430.1	(679.2)	-	2,109.3
Total assets	1,545.0	(679.2)	-	2,224.2
Current liabilities -				
Trade and other payables	146.0	-	(12.4)	158.4
Deferred revenue	806.0	(675.4)	30.8	1,450.6
Borrowings	1.0	-	-	1.0
Provisions and liabilities	197.4	-	-	197.4
Derivative financial instruments	40.7	-	-	40.7
	1,191.1	(675.4)	18.4	1,848.1
Non-current liabilities				
Deferred revenue	1.3	(3.8)	-	5.1
Derivative financial instruments	7.7	-	-	7.7
Deferred taxation	3.2	-	(3.3)	6.5
	12.2	(3.8)	(3.3)	19.3
Total liabilities	1,203.3	(679.2)	15.1	1,867.4
Net assets	341.7	-	(15.1)	356.8
Shareholders' equity				
Share capital	0.3	-	-	0.3
Cash flow hedging reserve	30.4	-	-	30.4
Retained earnings	311.0	-	(15.1)	326.1
Total shareholders' equity	341.7	-	(15.1)	356.8

⁽¹⁾ In previous years, balance payments not yet due or invoiced for package holidays were recognised on booking within trade receivables, with a corresponding balance in deferred revenue. As these payments are not yet due, an adjustment has been made to remove the receivable for balance payments not yet due or invoiced and the associated entry in deferred revenue. This amended presentation is in line with standard industry practices.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. RESTATEMENT OF PRIOR YEAR FINANCIAL STATEMENTS (continued)

Consolidated Statement of Financial Position

at 31 March 2017

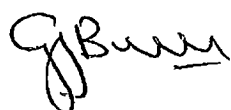
	Year ended 31 March 2017 As restated £m	Year ended 31 March 2017 Accrued revenue restatement £m	Year ended 31 March 2017 IFRS 15 Adjustments £m	Year ended 31 March 2017 As originally reported £m
Non-current assets				
Property, plant and equipment	79.8	-	-	79.8
Derivative financial instruments	9.3	-	-	9.3
	89.1	-	-	89.1
Current assets				
Inventories	0.7	-	-	0.7
Trade and other receivables	488.3	(501.4)	-	989.7
Derivative financial instruments	74.6	-	-	74.6
Money market deposits	135.1	-	-	135.1
Cash and cash equivalents	456.6	-	-	456.6
	1,155.3	(501.4)	-	1,656.7
Total assets	1,244.4	(501.4)	-	1,745.8
Current liabilities				
Trade and other payables	123.2	-	(6.6)	129.8
Deferred revenue	596.6	(500.3)	20.6	1,076.3
Borrowings	31.9	-	-	31.9
Provisions and liabilities	184.7	-	-	184.7
Derivative financial instruments	15.2	-	-	15.2
	951.6	(500.3)	14.0	1,437.9
Non-current liabilities				
Deferred revenue	0.6	(1.1)	-	1.7
Derivative financial instruments	20.6	-	-	20.6
Deferred taxation	6.3	-	(2.5)	8.8
	27.5	(1.1)	(2.5)	31.1
Total liabilities	979.1	(501.4)	11.5	1,469.0
Net assets	265.3	-	(11.5)	276.8
Shareholders' equity				
Share capital	0.3	-	-	0.3
Cash flow hedging reserve	39.0	-	-	39.0
Retained earnings	226.0	-	(11.5)	237.5
Total shareholders' equity	265.3	-	(11.5)	276.8

PARENT COMPANY BALANCE SHEET

at 31 March 2019

		2019	2018	2017
			Restated	Restated
	Note	£m	£m	£m
FIXED ASSETS				
Property, plant and equipment	5	120.9	91.3	79.0
Investments	4	26.5	26.5	26.5
		147.4	117.8	105.5
CURRENT ASSETS				
Stock	6	1.0	1.2	0.7
Debtors-of which falling due >1 year: £3.8m (2018: £21.4m)	7	1,040.1	807.0	660.8
Money market deposits	8	-	70.0	80.1
Cash and cash equivalents	8	335.7	310.7	211.1
		1,376.8	1,188.9	952.7
CREDITORS: amounts falling due within one year	9	(896.6)	(807.3)	(636.7)
NET CURRENT ASSETS		480.2	381.6	316.0
TOTAL ASSETS LESS CURRENT LIABILITIES		627.6	499.4	421.5
CREDITORS: amounts falling due after more than one year				
Other creditors	10	(12.7)	(7.0)	(15.1)
Provisions and liabilities	11	(207.1)	(186.0)	(176.5)
Deferred taxation	12	(5.3)	(5.0)	(4.6)
NET ASSETS		402.5	301.4	225.3
SHAREHOLDER'S EQUITY				
Share capital	13	0.3	0.3	0.3
Cash flow hedging reserve	13	26.1	36.7	31.2
Profit and loss account		376.1	264.4	193.8
TOTAL SHAREHOLDER'S EQUITY		402.5	301.4	225.3

The accounts on pages 51 to 60 were approved by the Board of Directors at a meeting held on 22 August 2019 and were signed on its behalf by:



Gary Brown

Director

Jet2.com Limited

Registered No. 02739537

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2019

	Share capital	Cash flow hedging reserve	Profit and loss account	Total shareholder's equity
	£m	£m	£m	£m
Balance at 31 March 2017 – as originally reported	0.3	31.2	203.6	235.1
Effect of transition to IFRS 15	-	-	(9.9)	(9.9)
Balance at 31 March 2017- as restated	0.3	31.2	193.7	225.2
Total comprehensive income	-	5.5	70.6	76.1
Share based payment charge	-	-	0.1	0.1
Balance at 31 March 2018	0.3	36.7	264.4	301.4
Total comprehensive income	-	(10.6)	111.6	101.0
Share based payment charge	-	-	0.1	0.1
Balance at 31 March 2019	0.3	26.1	376.1	402.5

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The separate financial statements of the Company are presented as required by the Companies Act 2006. The Company meets the definition of a qualifying entity under FRS 100 *Application of Financial Reporting Requirements* issued by the Financial Reporting Council and has adopted FRS 101 *Reduced Disclosure Framework*, accordingly.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital and property, plant and equipment;
- transactions with wholly owned subsidiaries;
- capital management;
- the effects of new but not yet effective IFRS; and
- compensation of key management personnel.

As the consolidated financial statements include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 *Share Based Payment* in respect of Group settled share based payments; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instruments: Disclosures*.

The Company proposes to continue to adopt the reduced disclosure framework of FRS101 in relation to future financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

2. ACCOUNTING POLICIES

The following accounting policies have been applied in dealing with items which are considered material in relation to the Company's financial statements. Except as noted below, the Company has applied accounting policies which are consistent with those employed in the consolidated financial statements as detailed in Note 1 to the consolidated financial statements.

Investments

Investments are recorded at cost, less provision for impairment in value where appropriate.

3. PROFIT OF THE PARENT COMPANY

The Company has taken advantage of the provisions of section 408 of the Companies Act 2006 and has elected to not publish its own profit and loss account for the year. Of the £127.9m profit after taxation declared in the Consolidated Income Statement on page 20, £111.6m (2018: £70.6m) is provided by the Parent Company, **Jet2.com** Limited.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)

4. INVESTMENTS

	Investments in subsidiary companies £m
Cost:	
At 31 March 2018 and 31 March 2019	26.5
Provision for diminution in value:	
At 31 March 2018 and 31 March 2019	-
Net book value as at 31 March 2018 and 31 March 2019	26.5

Details of principal subsidiaries:

Company name	Country of Incorporation	% holding	Class	Number	Activity
Jet2holidays Limited	United Kingdom	100	Ordinary	26,500,000	Package holidays
Jet2 Transport Services Limited*	United Kingdom	100	Ordinary	2,000	Transport services
Jet2 Support Services (Cyprus) Limited	Cyprus	100	Ordinary	1	Leisure travel services
Jet2 Support Services (Malta) Limited	Malta	100	Ordinary	1,165	Leisure travel services

* Owned via shareholding in Jet2holidays Limited.

With the exception of Jet2 Support Services (Cyprus) Limited, all of the above subsidiaries share the same registered address as Jet2.com Limited, which is provided on page 2. Jet2 Support Services (Cyprus) Limited's registered address is as follows:

Jet2 Support Services (Cyprus) Limited	Jet2 Support Services (Malta) Limited
21 Vasili Michailidi	85 St. John Street
3026 Limassol	Valletta
Cyprus	VLT 1165
	Malta

On 19 January 2019, Jet2 Support Services (Malta) Limited was incorporated and domiciled in Malta.

5. PROPERTY, PLANT AND EQUIPMENT

	Land & Buildings	Aircraft related assets	Plant, vehicles and equipment	Total
	£m	£m	£m	£m
Cost:				
At 31 March 2018	20.4	77.7	67.3	165.4
Additions	3.5	29.4	17.3	50.2
Disposals	-	-	(0.2)	(0.2)
At 31 March 2019	23.9	107.1	84.4	215.4
Depreciation:				
At 31 March 2018	(4.9)	(29.0)	(40.2)	(74.1)
Charged during the year	(1.4)	(11.3)	(7.9)	(20.6)
Disposals	-	-	0.2	0.2
At 31 March 2019	(6.3)	(40.3)	(47.9)	(94.5)
Net book value at 31 March 2019	17.6	66.8	36.5	120.9
Net book value at 31 March 2018	15.5	48.7	27.1	91.3

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)

6. STOCK

	2019	2018
	£m	£m
Goods for re-sale	<u>1.0</u>	<u>1.2</u>

Stock is accounted for on a FIFO basis and stated at the lower of cost and net realisable value. Net realisable value is the estimated resale value. Aircraft spares, held for long-term use, are classified within property, plant and equipment.

7. DEBTORS

	2019	2018
	£m	£m
		Restated
Trade debtors	5.6	3.0
Amounts due from Parent Company	549.0	342.3
Amounts due from Group undertakings	413.0	367.9
Other debtors and prepayments	19.4	14.2
Derivative financial instruments – £3.8m due after > 1 year (2018: £21.4m)	53.1	79.6
	<u>1,040.1</u>	<u>807.0</u>

Included within Amounts due from Parent Company are leased aircraft maintenance security deposits repayable to the Company of £185.2m (2018: £160.0m).

8. CASH AND CASH EQUIVALENTS (including money market deposits)

	2019	2018
	£m	£m
Free cash	335.3	267.2
Money market deposits	-	70.0
Total free cash	<u>335.3</u>	<u>337.2</u>
Bonds and guarantees	0.4	2.9
Merchant acquirer cash	-	40.6
Total restricted cash	<u>0.4</u>	<u>43.5</u>
Total cash and cash equivalents (including money market deposits)	<u>335.7</u>	<u>380.7</u>

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)

9. CREDITORS: amounts falling due within one year

	2019 £m	2018 £m Restated
Trade creditors	19.8	14.0
Taxation and social security costs	23.0	20.0
Amounts owed to group undertakings	15.3	28.8
Other creditors and accruals	79.8	53.6
Derivative financial instruments	15.1	29.6
Deferred revenue	743.6	661.3
	<u>896.6</u>	<u>807.3</u>

10. CREDITORS: amounts falling due after more than one year

	2019 £m	2018 £m Restated
Deferred revenue	6.9	2.3
Derivative financial instruments	5.8	4.7
	<u>12.7</u>	<u>7.0</u>

11. PROVISIONS AND LIABILITIES

	Maintenance		Customer Compensation Claims		Total	
	2019 £m	2018 £m	2019 £m	2018 £m	2019 £m	2018 £m
Opening at 1 April	173.3	162.0	12.7	14.5	186.0	176.5
Provision in the year	115.1	53.1	13.2	7.2	128.3	60.3
Utilised	(95.3)	(41.8)	(11.0)	(6.3)	(106.3)	(48.1)
Released unused	-	-	(0.9)	(2.7)	(0.9)	(2.7)
Closing at 31 March	<u>193.1</u>	<u>173.3</u>	<u>14.0</u>	<u>12.7</u>	<u>207.1</u>	<u>186.0</u>

Maintenance provisions relate entirely to the Company's obligation to maintain leased aircraft in accordance with the aircraft manufacturer's published maintenance programmes during the lease term, and to ensure that aircraft are returned to the lessor in accordance with its contractual requirements.

Customer compensation claims provisions and liabilities relate to possible passenger claims for historical flight delays under Regulation (EC) No 261/2004. The main assumptions underlying the possible passenger claims for flight delays are the number of valid claims received and which may be received and the amount at which those claims may be settled. The majority of cash outflows connected with these provisions are expected to occur within three years of the balance sheet date.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)

12. DEFERRED TAXATION

	2019 £m	2018 £m Restated
<i>Deferred taxation arising from:</i>		
Opening balance at 1 April- as originally reported	(5.0)	(6.9)
Effect of transition to IFRS 15	-	2.3
Opening balance at 1 April- as restated	(5.0)	(4.6)
Charged to income statement	(2.7)	0.9
Credit taken directly to equity	2.4	(1.3)
Closing at 31 March	(5.3)	(5.0)

There are no unrecognised deferred taxation balances at 31 March 2019 (2018: £nil).

	Accelerated capital allowances £m	Financial instruments £m	Other £m	Total £m
Deferred tax liabilities				
At 31 March 2017 – as originally reported	0.2	(7.3)	0.2	(6.9)
Effect of transition to IFRS 15	-	-	2.3	2.3
At 31 March 2017 – as restated	0.2	(7.3)	2.5	(4.6)
Charge / (credit) to income statement	0.2	-	0.7	0.9
Credit to equity	-	(1.3)	-	(1.3)
At 31 March 2018 – as restated	0.4	(8.6)	3.2	(5.0)
Charge to income statement	0.1	-	(2.8)	(2.7)
Credit to equity	-	2.4	-	2.4
At 31 March 2019	0.5	(6.2)	0.4	(5.3)

13. SHARE CAPITAL AND RESERVES

	2019 £m	2018 £m
<i>Allotted, called up and fully paid:</i>		
250,000 ordinary shares of £1 each	0.3	0.3

Cash flow hedging reserve

The cash flow hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet matured.

14. CONTINGENT LIABILITIES

Various guarantees have been issued in the ordinary course of business, none of which are expected to lead to a financial gain or loss.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)

15. OTHER FINANCIAL COMMITMENTS

Minimum future commitments under non-cancellable operating leases are as follows:

	2019	2019	2018	2018
	Land and	Plant and	Land and	Plant and
	Buildings	Machinery	Buildings	Machinery
	£m	£m	£m	£m
Operating leases which expire:				
- within one year	4.7	127.9	4.8	99.9
- within two to five years	17.3	262.1	18.1	224.8
- over five years	17.9	3.2	22.3	1.8
	39.9	393.2	45.2	326.5

16. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption granted by paragraph 8(k) of FRS 101, not to disclose transactions and balances with other Dart Group plc entities that are wholly owned by a member of the Group.

17. ULTIMATE PARENT UNDERTAKING

The parent of the smallest and largest group of undertakings for which consolidated accounts are drawn up, and of which the Company is a member, is Dart Group plc. Dart Group plc is registered in England and Wales and copies of its accounts can be obtained from Low Fare Finder House, Leeds Bradford International Airport, Leeds, LS19 7TU.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)

18. Restatement of prior year financial statements

Statement of Financial Position

at 31 March 2018

	Year ended 31 March 2018 As restated £m	Year ended 31 March 2018 IFRS 15 Adjustments £m	Year ended 31 March 2018 As originally reported £m
Non-current assets			
Property, plant and equipment	91.3	-	91.3
Investments	26.5	-	26.5
	117.8	-	117.8
Current assets			
Stock	1.2	-	1.2
Trade and other receivables	807.0	-	807.0
Money market deposits	70.0	-	70.0
Cash and cash equivalents	310.7	-	310.7
	1,188.9	-	1,188.9
Creditors: amounts falling due within one year	(807.3)	(15.7)	(791.6)
Net current assets	381.6	(15.6)	397.3
Total assets less current liabilities	499.4	(15.6)	515.1
Creditors: amounts falling due after more than one year			
Other Creditors	(7.0)	-	(7.0)
Provisions and liabilities	(186.0)	-	(186.0)
Deferred taxation	(5.0)	3.0	(8.0)
Net assets	301.4	(12.7)	314.1
Shareholders' equity			
Share capital	0.3	-	0.3
Cash flow hedging reserve	36.7	-	36.7
Retained earnings	264.4	(12.7)	277.1
Total shareholders' equity	301.4	(12.7)	314.1

- ⁽¹⁾ In previous years, balance payments not yet due or invoiced for package holidays were recognised on booking within trade receivables, with a corresponding balance in deferred revenue. As these payments are not yet due, an adjustment has been made to remove the receivable for balance payments not yet due or invoiced and the associated entry in deferred revenue. This amended presentation is in line with standard industry practices.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)

18. Restatement of prior year financial statements (continued)

Statement of Financial Position

at 31 March 2017

	Year ended 31 March 2017	Year ended 31 March 2017	Year ended 31 March 2017
	As restated	IFRS 15 Adjustments	As originally reported
	£m	£m	£m
Non-current assets			
Property, plant and equipment	79.0	-	79.0
Investments	26.5	-	26.5
	105.5	-	105.5
Current assets			
Stock	0.7	-	0.7
Trade and other receivables	660.8	-	660.8
Money market deposits	80.1	-	80.1
Cash and cash equivalents	211.1	-	211.1
	952.7	-	952.7
Creditors: amounts falling due within one year	(636.7)	(12.1)	(624.6)
Net current assets	316.0	(12.1)	328.1
Total assets less current liabilities	421.5	(12.1)	433.6
Creditors: amounts falling due after more than one year			
Other Creditors	(15.1)	-	(15.1)
Provisions and liabilities	(176.5)	-	(176.5)
Deferred taxation	(4.6)	2.3	(6.9)
Net assets	225.3	(9.8)	235.1
Shareholders' equity			
Share capital	0.3	-	0.3
Cash flow hedging reserve	31.2	-	31.2
Retained earnings	193.8	(9.8)	203.6
Total shareholders' equity	225.3	(9.8)	235.1

GLOSSARY OF TERMS

ATOL	Air Travel Organiser's License.
Average Package Holiday Price	Total package holiday price paid by the customer excluding discretionary non-ticket revenue, divided by the number of package holiday customers departing in that period.
Capacity	See Sector Seats Available below.
ETIAS	The European Travel Information and Authorisation System is the European Commission's proposed new visa scheme, which could apply to non-EU citizens, including UK citizens, post-Brexit.
Load Factor	The percentage relationship of Passenger Sectors Flown to Sector Seats Available.
Flight-only Net Ticket Yield	Flight-only ticket revenue, excluding taxes, divided by the number of Passenger Sectors Flown.
Non-ticket Revenue	All discretionary non-ticket revenue, including hold baggage charges, extra legroom fees, in-flight sales and commissions earned on car hire and insurance bookings.
Passenger Sectors Flown	Number of passengers flown on a sector (or single leg journey), including no shows.
Sector	A single leg flight journey.
Sector Seats Available	Total number of seats available according to the Leisure Travel scheduled flying programme (also known as Capacity).