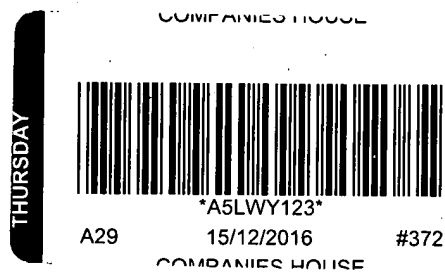


Jet2 Transport Services Limited

Report and Accounts

For the year ended 31 March 2016



Jet2 Transport Services Limited

DIRECTORS

Philip Meeson	Executive Chairman	
Gary Brown	Chief Financial Officer	
Ian Day	Legal Director	Appointed 8 February 2016
Stephen Heapy	Chief Executive Officer	

SECRETARY AND REGISTERED OFFICE

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

AUDITOR

KPMG LLP
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

BANKERS

Barclays Bank PLC
1 Park Row
Leeds
LS1 5WU

Lloyds Bank plc
2nd Floor
Lisbon House
116 Wellington Street
Leeds LS1 4LT

Clydesdale Bank
(trading as Yorkshire Bank)
Corporate Banking (1st Floor)
Merrion Way
Leeds LS2 8NZ

Santander Global Banking & Markets
2 Triton Square
Regent's Place
London
NW1 3AN

SOLICITORS

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

Bird & Bird LLP
15 Fetter Lane
London
EC4A 1JP

STRATEGIC REPORT

RESULTS AND DIVIDENDS

The results for the year are set out in the Profit and Loss Account and show a profit after taxation, of £nil (2015: £nil).

The principal activity of Jet2 Transport Services Limited ("the Company") is the purchase of flights and ancillary services from airline suppliers and the sale of those flights and ancillary services to tour operators. All purchases and sales within the year are with other subsidiaries of the Company's ultimate parent, Dart Group PLC.

PRINCIPAL RISKS AND UNCERTAINTIES

All transactions are entered into with other subsidiaries of the Company's ultimate parent, Dart Group PLC. The principal risks and uncertainties of Dart Group PLC, and the wider group, are disclosed in the accounts of that company.



Gary Brown

Director

27 October 2016

DIRECTORS' REPORT

The Directors present their report and accounts for the year ended 31 March 2016.

DIRECTORS

The details of Directors, who held office during the year and after the year end, are set out below:

Philip Meeson	Executive Chairman	
Gary Brown	Chief Financial Officer	
Ian Day	Legal Director	Appointed 8 February 2016
Stephen Heapy	Chief Executive Officer	

None of the Directors who held office at the year end had any interest in the ordinary share capital of the Company. At 31 March 2016, Philip Meeson, Stephen Heapy and Gary Brown were directors of the ultimate parent undertaking, 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

For the purposes of their assessment of the appropriateness of the preparation of the Company'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 2019, including performance against the financial covenants of Dart Group PLC and the assessment of principal areas of uncertainty and risk.

Having considered the points outlined above, the Directors have a reasonable expectation that the Company will be able to operate within the levels of available banking facilities and cash for the foreseeable future. Consequently, they continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2016.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the date of approval of this Annual 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.

By order of the Board



Gary Brown
Director
Jet2 Transport Service Limited
Registered No 2295912

27 October 2016

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

The Directors are responsible for preparing the Strategic Report, 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS101 *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 period. 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the 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; disclose with reasonable accuracy at any time the financial position of the Company; and enable them to ensure that its financial statements comply with the Companies Act 2006. They 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JET2 TRANSPORT SERVICES LIMITED

We have audited the financial statements of Jet2 Transport Services Limited for the year ended 31 March 2016 set out on pages 6 to 10. The notes on pages 9 and 10 form an integral part of these financial statements. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS101 *Reduced Disclosure Framework*.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its result for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

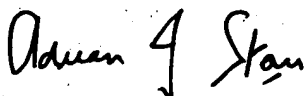
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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.



Adrian Stone (Senior Statutory Auditor)
for and on behalf of KPMG LLP
Chartered Accountants and Statutory Auditor, Leeds, United Kingdom

27 October 2016

Jet2 Transport Services Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 March 2016

	<i>Note</i>	2016 £000	2015 £000
REVENUE	3	351,344	272,320
Net operating expenses		<u>(351,344)</u>	<u>(272,320)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Taxation		<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>-</u></u>	<u><u>-</u></u>

There are no items of comprehensive income other than the profit for the year of £nil (2015: £nil).

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

Jet2 Transport Services Limited

BALANCE SHEET at 31 March 2016

	<i>Note</i>	2016 £000	2015 £000
CURRENT ASSETS			
Debtors	5	475,098	324,531
Cash at bank		1,595	1,576
		<u>476,693</u>	<u>326,107</u>
CREDITORS: amounts falling due within one year	6	<u>(476,691)</u>	<u>(326,105)</u>
NET CURRENT ASSETS		2	2
NET ASSETS		<u>2</u>	<u>2</u>
CAPITAL AND RESERVES			
Called up share capital	7	<u>2</u>	<u>2</u>
SHAREHOLDER'S EQUITY		<u>2</u>	<u>2</u>

The accounts were approved by the Board of Directors at a meeting held on 27 October 2016 and were signed on its behalf by:



Gary Brown
Director
Jet2 Transport Services Limited
Registered No 2295912

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2016

	Share capital £000	Total shareholder's equity £000
Balance at 31 March 2014	2	2
Balance at 31 March 2015	2	2
Balance at 31 March 2016	2	2

NOTES TO THE ACCOUNTS

1. BASIS OF PREPERATION

The 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. Accordingly, in the year ended 31 March 2016 the Company has decided to adopt FRS 101 *Reduced Disclosure Framework*. The transition from Old UK GAAP has not resulted in any transition or measurement adjustments.

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 tangible fixed assets;
- transactions with other Group companies;
- capital management;
- the effects of new but not yet effective IFRS;
- an additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy; and
- compensation of key management personnel.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing an opening FRS 101 balance sheet at 1 April 2014 for the purposes of the transition to FRS 101.

2. ACCOUNTING POLICIES

Going Concern

For the purposes of their assessment of the appropriateness of the preparation of the Company's accounts on a going concern basis, the Directors have considered the current cash position, the availability of banking facilities and forecasts of future trading through to 31 March 2019, including performance against financial covenants of Dart Group PLC and the assessment of principal areas of uncertainty and risk.

Having considered the points outlined above, the Directors have a reasonable expectation that the Company will be able to operate within the levels of available banking facilities and cash for the foreseeable future. Consequently, they continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2016.

Revenue

Revenue from the sale of scheduled passenger flights, additional hold baggage charges, advanced seat assignment fees, extra leg room charges and pre-ordered hot meals and sandwiches are recognised once the relevant holiday has commenced.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed, as required by IAS 12.

3. REVENUE

Revenue arises solely from sales to group undertakings.

NOTES TO THE ACCOUNTS (continued)

4. STAFF COSTS

The company had no employees in the year.

The Directors did not receive any remuneration from the Company during the year.

Philip Meeson, Stephen Heapy and Gary Brown are also Directors of the ultimate parent undertaking, Dart Group PLC, and details of their remuneration are disclosed in the accounts of that Company.

5. DEBTORS

	2016	2015
	£000	£000
Amounts due from group undertakings	<u>475,098</u>	<u>324,531</u>

6. CREDITORS: amounts falling due within one year

	2016	2015
	£000	£000
Amounts due to group undertakings	<u>476,691</u>	<u>326,105</u>

Amounts due to group undertakings are payable on demand and are not interest bearing.

7. SHARE CAPITAL

	2016	2015
	No.	No.
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>

8. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption granted by paragraph 8(k) of FRS 101 and has not disclosed transactions and balances with other Group companies.

9. ULTIMATE PARENT UNDERTAKING

The parent undertaking of the smallest group of undertakings for which group accounts are drawn up and of which the Company is a member is **Jet2.com** Limited, a company incorporated in England and Wales.

The parent undertaking of the largest group of undertakings for which group 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 Airport, Leeds, West Yorkshire, LS19 7TU.