Ryanair UK Limited

Directors' report and
financial statements

Year ended March 31, 2021

Registered number: 01917579

Ryanair UK Limited

Directors' report and financial statements

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Directors and other information

Directors	Neal McMahon Neil Sorahan
Registered office	Enterprise House, 2nd Floor, Bassingbourn Road, London Stansted Airport, Stansted, England, CM24 1QW
Auditor	KPMG Chartered Accountants 1 Stokes Place St. Stephen's Green Dublin 2 D02 DE03 Ireland
Bankers	Citi Bank 25 Canada Square Citi Bank Centre London E14 5LB England
Solicitors	Stephenson Harwood LLP 1 Finsbury Circus London EC2M 7SH England
Registered number	01917579

Ryanair UK Limited

Directors' report

The directors present the directors' report and audited financial statements for Ryanair UK Limited for the year ended March 31, 2021.

Principal activities, business review and future developments

The Company's principal activity was earning rental income from leasing aircraft to a fellow Group company. During the year the Company shifted to earning scheduled revenue from the sale of flights. The directors do not plan to change significantly the activity of the Company in the foreseeable future.

Results and dividends for the year

The loss after tax for the year amounted to €5.3M *(2020: €0.4M)*. Details of the results and financial position are set out on page 9 and 10, and in the related notes. The directors do not propose the payment of a dividend.

Principal risks and uncertainties

Principal risks and uncertainties facing the Company include its dependency on external service providers and on its parent, Ryanair DAC. The Company takes all reasonable steps to mitigate these risks. The Company is not exposed to significant financial and non-financial risks and uncertainties, which may cause a material adjustment to the carrying amount of assets and liabilities in future periods.

Directors

The names of the directors are Neal McMahon and Neil Sorahan. Ryanair DAC served as Company Secretary.

In accordance with the constitution, the directors are not required to retire by rotation.

The directors and secretary who held office at March 31, 2021 held no interests individually greater than 1% in the shares, debentures or loan stock of the Company or group companies and in accordance with the Companies Act 2006, no further disclosure is required.

Political contributions

The Company made no political contributions during the year that would require disclosure.

Strategic report

In preparing the directors' report, the directors have taken advantage of the small companies exemption under Section 414B of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 not to prepare a Strategic Report.

Disclosure of information to the auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There are no events subsequent to the year end which require disclosure or adjustment in these financial statements.

Ryanair UK Limited

Directors' report (continued)

Going concern

The Company is in a net liability position and is dependent on the continued financial support of its intermediate parent company, Ryanair DAC. Ryanair DAC has confirmed its ability to provide financial support to the Company, should the Company have cash requirements in the next 12 month period from the date of approval of these financial statements. The directors, having made inquiries, including consideration of the possible future financial effects associated with the coronavirus Covid-19 pandemic, together with the financial support undertaking by Ryanair DAC, believe that the Company has adequate resources to continue in operational existence for at least the next 12 months and that it is appropriate to adopt the going concern basis in preparing the financial statements. While there is uncertainty as to the full extent of the impact of Covid-19 on the Ryanair Holdings plc group, a key assumption included in the Company's assessment, is the continued preparation of the Group's consolidated financial statements on the going concern basis, which is supported by the financial projections prepared by the Group. The financial statements do not include any adjustments that would result from a withdrawal of the financial support by Ryanair DAC.

Independent auditor

Pursuant to Section 487 of the Companies Act 2006 the auditor will be deemed to be reappointed and KPMG will therefore continue in office.

By order of the board

Neil Sorahan
Director
Enterprise House
Stansted Airport
Essex CM24 1QW
England

December 20, 2021

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with 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 Company and of the profit or loss of the Company for that year. In preparing these financial statements, the directors are required to:

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

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

On behalf of the board

Neil Sorahan
Director

December 20, 2021

KPMG

KPMG
Audit
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03
Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RYANAIR UK LIMITED *(continued)*

Report on the audit of the financial statement

Opinion

We have audited the financial statements of Ryanair UK Limited ('the Company') for the year ended 31 March 2021 set out on pages 10 to 21, which comprise profit and loss account and other comprehensive income, the balance sheet, the statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is UK Law and *FRS 101 Reduced Disclosure Framework*.

In our opinion:

— the financial statements give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of its loss for the year then ended;
— the financial statements have been properly prepared in accordance with *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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (FRC)'s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

KPMG

***INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RYANAIR UK LIMITED** (continued)*

***Report on the audit of the financial statements** (continued)*

***Conclusions relating to going concern** (continued)*

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 Company will continue in operation.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

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

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We did not identify any additional fraud risks.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.

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

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

KPMG

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RYANAIR UK LIMITED *(continued)*

Report on the audit of the financial statements *(continued)*

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic report and the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information 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 other information.

Opinions on other matters prescribed by the Companies Act 2006

Based solely on our work on the other information undertaken during the course of the audit:

— we have not identified material misstatements in the directors' report or the strategic report;
— in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements;
— in our opinion, the directors' report and the strategic report 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, or returns adequate for our audit have not been received from branches not visited by us; or
— the financial statements are not in agreement with the accounting records and returns; or
— certain disclosures of directors' remuneration specified by law are not made; or
— we have not received all the information and explanations we require for our audit;

We have nothing to report in these respects.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

KPMG

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RYANAIR UK LIMITED *(continued)*

Respective responsibilities and restrictions on use *(continued)*

Auditor's responsibilities for the audit of the financial statements

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

Our 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.

David Moran

David Moran
Senior Statutory Auditor
for and on behalf of
KPMG Statutory Auditor
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

December 20, 2021

Ryanair UK Limited

Profit and loss account and statement of other comprehensive income
for the year ended March 31, 2021

	Note	2021 €'000	2020 €'000
Turnover			
Rental Income	5	370	7,206
Scheduled Income	5	511	-
		881	7,206
Operating expenses			
Depreciation	3	(3,715)	(3,513)
Other operating expenses		(525)	(127)
Staff costs	4	(1,321)	(3,170)
Operating (Loss)/Profit		(4,680)	396
Foreign exchange gain/loss		(5)	(118)
Finance expense	3	(591)	(637)
Loss on ordinary activities before taxation		(5,276)	(359)
Tax on loss on ordinary activities	6	-	-
Loss for the financial year		(5,276)	(359)

The Company had no items of comprehensive income in the financial year or preceding financial year other than those dealt with in the profit and loss account and accordingly, no statement of other comprehensive income has been presented.

The accompanying notes form an integral part of these financial statements.

Ryanair UK Limited

Balance sheet
as at March 31, 2021

	Note	2021 €'000	2020 €'000
Non-current assets			
Right of use asset	3	36,792	19,906
Current assets			
Cash		223	1,615
Debtors: amounts falling due within one year	7	4,181	7,305
		4,404	8,920
Creditors: amounts falling due within one year	8	(11,032)	(7,600)
Net current (liabilities)/assets		(6,628)	1,320
Total assets less current liabilities		30,164	21,226
Non-current lease liabilities	3	(30,649)	(16,435)
Net (liabilities)/assets		(485)	4,791
Capital and reserves			
Called up share capital	9	5,691	5,691
Profit and loss account		(6,176)	(900)
Shareholder's (deficit)/funds		(485)	4,791

The accompanying notes form an integral part of these financial statements.

These financial statements were approved by the board of directors on December 20, 2021 and were signed on behalf by:

Neil Sorahan
Director
Company registered number: 01917579

Ryanair UK Limited

Statement of changes in equity

for the year ended March 31, 2021

	Called up share capital €'000	Profit and loss account €'000	Total equity €'000
Balance at April 1, 2019	5,691	(541)	5,150
Comprehensive income			
Loss for the year	-	(359)	(359)
Total comprehensive loss for the year	**-**	**(359)**	**(359)**
Balance at March 31, 2020	**5,691**	**(900)**	**4,791**
Comprehensive Income			
Loss for the year	-	**(5,276)**	**(5,276)**
Total comprehensive loss for the year	**-**	**(5,276)**	**(5,276)**
Balance at March 31, 2021	**5,691**	**(6,176)**	**(485)**

The accompanying notes form an integral part of these financial statements.

Ryanair UK Limited

Notes
forming part of the financial statements

1 Reporting entity

Ryanair UK Limited ("The Company") is a company incorporated, domiciled and registered in the United Kingdom. The Company's registered office is, Enterprise House, 2nd Floor, Bassingbourn Road, London Stansted Airport, Stansted, CM24 1QW, England and the registered number is 01917579.

2 Significant accounting policies

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). There have been no material departures from the standards.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006" ("Adopted IFRSs") but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate holding undertaking, Ryanair Holdings plc, includes the Company in its consolidated financial statements. The consolidated financial statements of Ryanair Holdings plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from "its registered office at the Ryanair Dublin Office, Airside Business Park, Swords, Co. Dublin or on the Investor Relations Section of its website (www.ryanair.com).

In these financial statements, the Company has adopted certain disclosure exemptions available under FRS 101. These include:

- a cash flow statement and related notes;
- certain disclosures in respect of leases;
- disclosures in respect of the compensation of key management personnel;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- certain comparative information; and
- the effects of new but not yet effective IFRSs.

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

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures; and
- Certain disclosures required by IAS 36 Impairment of Assets.

2 Significant accounting policies (continued)

Basis of preparation

These financial statements are presented in euro thousands, the euro being the functional currency of the entity. They are prepared on a historical cost basis.

Going concern

The Company is in a net liability position and is dependent on the continued financial support of its intermediate parent company, Ryanair DAC. Ryanair DAC has confirmed its ability to provide financial support to the Company, should the Company have cash requirements in the next 12 month period from the date of approval of these financial statements. The directors, having made inquiries, including consideration of the possible future financial effects associated with the coronavirus Covid-19 pandemic, together with the financial support undertaking by Ryanair DAC, believe that the Company has adequate resources to continue in operational existence for at least the next 12 months and that it is appropriate to adopt the going concern basis in preparing the financial statements. While there is uncertainty as to the full extent of the impact of Covid-19 on the Ryanair Holdings plc group, a key assumption included in the Company's assessment, is the continued preparation of the Group's consolidated financial statements on the going concern basis, which is supported by the financial projections prepared by the Group.

New IFRS standards adopted during the year

The Company has adopted the following IFRSs in these financial statements:

- Amendments to References to Conceptual Framework in IFRS Standards
- Definition of Material (Amendments to IAS 1 and IAS 8)
- Definition of a Business (Amendments to IFRS 3)
- Interest Rate Benchmark Reform – Phase 1 (Amendments to IFRS 9, IAS 39 and IFRS 7)
- Covid-19-Related Rent Concessions (Amendments to IFRS 16)
- Extension of the temporary exemption from applying IFRS 9 (Amendments to IFRS 4)

The adoption of these new or amended standards did not have a material impact on the Company's financial position or results from operations in the year ended March 31, 2021.

Use of estimates and judgements

The preparation of financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, and the results of such estimates form the basis of judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ materially from these estimates. These underlying assumptions are reviewed on an ongoing basis. A revision to an accounting estimate is recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if these are also affected. There are no material judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

2 Significant accounting policies (continued)

Foreign currency translation

Transactions arising in foreign currencies are translated into euro at the rates of exchange in effect at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange prevailing at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies are translated to euro at foreign exchange rates in effect at the dates the transactions were effected. Foreign currency differences arising on retranslation are recognised in profit or loss.

Leases (as a lessee)

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

Right of use assets and lease liabilities are recognised based on the present value of the future minimum lease payments over the lease term at commencement date. In determining the net present value of lease payments, the Company uses its incremental borrowing rate based on information available at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred.

The Company recognises a depreciation charge for right of use assets on a straight-line basis over the lease term within depreciation expenses, and an interest expense on lease liabilities within finance expenses within the Company's profit and loss account. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

The Company has lease agreements for aircraft with lease and non-lease components, which the Company has elected to account for as a single lease component.

The Company has elected to take the short-term lease exemption and, therefore, does not recognise a right of use asset or corresponding liability for lease arrangements with an original term of 12 months or less. Lease payments associated with short-term leases are recognised in the Company's profit and loss account on a straight-line basis over the lease term.

The Company has elected to take the low value lease exemption and, therefore, does not recognise a right of use asset or corresponding liability for lease arrangements for which the underlying value is of low value. Lease payments associated with these leases are recognised in the Company's profit and loss account on a straight-line basis over the lease term.

2. **Significant accounting policies *(continued)***

Turnover

The Company earns rental income from leasing aircraft to its fellow Group company, Ryanair DAC. At inception or on modification of a contract that contains a lease component, the Company has elected to treat the entire Aircraft, Crew, and Insurance ('ACI') contracts that contain a lease as a single lease.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as 'Turnover'.

Scheduled revenues comprise the invoiced value of airline and other services, net of government taxes. Revenue from the sale of flight seats is recognised in the period in which the flight service is provided.

Income statement classification and presentation

Individual income statement captions have been presented on the face of the profit and loss account and other comprehensive income, together with additional line items, headings and sub-totals, where it is determined that such presentation is relevant to an understanding of our financial performance, in accordance with IAS 1, 'Presentation of Financial Statements'. Expenses are classified and presented in accordance with the nature-of-expenses method. The total amount of payroll supports received by the Company under various government schemes amounted to approximately €0.6M and are offset against staff costs in the Profit and Loss Account.

Trade and other receivables and payables

Trade and other receivables and payables are stated on initial recognition at fair value plus any incremental costs and subsequently at amortised cost, net (in the case of receivables) of any impairment losses, which approximates fair value given the short-dated nature of these assets and liabilities.

Cash and cash equivalents

Cash represents cash held at banks and available on demand, and is categorised for measurement purposes as amortised cost.

Cash equivalents are current asset investments (other than cash) that are readily convertible into known amounts of cash, typically cash deposits of more than one day but less than three months at the date of purchase.

Ryanair UK Limited

Notes (continued)

2 Significant accounting policies *(continued)*

Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. It is recognised in the profit and loss account and other comprehensive income except to the extent that it relates to items recognised directly in equity or other comprehensive income ("OCI").

Current Tax

Current tax comprises the expected tax payable and receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred Tax

Deferred income tax is provided in full, using the balance sheet liability method, on temporary differences arising from the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates and legislation enacted or substantively enacted by the balance sheet date and expected to apply when the temporary differences reverse.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. The carrying amounts of deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that a sufficient taxable profit will be available to allow all or part of the deferred tax asset to be realised.

Tax liabilities are based on the best estimate of the likely obligation at each reporting period. These estimates are subject to revision based on the outcome of tax audits and discussions with revenue authorities that can take several years to conclude.

Share capital

Ordinary shares are classified as equity. Dividend distributions are recognised as a liability in the period in which the dividends are declared.

3 Right of use assets & lease liabilities

The Company has entered into lease arrangements for aircraft. The amounts recognised in profit or loss for which the Company is a lessee for the year ended March 31, 2021 were as follows:

Leases under IFRS 16	**€'000**
Interest on lease liabilities	591
Depreciation charge	3,715
Lease charge for year end March 31, 2021	4,306

Supplemental balance sheet movement information is outlined below:

Right of use-assets	**€'000**
Balance at April 1, 2020	19,906
Additions	20,601
Depreciation charge for the year	(3,715)
Total right of use assets at March 31, 2021	36,792

Lease Liabilities	**€'000**
Balance at April 1, 2020	20,216
Additions	20,601
Financing cash outflows from lease liabilities	(3,184)
Interest expense	591
Total lease liabilities at March 31, 2021	38,224

4 Statutory and other information

The directors did not receive any remuneration during the year in exchange for their services as directors of the Company. Auditor's remuneration, including reimbursement of outlay, has been borne by the Company's parent undertaking, Ryanair Holdings plc, without recourse to the Company.

Staff

	2021	2020
	€'000	€'000
Wages, salaries and related costs	**1,065**	2,556
Social welfare costs	**205**	492
Other retirement benefits	**51**	122
	1,321	3,170

The average number of employees during the year, analysed by category, was as follows:

	2021	2020
Flight and cabin crew	**44**	46

5 Turnover

All revenues derive from the Company's principal activity generated in the UK.

	2021 €'000	2020 €'000
Rental Income	370	7,206
Scheduled Revenue	511	-
	881	7,206

6 Tax charge

	2021 €'000	2020 €'000
Current tax		
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Tax (credit)/ charge for the year	-	-

The tax assessed for the year differs from the standard rate of corporation tax in the UK, as explained below:

	2021 €'000	2020 €'000
Loss on ordinary activities before tax	(5,276)	(359)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK: 19% *(2020: 19%)*	(1,002)	(68)
Effects of:		
Current year losses for which no deferred tax asset was recognised	1,002	-
Expenses not deductible for tax purposes	-	68
Total tax (credit)/ charge	-	-

The tax rate for the current year is the same as the prior year.

The Company has unrecognised deferred tax asset of €1,174K in respect of current year losses of €1,002k and previously unrecognised tax losses of €172K. The directors have deemed it prudent not to recognise this deferred tax asset.

6 Tax charge (continued)

Changes to the future UK corporation tax rate were announce by the UK government March 2021. The corporation main rate (for all profits except ring fence profits) will increase to 25% from 1 April 2023. The corporation tax rate will remain at 19% for the periods commencing 1 April 2021 and 1 April 2022. Accordingly, deferred taxes in the balance sheet have been measured and reflected in these financial statements at the 19% rate.

7 Debtors

	2021 €'000	2020 €'000
Amounts due from group undertakings	4,017	7,305
Debtors	164	-
	4,181	7,305

All amounts fall due within one year or are repayable on demand. Amounts due from group undertakings are non-interest bearing.

8 Creditors: amounts falling due within one year

	2021 €'000	2020 €'000
Trade creditors	64	12
Amounts due to group undertakings	2,059	3,807
Current lease liabilities	7,575	3,781
Accruals and deferred income	1,334	-
	11,032	7,600

All amounts fall due within one year or are repayable on demand. Amounts due to group undertakings are non-interest bearing.

9 Called up share capital

Authorized	2021 GBP £ £'000	2020 GBP £ £'000
5,050,000 ordinary shares of GBP £1.00 each	5,050	5,050

	2021 €'000	2020 €'000
Allotted, called up and fully paid		
5,050,000 ordinary shares of GBP £1.00 each (converted into euro at historic exchange rate)	5,691	5,691

10 Related party transactions

The Company has availed of the exemptions available in FRS 101 from disclosing transactions with wholly owned group companies and also key management personnel compensation disclosures. There were no other related party transactions during the year.

11 Ultimate parent undertaking

The Company's ultimate parent undertaking is Ryanair Holdings plc, incorporated in Ireland. The largest group in which the results of the Company are consolidated is that headed by Ryanair Holdings plc, Airside Business Park, Swords, Co. Dublin The consolidated financial statements of Ryanair Holdings plc are available to the public and may be obtained from its registered office at the Ryanair Dublin Office, Airside Business Park, Swords, Co. Dublin or on the Investor Relations Section of its website (www.ryanair.com).