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easyJet Sterling Limited

Financial Statements Year ended 30 September 2017

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easyJet Sterling Limited
Financial Statements
Year ended 30 September 2017

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easyJet Sterling Limited

Financial Statements

Year ended 30 September 2017

Statement of Directors' responsibilities

The Directors are responsible for preparing the non-statutory financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union for management purposes. The Directors must not approve the non-statutory financial statements unless they are satisfied that they have been properly prepared, in all material respects, in accordance with the basis of preparation and accounting policies in note 1 to the non-statutory financial statements. In preparing these non-statutory financial statements, the Directors have

- selected suitable accounting policies and then applied them consistently;
- made judgements and accounting estimates that are reasonable and prudent;
- stated the basis of preparation and accounting policies applied; and
- prepared the non-statutory financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The Directors who held office during the year and up to the date of this report are as follows:

Carolyn McCall DBE (resigned 30 November 2017)

Andrew Findlay

Margaret Christine Browne OBE (appointed 30 November 2017)

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Income statement

	Note	2017 £ 000	2016 £ 000
Revenue		9,485	10,807
Other operating income and expense		12,166	15,100
Earnings before interest, tax and depreciation		21,651	25,907
Depreciation	7	(7,776)	(5,641)
Operating profit		13,875	20,266
Interest receivable and other financing income		44	241
Interest payable and other financing charges		(596)	(6,091)
Net finance charges	5	(552)	(5,850)
Profit before tax	2	13,323	14,416
Tax charge	6	(2,823)	(2,688)
Profit and Total Comprehensive Income for the year		10,500	11,728

All results relate to continuing operations.

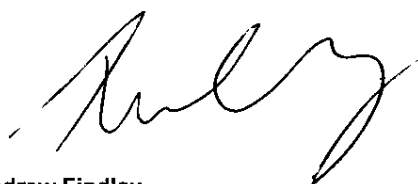
There is no recognised 'Other comprehensive income' in either year other than those set out above. Accordingly, no statement of comprehensive income is presented.

easyJet Sterling Limited
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Statement of financial position

	Note	2017 £ 000	2016 £ 000
Non-current assets			
Property, plant and equipment	7	78,313	84,916
		78,313	84,916
Current assets			
Trade and other receivables	8	10,978	5,804
		10,978	5,804
Current liabilities			
Trade and other payables	9	(1,634)	(1,617)
Current tax liabilities		(3,108)	(3,037)
Accruals and deferred income		(3,290)	(12,131)
		(8,032)	(16,785)
Net current assets/(liabilities)		2,946	(10,981)
Non-current liabilities			
Accruals and deferred income		(4,097)	(6,988)
Deferred tax liabilities	6	(7,355)	(7,640)
		(11,452)	(14,628)
Net assets		69,807	59,307
Shareholders' equity			
Share capital	10	-	-
Retained earnings		69,807	59,307
Total equity		69,807	59,307

The financial statements on pages 2 to 14 were approved by the Board of Directors and authorised for issue on 27 February 2018 and signed on behalf of the Board.



Andrew Findlay
Director

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Statement of changes in equity

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 October 2016	-	59,307	59,307
Total comprehensive income	-	10,500	10,500
At 30 September 2017	-	69,807	69,807

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 October 2015	-	47,579	47,579
Total comprehensive income	-	11,728	11,728
At 30 September 2016	-	59,307	59,307

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Statement of cash flows

	Note	2017 £ 000	2016 £ 000
Cash flows from operating activities			
Cash generated from operations	11	(11,839)	-
Interest received		1	-
Interest paid		(41)	-
Tax paid		(1)	-
Net cash generated from operating activities		(11,880)	-
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		11,880	-
Net cash used by investing activities		11,880	-
Cash and cash equivalents at beginning and end of year			
		-	-

Amounts are paid for the purchase of property, plant and equipment and tax by easyJet Airline Company Limited, a fellow group undertaking. The payables for these and intercompany interest are settled through the inter-company account.

easyJet Sterling Limited

Year ended 30 September 2017

Notes to the financial statements

1 Significant accounting policies

Statement of compliance

The registered office of the Company is FCM Limited, Governors' Square, West Bay Road #1-205, P.O.Box 1982 Grand Cayman, KY1-1104, Cayman Islands and its company number is 145457. The Company's overseas company number registered at Companies House is FC028896.

The principal activity of the Company is aircraft trading and leasing.

The Company is incorporated in the Cayman Islands. Its financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, taking into account IFRS Interpretations Committee (IFRSIC) interpretations.

Basis of preparation

These financial statements are prepared based on the historical cost convention except for derivative financial instruments that are measured at fair value.

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

The Company trades exclusively with other companies within the easyJet Group and, consequently, there is limited risk to future revenues. On the basis of their assessment of the Company's financial position and of the enquiries made of the Directors of easyJet plc, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Significant judgements and estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on the Directors' best knowledge of the amount, events or actions may mean that actual results ultimately differ from those estimates, and these differences may be material. No significant judgements or estimates have been made in preparing these financial statements.

Foreign currencies

The financial statements are presented in sterling, rounded to the nearest thousand, which is the Company's functional currency. Transactions arising in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling using the rate of exchange ruling at the date of the statement of financial position and the gains or losses on translation are included in the income statement. Non-monetary assets and liabilities denominated in foreign currencies are translated into sterling at foreign exchange rates ruling at the dates the transactions were effected.

Revenue recognition

Revenues represent amounts (excluding value added tax) derived from the rental of aircraft to other group companies. Revenue is recognised on the date that the right to receive consideration occurs.

Other operating income

Other operating income represents lease revenue recognised from the leasing of aircraft to other easyJet entities. Lease income is recognised on a straight line basis over the lease term.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation. Depreciation is calculated to write off the cost, less estimated residual value, of assets, on a straight line basis over their expected useful lives. Expected useful lives are reviewed annually.

	Expected useful life
Aircraft	23 years
Aircraft – prepaid maintenance	7-10 years

Residual values, where applicable, are reviewed annually against prevailing market rates at the end of the reporting period for equivalently aged assets and depreciation rates are adjusted accordingly on a prospective basis. The carrying value is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. For aircraft, the Company is dependent on Airbus as its sole supplier. This gives rise to a valuation risk which crystallises when aircraft exit the fleet, where the Company is reliant on the future demand for second-hand aircraft.

An element of the cost of a new aircraft is attributed on acquisition to prepaid maintenance and is depreciated over a period ranging from seven to ten years from the date of manufacture. Subsequent costs incurred which lend enhancement to future periods, such as long-term scheduled maintenance and major overhauls of aircraft and engines, are capitalised and depreciated over the length of the period benefiting from these enhancements. All other maintenance costs are charged to the income statement as incurred.

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Notes to the financial statements

1 Significant accounting policies (continued)

Pre-delivery and option payments made in respect of aircraft are recorded in property, plant and equipment at cost. These amounts are not depreciated. Interest attributed to pre-delivery and option payments made in respect of aircraft and other qualifying assets under construction are capitalised and added to the cost of the asset concerned.

Gains and losses on disposals are determined by comparing the net proceeds with the carrying amount and are recognised in the income statement.

Impairment of non-current assets

An impairment loss is recognised to the extent that the carrying value exceeds the higher of the asset's fair value less cost to sell and its value in use. Impairment losses recognised on assets are only reversed where changes in the estimates used result in an increase in recoverable amount.

Financial instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and derecognised when it ceases to be a party to such provisions.

Where market values are not available, the fair value of financial instruments is calculated by discounting cash flows at prevailing interest rates and by applying year end exchange rates.

Non-derivative financial assets

Non-derivative financial assets are recorded at amortised cost and include trade receivables and cash and cash equivalents and money market deposits.

Cash and cash equivalents comprise cash held in bank accounts with no access restrictions and bank or money market deposits repayable on demand or maturing within three months of inception. Interest income on cash and money market deposits is recognised using the effective interest method. Restricted cash comprises cash deposits which have restrictions governing their use and is classified as a current or non-current asset based on the estimated remaining length of the restriction.

Impairment losses are recognised on financial assets carried at amortised cost where there is objective evidence that an impairment loss has been incurred. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of future cash flows, discounted at the original effective interest rate.

If, subsequently, the amount of the impairment loss decreases, and the decrease can be related objectively to an event that occurred after the impairment was recognised, the appropriate portion of the loss is reversed. Both impairment losses and reversals are recognised in the income statement as components of net finance income/charges.

Non-derivative financial liabilities

Non-derivative financial liabilities are initially recorded at fair value less directly attributable transaction costs, and subsequently at amortised cost and include trade and other payables. Interest expense on borrowings is recognised using the effective interest method.

Tax

Tax expense in the income statement consists of current and deferred tax. Tax is recognised in the income statement except when it relates to items credited or charged directly to other comprehensive income or shareholders' equity. The charge for current tax is based on the results for the year as adjusted for income that is exempt and expenses that are not deductible using tax rates that are applicable to the taxable income.

Deferred tax is provided in full on temporary differences relating to the carrying amount of assets and liabilities, where it is probable that the recovery or settlement will result in an obligation to pay more, or a right to pay less, tax in the future, except where the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable income nor accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the periods in which recovery of assets and settlement of liabilities are expected to take place, based on tax rates or laws enacted or substantively enacted at the date of the statement of financial position.

Deferred tax assets represent amounts recoverable in future periods in respect of deductible temporary differences, losses and tax credits carried forwards. Deferred tax assets are recognised to the extent that it is probable that there will be suitable taxable profits from which they can be deducted.

Deferred tax liabilities represent the amount of income taxes payable in future periods in respect of taxable temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and it is the intention to settle these on a net basis.

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Notes to the financial statements

1 Significant accounting policies (continued)

Deferred income

Where aircraft are owned by the Company and leased to other entities within the easyJet group, the cost of aircraft maintenance to be incurred by the Company during maintenance shop visits is accrued (based on flying hours and cycles flown) and is presented as deferred income in the statement of financial position. Deferred income is released and revenue recognised on completion of the shop visit.

Prior year comparative balances have been represented to better reflect the estimate of when deferred income will be recognised as other income in the income statement.

Share capital and dividend

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividend distributions to the Company's shareholders are recognised as a liability in the period in which the dividends are approved by the Company's shareholders.

New and revised standards and interpretations not applied

There were no new standards or interpretations/amendments to standards applied during the year ended 30 September 2017 which impacted the financial statements.

The following new or revised standards and interpretations issued by the International Accounting Standards Board (IASB) have not been applied in preparing these financial statements as their effective dates fall in periods beginning after 1 October 2017 (and in some cases have not been endorsed by the EU).

IFRS 15 'Revenue from Contracts with Customers' – effective for the year ending 30 September 2019

The Company will adopt IFRS 15 on 1 October 2018 and anticipates applying the cumulative catch-up ("modified") transition method. The standard provides a single model for measuring and recognising revenue arising from contracts with customers. It supersedes all existing revenue requirements in IFRS. Under IFRS 15, revenue is recognised when customers obtain control of goods or services and so are able to direct the use, and obtain the benefits, of those goods or services.

The Company has reviewed all revenue streams as part of its IFRS 15 impact assessment; the anticipated full year impact on adoption of the standard is expected to be immaterial.

IFRS 9 'Financial Instruments' – effective for the year ending 30 September 2019

The Company will adopt IFRS 9 on 1 October 2018 and anticipates applying the standard prospectively with no retrospective adjustments required. The standard removes the multiple classification and measurement models for financial assets required by IAS 39 and instead introduces a model that has three classification categories: amortised cost; fair value through the Income Statement and fair value through Other Comprehensive Income. Classification of a debt asset instrument is driven by its cash flow characteristics and the business model in which the asset is held. Accounting for financial liabilities and for derecognising financial instruments under IFRS 9 is materially consistent with that required by IAS 39. IFRS 9 adds new requirements to address the impairment of financial assets and hedge accounting.

The Company does not anticipate any material change in the classification or measurement of its financial instruments or in its hedging activities on adoption of the standard.

IFRS 16 'Leases' – effective for the year ending 30 September 2020

The Company is currently planning to early adopt IFRS 16 on 1 October 2018, bringing the timing of adoption in line with that of IFRS 9 and IFRS 15. The Company anticipates applying the cumulative catch-up ("modified") transition method. The standard provides a single lessee accounting model, specifying how leases are recognised, measured, presented and disclosed.

Under IFRS 16, the Company will capitalise all aircraft and properties currently held under operating leases. Operating lease expenses will be replaced by a depreciation expense on Right of Use assets recognised and an interest expense as the interest rate implicit in easyJet's lease liabilities unwinds.

The Company is currently evaluating the expected quantitative impact of adoption of the standard.

Effective for the year ending 30 September 2018 (not yet EU endorsed)

IAS 7 'Statement of Cash flows' – Amendments relating to the IASB's Disclosure Initiative intended to provide information to help investors better understand changes in a company's debt.

IAS 12 'Income Taxes' – Amendments relating to the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value.

Effective for the year ending 30 September 2019 (not yet EU endorsed)

IFRS 2 'Share-based Payment' – Amendments clarifying how to account for certain types of share-based payment transactions.

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Notes to the financial statements

2 Profit before tax

The following have been included in arriving at profit before tax:

	2017	2016
	£ 000	£ 000
Depreciation of property, plant and equipment	7,776	5,641
Loss on disposal of property, plant and equipment	7	-

Auditors' remuneration for the years ended 30 September 2017 and 2016 has been borne by another easyJet group company.

3 Directors' remuneration

None of the Directors received any remuneration in respect of their services to the Company (2016: £nil). The services provided by the Directors to the Company were of negligible value compared to their service provided to easyJet Group.

4 Employees

The Company employed no staff in the current or the prior year.

5 Net finance charges

	2017	2016
	£ 000	£ 000
Interest receivable and other financing income		
Interest receivable from group undertakings	(44)	(241)
	(44)	(241)
Interest payable and other financing charges		
Interest payable to group undertakings	20	23
Net exchange losses on monetary assets and liabilities	576	6,068
	596	6,091
Net finance charges	552	5,850

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Notes to the financial statements

6 Tax charge

a) Tax on profit on ordinary activities:

	2017 £ 000	2016 £ 000
Current tax		
United Kingdom corporation tax	3,108	3,036
	3,108	3,036
Deferred tax		
Temporary differences relating to property, plant and equipment	(509)	(153)
Prior year adjustments	159	1,153
Change in tax rate	65	(1,348)
	(285)	(348)
	2,823	2,688

b) Reconciliation of the total tax charge

The tax for the year is higher (2016: lower) than the standard rate of corporation tax in the UK as set out below

	2017 £ 000	2016 £ 000
Profit on ordinary activities before tax	13,323	14,416
Tax charge at 19.5% (2016: 20%)	2,598	2,883
Expenses not deductible for tax purposes	1	-
Adjustments in respect of prior periods - deferred tax	159	1,153
Change in tax rate from financial year 2020 to 17%	65	(1,348)
	2,823	2,688

c) Deferred tax

The deferred tax liability included in the statement of financial position is as follows:

	Accelerated capital allowances £ 000
At 1 October 2016	7,640
Credited to the income statement	(285)
At 30 September 2017	7,355
	Accelerated capital allowances £ 000
At 1 October 2015	7,988
Credited to the income statement	(348)
At 30 September 2016	7,640

Although the Company is Cayman Islands incorporated, it has always been, and continues to be, UK tax resident.

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7 Property, plant and equipment

	Aircraft £ 000
Cost	
At 1 October 2016	121,126
Additions	13,060
Disposals	(20,310)
At 30 September 2017	113,876
Depreciation	
At 1 October 2016	36,210
Charge for the year	7,776
Disposals	(8,423)
At 30 September 2017	35,563
Net book value	
At 30 September 2017	78,313
At 1 October 2016	84,916

	Aircraft £ 000
Cost	
At 1 October 2015	104,937
Additions	18,607
Disposals	(2,418)
At 30 September 2016	121,126
Depreciation	
At 1 October 2015	32,987
Charge for the year	5,641
Disposals	(2,418)
At 30 September 2016	36,210
Net book value	
At 30 September 2016	84,916
At 1 October 2015	71,950

8 Trade and other receivables

	2017 £ 000	2016 £ 000
Amounts owed by group undertakings (note 15)	10,978	5,804

Credit risk with respect to trade and other receivables is limited and default is unlikely as balances are due from other group companies.

Transactions with group undertakings are carried out on an arm's length basis. Outstanding balances are placed on intercompany accounts with no specified credit period, are unsecured and bear market rates of interest.

9 Trade and other payables

	2017 £ 000	2016 £ 000
Amounts owed to group undertakings (note 15)	1,634	1,617

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10 Share capital

	Number		Nominal value (£)	
	2017	2016	2017	2016
Authorised				
Ordinary shares of £1 each	20,000	20,000	20,000	20,000
Allotted, called up and fully paid				
Ordinary shares of £1 each	2	2	2	2

11 Reconciliation of operating profit to cash generated from operations

	2017	2016
	£ 000	£ 000
Operating profit	13,875	20,266
Adjustments for:		
Depreciation	7,776	5,641
Loss on disposals	7	-
Changes in working capital:		
(Increase)/decrease in trade and other receivables	(8,167)	7,392
Decrease in trade and other payables	(13,549)	(20,613)
Decrease in other non-current liabilities	(11,781)	(12,686)
	(11,839)	-

12 Financial instruments

Carrying value and fair value of financial assets and financial liabilities

The fair values of financial assets and liabilities, together with the carrying value at each reporting date are as follows:

At 30 September 2017

	Amortised cost		Carrying value	Fair value
	Loans and receivables	Financial liabilities		
	£ 000	£ 000	£ 000	£ 000
Trade and other receivables	10,978	-	10,978	10,978
Trade and other payables	-	(1,634)	(1,634)	(1,634)

At 30 September 2016

	Amortised cost		Carrying value	Fair value
	Loans and receivables	Financial liabilities		
	£ 000	£ 000	£ 000	£ 000
Trade and other receivables	5,804	-	5,804	5,804
Trade and other payables	-	(1,617)	(1,617)	(1,617)

For the financial instruments for which fair value is disclosed in the tables above, the fair value is classified as level 2 of the IFRS13 'Fair Value Measurement' fair value hierarchy. Level 2 is defined as being the fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) and which are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is classified as level 2.

Fair value calculation methodology

Where carrying value does not equal fair value, the fair value has been estimated by discounting cash flows at prevailing interest rates and by applying year end exchange rates. For all other financial instruments fair value approximates to carrying value.

easyJet Sterling Limited

Year ended 30 September 2017

Notes to the financial statements

13 Financial risk and capital management

The Company is exposed to financial risks including fluctuations in exchange rates, jet fuel prices and interest rates. These risks are managed at Group level using the policies described in easyJet plc's Annual report and accounts for the year ended 30 September 2017.

The Company is exposed to fluctuations in exchange rates (US dollar) and interest rates. easyJet manages its exchange rate and interest rate exposure at group level using the policies described in easyJet plc's Annual report and accounts for the year ended 30 September 2017. No company-specific risk management activities are carried out.

Financial instruments affected by market risks include trade and other payables and trade and other receivables. The following analysis illustrates the sensitivity of such financial instruments to changes in relevant foreign exchange and interest rates. It should be noted that the sensitivity analysis reflects the impact on profit or loss after tax for the year and other comprehensive income on financial instruments held at the reporting date. It does not reflect changes in revenue or costs that may result from changing currency rates or interest rates. Each sensitivity is calculated based on all other variables remaining constant. The analysis is considered representative of the Company's exposure over the 12 month period.

The sensitivity analysis is based on the Company's financial assets and liabilities and financial instruments held as at 30 September 2017.

The currency exchange rate analysis assumes a +/-10% change in US dollar and Euro exchange rates.

The interest rate analysis assumes a 1% increase in interest rates over the next 12 months

Sensitivities are calculated based on a reasonably possible change in the rate applied to the value of financial instruments held at each statement of financial position date.

At 30 September 2017

	Currency rates				Interest rates 1% increase £000
	US dollar	US dollar	Euro	Euro	
	10%	-10%	10%	-10%	
	£000	£000	£000	£000	
Income statement impact: (loss)/gain	(1,900)	1,600	(500)	400	-

At 30 September 2016

	Currency rates				Interest rates 1% increase £000
	US dollar	US dollar	Euro	Euro	
	10%	-10%	10%	-10%	
	£000	£000	£000	£000	
Income statement impact: (loss)/gain	(1,475)	1,207	(353)	289	33

The impact of a 1% increase in interest rates is disclosed above. A corresponding decrease in the interest rate results in an equal and opposite impact on the income statement in both reporting periods.

easyJet manages its capital structure at group level using the policies described in easyJet plc's Annual report and accounts for the year ended 30 September 2017. No company-specific capital management activities are carried out.

Liquidity risk is managed at a group level using the policies described in easyJet plc's Annual report and accounts for the year ended 30 September 2017. The maturity profile of the Company's financial liabilities based on the remaining contractual maturities is set out below. The analysis represents undiscounted gross anticipated future cashflows.

At 30 September 2017

	Within 1 year £000	1-2 years £000	2 - 5 years £000	Over 5 years £000
Trade and other payables	1,634	-	-	-
Accruals and deferred income	3,290	4,097	-	-

At 30 September 2016

	Within 1 year £000	1-2 years £000	2 - 5 years £000	Over 5 years £000
Trade and other payables	1,617	-	-	-
Accruals and deferred income	12,131	3,081	3,907	-

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Year ended 30 September 2017
Notes to the financial statements

14 Lease income

The future minimum lease payments receivable under non-cancellable intercompany leases are as follows:

	2017	2016
	£ 000	£ 000
Not later than one year	9,145	15,097
Later than one year and not later than five years	36,250	60,387
Later than five years	1,901	15,876
	47,296	91,360

The Company's operating lease terms are for between seven and sixteen years.

15 Related parties

The Company had transactions in the ordinary course of business during the financial year under review with related parties.

	2017	2016
	£ 000	£ 000
Parent		
Amounts owed from easyJet plc	1,463	1,446
Fellow Group subsidiaries		
Sales to fellow Group subsidiaries	21,651	25,907
Amounts owed to fellow Group subsidiaries	(1,634)	(1,617)
Amounts owed from fellow Group subsidiaries	9,515	4,358
Sale and leaseback proceeds received from fellow Group subsidiaries	(11,963)	-

Transactions with group companies are carried out on an arm's length basis. Outstanding balances that relate to trading balances are placed on intercompany accounts with no specified credit period. Intercompany balances owed to and from the Company by group companies are unsecured, bear market rates of interest in accordance with intercompany loan agreements and have no specific repayment terms. Revenue from group companies relates to lease income arising from the dry lease of aircraft to other group companies.

During the current year aircraft related fixed assets additions amounting to £13.1 million (2016: £18.6 million) were paid by easyJet Airline Company Limited, a fellow group undertaking. The payable was settled through the inter-company account.

During the period the Company sold aircraft with a carrying value of £12.0 million, with a loss on disposal of £nil.

16 Ultimate controlling company

The Company's parent and ultimate controlling company is easyJet plc, incorporated in England and Wales (registered number 03959649).

The only group in which the results of the company are consolidated is that headed up by easyJet plc, financial statements of which can be obtained from easyJet plc, Hangar 89, London Luton Airport, Luton, LU2 9PF, Bedfordshire, United Kingdom or at www.corporate.easyjet.com.