

CP Woburn (Operating Company) Limited

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## **Financial statements**

**52 weeks ended 18 April 2024**

# **CP Woburn (Operating Company) Limited**

**Annual report and financial statements**

**For the 52 weeks ended 18 April 2024**

**Company registration number: 07656412**

## Financial statements

52 weeks ended 18 April 2024

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## Financial statements

52 weeks ended 18 April 2024

### Directors and auditor

#### Directors

M P Dalby  
C G McKinlay  
K Jamieson  
B T Annable  
A Colasanti  
J B Hyler

#### Company Secretary

R Singh-Dehal

#### Independent auditor

Deloitte LLP  
Statutory Auditor  
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B1 2HZ

#### Registered office

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## Strategic report

### For the 52 weeks ended 18 April 2024

The Directors present their Strategic report on the Company for the 52 weeks ended 18 April 2024 (2023: 52 weeks ended 20 April 2023).

The Company is a wholly owned subsidiary of Center Parcs (Group Holdings) Limited. Its principal activity is the operation of the Center Parcs holiday village, at Woburn Forest in Bedfordshire.

Center Parcs (Group Holdings) Limited is an intermediate holding company for the Center Parcs group of business in the United Kingdom and Ireland 'the Group' and prepares consolidated financial statements in which the Company is consolidated.

#### About Center Parcs

Center Parcs is a leading short break provider, offering families quality breaks in beautiful woodland settings. We have been operating in the UK since 1987 and in Ireland since 2019. Targeting the premium sector of the family short break market, we offer accommodation and activities set within nurtured woodlands rich in biodiversity.

#### Our villages

We have five holiday villages in the United Kingdom, at Sherwood Forest in Nottinghamshire, Elveden Forest in Suffolk, Longleat Forest in Wiltshire, Whinfell Forest in Cumbria and Woburn Forest in Bedfordshire.

#### Our ownership

Center Parcs is owned by investment funds managed by Brookfield, a Canadian global asset management company.

#### Our purpose and vision

Our purpose is to bring families together. This guides how we do business.

Our vision is to continue to be the best company to have a short break with, to work for, to invest in and to own. Our strategy supports our purpose and vision is centred around strategic pillars which guide our business priorities and planning.

#### Our values

Our values support our purpose and vision and are present in everything we do. We are:

- Natural – we talk and act like real people.
- Family – we care for and support one another.
- Respectful – we think before we act and empathise with others.
- Confident – we proudly stand by our people, our brand and our product.
- Passionate – we go above and beyond for our guests and each other.
- Always growing – we ask hard questions of ourselves and are always looking for new answers.

#### Financial performance

The results of the Company for the period show a profit after taxation of £25.3 million (2023: profit after taxation of £30.7 million). Adjusted EBITDA, being earnings before interest, taxation, depreciation, amortisation and adjusted items was a profit of £60.8 million (2023: profit of £58.8 million). Adjusted EBITDA is derived from the income statement as follows:

	2024	2023
	£m	£m
<b>Revenue</b>	<b>120.8</b>	115.3
Cost of sales	(34.1)	(30.8)
<b>Gross profit</b>	<b>86.7</b>	84.5
Administrative expenses before adjusted items	(25.9)	(25.7)
<b>Adjusted EBITDA</b>	<b>60.8</b>	58.8
Depreciation and amortisation	(15.5)	(14.5)
<b>Operating profit</b>	<b>45.3</b>	44.3

The primary profit measure used by the Board of Directors is Adjusted EBITDA. International Financial Reporting Standards do not prescribe a standardised definition of Adjusted EBITDA and hence this measure may not be comparable to similar measures presented by other entities.

During the current period the Company incurred a gain on the fair value of financial derivatives of £0.1 million which has been treated as an adjusting item (2023: adjusted loss of £0.7 million), the details of which are set out in note 12. Taxation on these items has also been treated as an adjusting item in the current and prior period, as has the impact of the change in applicable deferred tax rate from 19% to 25% in the prior financial period.

A revaluation uplift of £14.9 million (2023: £16.7 million) was recognised in the revaluation reserve in the period, along with the taxation on the uplift.

## Strategic report

### For the 52 weeks ended 18 April 2024 (continued)

#### *Financial performance (continued)*

On 17 May 2024 the Group issued £330.0 million of tranche B7 secured notes, none of which was issued by the Company. Part of the proceeds of these new notes was used to settle the Group's tranche B4 secured notes in full, £15.3 million of which was settled by the Company.

#### **Financial key performance indicators**

The Directors use the following key performance indicators to set targets and measure performance:

- Revenue: Revenue for the period was £120.8 million (2023: £115.3 million).
- Adjusted EBITDA: Earnings before interest, taxation, depreciation, amortisation and adjusted items. Adjusted EBITDA for the period is a profit of £60.8 million (2023: profit of £58.8 million).
- Occupancy: the average number of units of accommodation occupied as a percentage of the total number available. Occupancy for the period was 95.4% (2023: 96.2%).
- ADR (Average Daily Rate): the average daily rent (excluding VAT) achieved based on total accommodation income divided by the total number of lodge nights sold. ADR for the period was £252.80 (2023: £248.20).
- RevPAL (Rent per available lodge night): the average daily rent (excluding VAT) achieved based on total accommodation income divided by the total available number of lodge nights. RevPAL for the period was £241.07 (2023: £238.80).

#### **Our Stakeholders**

Engaging with our stakeholders is essential to understanding what matters to them, as well as being a key consideration for the Board in decision-making and important for promoting the long-term success of the Group. This section sets out our key stakeholders, how we engage with them and how this engagement influences how we do business. It also serves as the Section 172 (1) statement for the Company .

The Board receives updates from the Operating Board which detail any substantial engagement with our stakeholders. There are also regular agenda items to ensure that the Board receive relevant updates on all of our key stakeholders.

Our Board perform their duties in the way they consider would be most likely to promote the long-term success of the Company and the Group for the benefit of its members as a whole. In doing so, they have regard to the interests of other stakeholders, whilst maintaining high standards of business conduct.

Our key stakeholders are our guests, our colleagues, our suppliers, our communities, our shareholders and investors, and nature. This is the first year we have reported on nature as a stakeholder and shows our commitment to protecting and nurturing the natural environment on our villages and beyond.

#### **Guests**

Our mission is to bring families together. To do this successfully, we must listen to our guests to ensure we understand the pressures faced by modern families and the things they value most when spending time together. We engage in a range of research, both qualitative and quantitative, covering topics such as new activities, seasonal offerings, updates to menus and marketing communications. We listen closely to our guests' feedback and work to incorporate it into any changes we make to the business.

After each break, guests are sent a survey to complete, based on their experience. The survey is managed by an external company to ensure an independent view and measures guest satisfaction in several areas, such as accommodation, facilities and service. The survey results determine an overall 'Delivering Excellent Service' (DES) score for each village and individual departments and units. This score is used to constantly improve our service and tailor our business to suit our guests' needs. Our villages are targeted to achieve between 87-90% guest satisfaction. Our DES scores show high levels of guest satisfaction, with an overall score of 88.5% achieved during the year. Guests are also given the opportunity to provide feedback, as well as the chance to recognise team members who provided them with excellent service during their break.

Guest feedback and DES scores are shared directly with key decision-makers and stakeholders across the business on a regular basis, including at monthly Operating Board meetings.

We are proud that 65% of our guests have visited Center Parcs more than once and we know that a Center Parcs break is an annual tradition for many families. Having operated in the UK for more than 35 years, we're now seeing guests who visited us in their childhood returning with their own children to make even more memories together.

## Strategic report

### For the 52 weeks ended 18 April 2024 (continued)

#### **Colleagues**

Our colleagues play a huge role in making Center Parcs successful and we value each and every person, placing a great deal of importance on their wellbeing and development. We believe in creating an inclusive culture that supports colleagues to thrive and reach their full potential, recognising that we're all at our best when we're able to be ourselves.

The Operating Board receive regular updates on Colleague engagement activities, have oversight of key initiatives in this area and consider the impact of key decisions on colleagues.

With more than 10,000 colleagues across the business, we use a range of methods to engage and communicate with our people, including:

- Employee Councils at each village and Head Office, which consist of elected colleagues representing all teams. The councils meet quarterly to discuss issues, ideas and concerns with an Operating Board Director - feedback from the councils is provided to the whole Board on a regular basis to ensure any concerns can be acted on. The Employee Councils are also responsible for administering the village's Community Fund and Charity Fund.
- Anonymous colleague engagement surveys, which we undertake every two years. The results from these surveys help formulate KPIs for the coming year, and key trends are shared with the Directors senior managers to help drive change and improve the colleague experience. Ad hoc surveys are also conducted throughout the year to assess specific topics.
- Weekly digital newsletters containing corporate news and information specific to each village and Head Office. The content is a mixture of important messages (such as health and safety reminders, training updates and key announcements) and engaging content (such as interviews, charity updates and personal news). This year the average open rate was 74%. As most of our colleagues don't have access to a company email account, the newsletters are shared with colleagues via their personal email addresses (where permission has been granted).

In addition to the above, all colleagues have access to an independent Whistleblowing Hotline, where anonymous reports of unethical behaviour or misconduct can be made at any time.

#### **Recruitment, training and development**

We pride ourselves on our approach to recruitment, following the overarching principle of recruiting for attitude and training for ability. We seek to employ people who embody our values and behaviours, recognising that we can develop and train individuals in their role.

Offering the right training and development opportunities is key to attracting and retaining talented people and we offer both informal and formal development to ensure colleagues are supported to achieve their potential, including a range of apprenticeships - this year, we've supported more than 136 colleagues to work towards or complete a qualification. We also offer a range of leadership development programmes, including in-house workshops, toolkits for managers and a Women's Development Programme, which focuses on self-confidence, personal development and empowerment. This year, 36 colleagues participated in the programme, which is now in its fourth year.

#### **Rewards and benefits**

It's important to us that we offer transparent, fair pay and we are committed to paying all our colleagues the National Living Wage as a minimum, regardless of their age. We also work hard to ensure we maintain differentials for colleagues in team leader and manager roles. All colleagues (up to the Operating Board) are eligible for our annual Shared Success scheme or Management Bonus scheme, based on the business' progress against a series of targets.

We provide a range of discounts and benefits for all colleagues, including discounted breaks, day passes, discounts on our villages and a festive hamper for every colleague at Christmas. We also offer long service awards, with rewards ranging from additional holidays through to financial incentives. In addition, each year we recognise our Star Performers across the business with a special awards evening and financial reward, and a Colleague of the Year is chosen for each location.

#### **Wellbeing**

We aim to create a culture which encourages and enables our colleagues to be the best they can be, whilst also ensuring they feel able to seek support and have access to the resources they need. We have a number of wellbeing programmes in place to support colleagues' health, including:

- Encouraging conversations and working to remove stigma around mental health by including relevant information in our colleague newsletters.
- Training managers to recognise signs of mental ill health in their team, including guidance on how to support colleagues and where to signpost for further help.
- Training Mental Health First Aiders on each village and at Head Office to provide a first point of contact for anyone experiencing mental ill health.

## Strategic report

### For the 52 weeks ended 18 April 2024 (continued)

- Offering free flu vaccinations, an independent employee assistance programme offering financial, legal, physical and mental health support to colleagues and their immediate family, and a digital healthcare service to help detect, manage and prevent health issues.
- Offering dynamic working where practical, empowering colleagues to work from a location that best suits them and supporting managers to lead their teams remotely.

#### **Developing a diverse, equitable and inclusive culture**

Diversity, equity and inclusion is a key focus for the business. We want to create an environment where everyone can be themselves, whoever they are.

Like many organisations, we are at the start of a journey of continually learning, evolving and adapting. We've been working closely with third party experts to review our policies, processes and procedures, as well as gathering feedback from our colleagues, all of which has shaped our strategy for the next three years. We are focusing on three main areas:

- **Culture** – we're committed to enhancing our workplace and creating an environment where our teams feel a strong sense of belonging and can be themselves, making diversity, equity and inclusion a natural part of who we are and what we do. All our colleagues must now complete an e-learning module covering the importance of an inclusive environment and the important role they play in creating this environment.
- **Leadership** – we will empower our leaders to role model inclusive behaviours and learn more about their teams, leading by example to drive culture change. All senior managers will attend a full-day training course, facilitated by external consultants.
- **Team** - we will aim to attract, develop and retain diverse talent, ensuring each member of our team feels equally valued, heard and engaged.

We are an accredited Disability Committed Employer, as well as an equal opportunities employer. This means our selection processes, training, development and promotion opportunities are accessible and inclusive. We are committed to making reasonable adjustments throughout the employee lifecycle to ensure everyone can perform to the best of their ability.

#### **Suppliers**

Our suppliers range from large multinational companies to small family-owned local businesses. Utilising local suppliers wherever possible is at the core of our business and we seek to foster lasting relationships with our suppliers, with some relationships spanning more than 30 years. We view our suppliers as partners, working together to achieve mutually beneficial goals and long-term success. We are committed to the principles of responsible sourcing and respecting human rights. We map and collect data on our supply chain through Sedex, an online responsible sourcing management platform. This helps us to identify and mitigate any risks in the supply chain.

Suppliers are managed in line with our procurement and sanctions policies and must comply with our Ethical Trading Policy. This approach ensures thorough oversight of risks such as contractual and financial issues, modern slavery, sustainable sourcing and data security. Our onboarding process is regularly reviewed to streamline the process, without compromising on diligence, and we regularly meet with our suppliers, listening to and acting on their feedback.

The Operating Board receive regular updates on critical supplier management and the Risk Committee review critical contracts and supplier issues on a regular basis. In addition, our Safety Management Group regularly review our Contractor Management Policy and ensure all relevant health and safety policies are applied to suppliers and contractors.

The Operating Board also review the actions taken to prevent modern slavery in the supply chain and approve our annual Modern Slavery Statement, as well as regularly reviewing payment practices and policies to ensure they are in line with agreed terms and best practice, including approving the Payment Practices Report.

#### **Communities**

Our villages play a vital role in their local communities, and we strive to be a responsible and active member of the community in a variety of ways. As well as partnering with local suppliers wherever possible, we also employ a huge number of local people, with 50% of our colleagues living within 9 miles of a Center Parcs village.

Each village and Head Office also has access to a Community Fund and a Charity Fund – both funds are administered by the Employee Councils, based on applications from colleagues. In the last year, the Community Funds have supported 100 community projects, groups and local charities. The Charity Funds have supported causes such as local football teams, food banks, primary schools and community facilities.

We also work closely with local communities on issues that affect them, such as traffic congestion, grant applications and seasonal activities. The Operating Board receive regular updates on all community and charity partnerships.

## Strategic report

### For the 52 weeks ended 18 April 2024 (continued)

#### **Charity**

We are currently partnered with Together for Short Lives in the UK – our partnership began in 2016 and is set to continue until 2026.

Funds are raised via a combination of guest donations at the point of booking (which the company then match fund), on village fundraising and challenge events. We actively encourage and support our colleagues to raise funds for our charity partners and seek to facilitate volunteering for both causes wherever possible. In addition, we provide both charities with a number of short breaks for families using their services, helping them make precious memories together.

#### *Together for Short Lives*

Together for Short Lives is the UK's leading charity for children's palliative care. They work to ensure children with life-limiting and life-threatening conditions and their families can make the most of every moment they have together, whether that's for years, months or only hours. They also raise critical funds to support the UK's children's hospices.

As part of our partnership each of our villages are partnered with their closest children's hospice, ensuring funds raised by our colleagues benefit their local community. To date, we have raised more than £1.9m for Together for Short Lives.

We also work with the British Heart Foundation in the UK, donating furniture and electrical equipment when we refurbish accommodation. This has diverted more than 642,000 tonnes away from landfill and given old furniture a new lease of life, whilst also raising vital funds.

The Operating Board receive regular updates on community and charity activities and the ESG Committee review this area on a regular basis.

#### **Nature**

Our forests, and the biodiversity they support, are the lifeblood of our business and vital to our long-term success. At the heart of our business is a commitment to treat them with the respect they deserve, nurturing and enhancing the woodland to encourage greater biodiversity and create habitats for species of local and national significance.

Each of our villages has a bespoke Forest Management Plan (FMP) which clearly sets out our approach over a 10-year period, covering all areas of forest management. These plans were updated in 2023 in consultation with independent experts and organisations, to cover the next 10 years. These plans include a total of 76 Biodiversity Action Targets across all 6 villages to ensure that we maintain and improve habitats and biodiversity year on year. The plans have also been reviewed by the ESG Committee and the Operating Board.

We are keenly aware of our responsibility to protect the species which call our forests home and conduct annual surveys across our villages to understand the populations of flora and fauna and the ecological health of our forests in line with our FMP targets. This forms part of our approach to consulting with nature as a key stakeholder in our business.

#### **Environment**

Protecting the environment is key to the long-term success of our business, and we are committed to minimising the impact we have on the environment and carefully managing the natural resources we use. Our key environmental priorities and details of our progress against KPIs can be found in the climate-related financial disclosures and streamlined energy and carbon report (SECR) in our Group report.

The Operating Board receive regular updates on engagement. The Operating Board receive regular updates on engagement activities relating to Nature and the Environment.

#### **Shareholders and investors**

The Board has regular engagement with shareholders to understand their expectations and gain feedback on the Group's overall strategic goals and performance.

With shareholders to understand their expectations and gain feedback on the Group's overall strategic goals and performance.

We provide an update on financial performance, strategic priorities and significant projects to our investors on a quarterly basis, in accordance with the terms of our financing agreements. Material reportable events are also reported to debtholders as and when they arise. Corporate reports and stock exchange announcements, where necessary are published on the website. A Shareholder Agreement sets out the rights of the shareholder in relation to the Group and the matters which require specific investor consent.



## Strategic report

### For the 52 weeks ended 18 April 2024 (continued)

#### Key strategic decisions

For each matter, the Board considers the likely consequences of any decision in the long term, identifies stakeholders who may be affected, and carefully considers their interests and any potential impact as part of the decision-making process. The key strategic decisions taken during the year were informed and supported by the stakeholder engagement activities as set out above.

- The appointment of a Chief People Officer, Chief Construction and Development Officer and a Non-Executive Director.
- The approval of new 10-year Forestry Management Plans, including detailed biodiversity targets for each village.

#### Risk management framework

The Operating Board has overall responsibility for identifying and managing risk within the Group. The Group operates a risk management framework to identify the key risks that the Group may be exposed to and develops systems and controls to mitigate and manage those risks so that the risks do not crystallise and undermine the Group's ability to deliver its objectives. The key elements to our approach to risk management are:

##### Risk Committee

The Risk Committee is chaired by the Chief Executive Officer and is made up of the Operating Board and other key members of senior management. The Risk Committee meets in full session quarterly and six-weekly for shorter interim meetings. It maintains the Group's Enterprise Risk Register and ensures that the Group has systems and controls in place to manage or mitigate such risks. The Risk Committee also reviews the operational risk registers for each area of the business and ensures any emerging risks are identified and addressed. The Risk Committee establishes and reviews the risk appetite of the Group and strives to ensure that the Group achieves its corporate objectives without running unacceptable risks which may lead to financial losses, reputational harm, regulatory action or diminution in shareholder value.

##### Environmental, Social and Governance Committee

The Environmental, Social and Governance Committee (ESGC) is chaired by the Chief Executive Officer and is made up of the Operating Board (excluding non-executive directors) and other key members of senior management. The ESGC meets quarterly. It sets the Group's strategy and objectives in relation to environmental, social and governance matters and oversees and monitors the work the Group undertakes in these areas.

##### Safety Management Group

The Safety Management Group (SMG) is chaired by the Chief Village Operations Officer and is made up of senior management and subject matter experts. The SMG meets quarterly. The health, safety and wellbeing of our employees, guests and visitors to our sites is paramount, and the SMG ensures the effective management of operational risks that may impact on guests, employees and visitors to ensure we operate in a safe environment.

##### Data Protection Committee

The Data Protection Committee (DPC) is co-chaired by the Chief Corporate Officer and the Chief Sales & Marketing Officer and is made up of senior management and subject matter experts. The DPC ensures the Group maintains systems and controls to protect and safeguard the data and information that the Group holds, protecting the interests and privacy of its guests, employees and other stakeholders. The DPC meets twice a year, increasing to three times per year from FY25. This increase recognizes the level of regulatory change in this area and the level of oversight required by the DPC.

##### Competition Committee

The Competition Committee meets four times a year and is chaired by the Chief Finance Officer. It monitors trends and activities within the leisure sector to provide insight into the risk management policies and processes. It works closely with the Risk Committee to oversee alignment of the strategy with risk management.

From FY25, the Group has established two further committees – an Audit Committee and a Remuneration Committee.

The Audit Committee will establish formal and transparent arrangements for considering how the Group should apply corporate reporting requirements and internal control principles, as well as maintaining appropriate relationships with auditors.

The Remuneration Committee will have responsibility for executive director remuneration and will set discretionary bonuses and/or benefits for directors and senior employees.

# Strategic report

## For the 52 weeks ended 18 April 2024 (continued)

### Principal risks and uncertainties

The Risk Committee has undertaken a detailed and thorough review of the principal risks and uncertainties facing the Group, including those which would compromise the Group's ability to deliver its corporate objectives. The principal risks, and details of how these risks are managed and mitigated, are set out below.

<b>Health and safety</b>			
<b>Risk owner:</b>	<b>Chief Corporate Officer</b>	<b>Trend since FY23:</b>	<b>=</b>
<p>Serious illness, injury or loss of life in relation to employees, guests or visitors (including contractors, suppliers and third-party employees) at the Group's sites may lead to criminal prosecution, civil claims, fines, reputational damage and a reduction in guest numbers, revenue and profitability.</p> <p>Center Parcs is a family environment and, therefore, the interests of children, young adults and adults at risk must be safeguarded to avoid injury, harm or loss of life.</p>			
<b>How we manage and/or mitigate the risk</b>			
<ul style="list-style-type: none"> <li>• The Group has well-developed policies and strategies across health and safety, fire safety, food safety and safeguarding.</li> <li>• The Safety Management Group (SMG) supervises and oversees the Group's compliance with its policies and strategies.</li> <li>• Incident response plans are in place, covering a wide range of possible and probable incidents that may occur. Employees are trained in relation to these plans and exercises are run to ensure employees are experienced in handling such incidents.</li> <li>• A comprehensive set of risk assessments are maintained and continually updated.</li> <li>• Regular audits are performed using both internal and external resources to ensure policies are adhered to.</li> <li>• The Group has its own in-house occupational health service and operates comprehensive first aid cover.</li> <li>• The Group maintains a comprehensive insurance programme to cover all relevant risks.</li> </ul>			
<b>Security</b>			
<b>Risk owner:</b>	<b>Chief Village Operations Officer</b>	<b>Trend since FY23:</b>	<b>n/a</b>
<p>Serious incidents of crime, disorder, anti-social behaviour and/or violence may cause health and safety incidents leading to criminal prosecution, civil claims, fines, reputational damage and a reduction in guest numbers, revenue and profitability.</p>			
<b>How we manage and/or mitigate the risk</b>			
<ul style="list-style-type: none"> <li>• The Group employs its own in-house security personnel to minimise the risk of any such incidents occurring and, if they do occur, to manage them effectively and appropriately.</li> <li>• Each site has controlled access points to ensure only authorised persons are allowed on-site.</li> <li>• Access controls are in place to ensure members of the public can only access areas open to the public.</li> <li>• Incident management plans are in place and tested on a regular basis.</li> <li>• We use CCTV extensively where appropriate.</li> <li>• We maintain regular contact with law enforcement agencies and emergency services.</li> <li>• We engage external consultants to monitor and advise on emerging risks and trends.</li> <li>• Appropriate training is provided to all staff.</li> </ul>			
<b>Business continuity</b>			
<b>Risk owner:</b>	<b>Chief Executive Officer</b>	<b>Trend since FY23:</b>	<b>=</b>
<p>The Group requires certainty, stability and predictability in relation to its suppliers, contractors and employees to ensure it can deliver short breaks for its guests. If such certainty, stability or predictability is disrupted, the Group may see a loss of revenue, a reduction in profit and/or reputational harm.</p>			
<b>How we manage and/or mitigate the risk</b>			
<ul style="list-style-type: none"> <li>• The Group monitors the performance of its key suppliers across a number of key performance indicators to ensure they are able to meet the demands of the Group.</li> <li>• The Group maintains comprehensive business continuity plans and tests these frequently. The Group liaises with key suppliers to ensure they have similar continuity and business resilience plans in place.</li> <li>• The Group has a robust recruitment strategy to ensure it has sufficient numbers of colleagues to fulfil the needs and demands of the Group.</li> <li>• The Group maintains a comprehensive insurance programme that includes cover for property damage and business interruption arising from property damage.</li> </ul>			

## Strategic report

### For the 52 weeks ended 18 April 2024 (continued)

<b>Financial</b>			
<b>Risk owner:</b>	<b>Chief Finance Officer</b>	<b>Trend since FY23:</b>	↑
The Group may be exposed to risks relating to interest rates, liquidity, currency, credit and fraud.			
If any such risks crystallise, they could lead to financial losses, regulatory action or reputational damage.			
<b>How we manage and/or mitigate the risk</b>			
<ul style="list-style-type: none"> <li>• The Group's borrowings are at fixed rates of interest, providing certainty. The debt maturity profile is staggered to avoid all debt maturing at the same time.</li> <li>• The Group maintains sufficient levels of cash and committed funding to enable it to meet its medium-term working capital, lease liability and funding obligations. Rolling forecasts of liquidity requirements are prepared and monitored and surplus cash is invested in interest bearing accounts.</li> <li>• Whilst no borrowings are denominated in foreign currencies, a number of suppliers are exposed to the Euro and US Dollar. Accordingly, wherever possible the Group enters into supply contracts denominated in Sterling. The Group does not operate a hedging facility to manage currency risk as it is not considered to be material.</li> <li>• The Group's cash balances are held on deposit with a number of UK banking institutions. Credit risk in respect of the Group's revenue streams is limited, as the vast majority of customers pay in advance.</li> <li>• Systems and processes are deployed to detect and prevent fraudulent transactions, payments, refunds and bank account changes.</li> </ul>			

<b>Macro-economic climate</b>			
<b>Risk owner:</b>	<b>Chief Finance Officer</b>	<b>Trend since FY23:</b>	n/a
The Group operates a leisure and hospitality business and therefore relies on household disposable income to generate bookings and revenue. A difficult or deteriorating macro-economic climate could see reductions in demand, revenue and profit.			
Recent levels of high inflation, low wage growth and higher costs of borrowing have all reduced household disposable income.			
<b>How we manage and/or mitigate the risk</b>			
<ul style="list-style-type: none"> <li>• The Group monitors key macro-economic metrics and ensures it develops its product offering to remain appealing to its core market.</li> <li>• The Group employs specialists to deliver best value across its supply chain and minimise input costs.</li> </ul>			

<b>Key suppliers and supply chain management</b>			
<b>Risk owner:</b>	<b>Chief Corporate Officer</b>	<b>Trend since FY23:</b>	=
The Group is reliant on its suppliers to ensure it can deliver high quality short breaks for its guests.			
Supply chain failure or disruption in relation to certain key or material suppliers could lead to the closure of one or more of our villages or significant disruption.			
Unexpected and significant price increases may impact on the profits made by the Group, specifically if these costs cannot be passed on.			
Actions taken or decisions made by our suppliers may damage the reputation of the Group.			
<b>How we manage and/or mitigate the risk</b>			
<ul style="list-style-type: none"> <li>• Extensive due diligence is carried out on our suppliers prior to appointing them and on an ongoing basis to ensure they are resilient and will be able to meet the demands we place on them.</li> <li>• For key and material suppliers, we ensure we have contingency plans in place to ensure there is continuity of supply and to avoid any material disruption to the business.</li> <li>• Multiple suppliers of key goods and services are used to ensure there is no single point of failure.</li> <li>• Wherever possible, fixed price and fixed-term contracts are entered in to in order to secure pricing and supply. We seek advanced warning of any proposed price increases and actively engage with suppliers to minimise any such increases without compromising on the quality of goods and services.</li> <li>• The Group has a hedging strategy in place to forward buy power and gas in advance of the financial year in which it is to be consumed.</li> <li>• Group Procurement actively re-tender contracts to ensure we always get the best value.</li> <li>• All relevant employees receive training in relation to ethical trading, modern slavery and our Business Code of Conduct.</li> </ul>			

## Strategic report

### For the 52 weeks ended 18 April 2024 (continued)

<b>Data protection, information security and cyber security</b>			
<b>Risk owner:</b>	<b>Chief Corporate Officer</b>	<b>Trend since FY23:</b>	<b>=</b>
<p>The Group holds and processes a large amount of personal data in relation to guests, employees and other individuals. The unlawful collection, processing, use, distribution or access of such data, or any unauthorised access or loss, may lead to significant reputational harm and regulatory action against the Group.</p> <p>The threat of unauthorised third parties seeking to access our systems is constantly evolving and becoming increasingly sophisticated. Any such unauthorised access may cause financial loss, disruption and reputational harm.</p>			
<b>How we manage and/or mitigate the risk</b>			
<ul style="list-style-type: none"> <li>• Only the data that is required to be collected is collected, and this is only retained for as long as necessary. Data Protection Impact Assessments are undertaken for all data collected. Data can only be accessed by those who require access. All relevant employees receive training in relation to data protection.</li> <li>• Group IT ensures that all systems have relevant upgrades and security patches deployed as soon as possible.</li> <li>• Penetration testing and security scans are run on the IT environment on a regular basis to identify and address any vulnerabilities.</li> <li>• We deploy hardware and software solutions to protect the digital environment and provide alerts in relation to any hostile attempts at access.</li> <li>• All relevant employees receive training in relation to cyber security and online safety.</li> </ul>			
<b>Management, people and talent</b>			
<b>Risk owner:</b>	<b>Chief People Officer</b>	<b>Trend since FY23:</b>	<b>↓</b>
<p>The Group relies on an experienced management team to deliver its strategy and achieve its corporate objectives. A failure to attract, recruit, retain and develop this team may lead to a failure in delivering the corporate objectives and/or a reduction in competitive advantage.</p> <p>The Group's success in delivering excellent guest service is reliant on attracting, recruiting, retaining and training employees who are committed to delivering the corporate objectives. Without sufficient such employees, the Group may not achieve its corporate objectives and may also see a reduction in revenue and profit.</p>			
<b>How we manage and/or mitigate the risk</b>			
<b>In relation to the management team:</b>			
<ul style="list-style-type: none"> <li>• The Group has well-developed succession plans in place to ensure there is resilience and stability.</li> <li>• Development plans are in place so that internal career progression is actively encouraged.</li> <li>• A strong brand reputation coupled with competitive remuneration packages allows the Group to attract and retain high calibre people.</li> <li>• The remuneration strategy encourages responsible decision-making and risk-taking, with a view to delivering long-term stakeholder value.</li> </ul>			
<b>In relation to the wider employee base:</b>			
<ul style="list-style-type: none"> <li>• The Group invests heavily in ongoing learning and development to ensure its employees have the skills and experience to deliver best in class service.</li> <li>• The Group has a robust recruitment strategy to ensure it has sufficient numbers of colleagues to fulfil the needs and demands of the Group.</li> <li>• Employee engagement surveys are undertaken to understand how employees feel about their work and identify, and act on, any areas for improvement.</li> <li>• The remuneration strategy rewards employees for delivering excellent guest service and allows employees to share in the financial success of the Group.</li> </ul>			
<b>IT systems</b>			
<b>Risk owner:</b>	<b>Chief Corporate Officer</b>	<b>Trend since FY23:</b>	<b>=</b>
<p>The Group relies on a number of systems to take bookings, record transactions, make payments and otherwise operate the business. The loss of any such system for a prolonged period may lead to significant loss of revenue and profit, disruption to guests and reputational harm.</p>			
<b>How we manage and/or mitigate the risk</b>			
<ul style="list-style-type: none"> <li>• We place a prohibition on any system changes in advance of, and during, key booking periods.</li> <li>• All key systems have backups, failovers and contingency plans in place to ensure minimal disruption is caused.</li> <li>• Business continuity plans are documented and tested, both internally and with third party suppliers.</li> </ul>			

# Strategic report

## For the 52 weeks ended 18 April 2024 (continued)

<b>Environmental, Social and Governance (ESG)</b>			
<b>Risk owner:</b>	<b>Chief Executive Officer</b>	<b>Trend since FY23:</b>	↑
<p>The Group is committed to achieving high standards of ESG principles, actions and outcomes. A failure to adhere to this commitment may lead to:</p> <ul style="list-style-type: none"> <li>• Reputational damage.</li> <li>• A reduction in customer demand if guests choose to holiday elsewhere.</li> <li>• Difficulty in recruiting and retaining employees.</li> <li>• Regulatory action, including fines.</li> <li>• Higher borrowing costs or lack of funding.</li> <li>• A reduction in revenue and/or profit.</li> </ul>			
<b>How we manage and/or mitigate the risk</b>			
<p><b>The ESG Committee:</b></p> <ul style="list-style-type: none"> <li>• Monitors the Group's progress on its environmental targets, including the target to reduce carbon emissions by 30% by 2030 (against a baseline of 2020). Progress against these targets is included in the Streamlined Energy and Carbon Report (SECR) and Climate Related Financial Disclosures (CFD) in our Group accounts.</li> <li>• Oversees the commitment to be net zero carbon emissions by 2050.</li> <li>• Oversees compliance with Climate-related Financial Disclosures' (UK CFD) recommendations and other reporting obligations.</li> <li>• Ensures the effectiveness of the Group's Environmental Management System (ISO14001).</li> <li>• Ensures we select charitable partnerships which are aligned to our brand values and relevant to our guests and employees.</li> <li>• Drives the diversity, equity and inclusion strategy and workstreams across the Group in relation to guests, employees and other stakeholders.</li> <li>• Oversees governance arrangements to ensure they are appropriate to the size and scale of the Group, its sphere of operations and the risks relevant to the Group.</li> </ul>			

<b>Severe weather and climate change</b>			
<b>Risk owner:</b>	<b>Chief Village Operations Officer/Chief Development and Construction Officer</b>	<b>Trend since FY23:</b>	n/a
<p>Acute physical risks from severe weather events, such as storms, snow, high winds, extreme temperatures (hot and cold), flood and drought may disrupt the Group's business or lead to a partial or complete closure of one or more of our villages. This in turn may lead to a loss of revenue or a reduction in profit.</p> <p>Chronic physical risks from longer term climate change may lead to areas where the Group's sites are located becoming less hospitable and, so, less attractive for leisure and hospitality.</p> <p>Transition risks are those that arise from changes to our operating environment during the transition to a low carbon economy</p>			
<b>manage and/or mitigate the risk</b>			
<ul style="list-style-type: none"> <li>• The Risk Committee oversees both physical and transitional risks associated with climate change. The ESG Committee oversees delivery against our carbon reduction targets. Progress against our carbon targets and details of our climate risks are included in SECR and CFD sections in our Group accounts.</li> <li>• In relation to severe weather events, the Group maintains robust operational plans that take into account severe weather events to ensure either the business continues to trade during such events, with relevant adjustments to mitigate risk, or that it closes some or all of its facilities in a controlled manner, if required.</li> <li>• The Group monitors weather warnings to ensure timely action is taken.</li> <li>• The Group maintains a comprehensive insurance programme that includes cover for property damage and business interruption arising from property damage as a result of severe weather events.</li> <li>• The Group maintains forestry management and biodiversity plans that take into account the risk of severe weather and climate change.</li> <li>• The Group acknowledges that climate change is a global risk that impacts everyone. The Group is committed to playing its part to minimise climate change through its sustainability targets.</li> </ul>			

## Strategic report

### For the 52 weeks ended 18 April 2024 (continued)

#### Governance Report

The Companies (Miscellaneous Reporting) Regulations 2018 require companies of a certain size to make a statement in their Directors' Report summarising the corporate governance arrangements applied by the company. Whilst the Company does not fall within the scope of this regulation, given the structure of the Group's governance arrangements, an outline of governance framework is provided on a voluntary basis, to provide transparency of how governance works within the Group. The governance framework is summarised in the context of the Wates Principles, the corporate governance framework published by the Financial Reporting Council in 2018.

#### Principle One: Purpose and Leadership

Our purpose is to bring families together. This guides how we do business. Our vision is to continue to be the best company to have a short break with, to work for, to invest in and to own. Our strategy supports our purpose and vision is centred around strategic pillars which guide our business priorities and planning. Our values support our purpose and vision and are present in everything we do.

Our values are:

- Natural – we talk and act like real people.
- Family – we care for and support one another.
- Respectful – we think before we act and empathise with others.
- Confident – we proudly stand by our people, our brand and our product.
- Passionate – we go above and beyond for our guests and each other.

Diversity, equity and inclusion is a key area of focus for the business. We want to create an environment where everyone can be themselves, whoever they are. In essence, a place where everyone's welcome. We are focusing on three main areas as part of our three-year strategy for improving diversity, equity and inclusion in culture, leadership and teams. The Group has strategic pillars which support the delivery of our purpose.

#### Principle Two: Board Composition

The Group is ultimately governed by the Board of Directors of the Company's indirect parent company BSREP II Center Parcs Jersey 2 Limited ("the Board"). The Board comprises of six Directors and meets regularly to facilitate the monitoring and oversight of the operation, performance and key decisions of the Group. Details of the Board are provided below.

#### **Colin McKinlay, Chief Executive Officer**

Colin McKinlay joined Center Parcs as Chief Finance Officer in 2017 and took on the role of Chief Executive Officer in 2022. Prior to this, he held the position of Finance Director at TUI Travel Northern Europe and has held a number of senior financial roles at businesses operating in the travel industry, including Chief Financial Officer at Thomas Cook UK & Ireland

#### **Martin Dalby, Non-Executive Chair**

Martin Dalby served as Chief Executive Officer of Center Parcs for 22 years and took on the role of Non-Executive Chair in 2022. Prior to joining Center Parcs, he held various accounting positions with Scottish and Newcastle. During his career with Center Parcs, he also held the roles of Financial Controller and Finance Director.

#### **Katrina Jamieson, Chief Finance Officer**

Katrina Jamieson joined Center Parcs as Chief Finance Officer in 2022. Prior to this, she held the position of Group Financial Controller at Currys, with responsibility for the UK, Ireland, Nordics and Greece, and has held a number of senior roles across retail businesses, including Digital Director, Business Transformation Director and Interim Group CFO at Halfords.

#### **Brad Hyler, Shareholder Director**

Brad Hyler is a Managing Partner in Brookfield's Real Estate Group and Head of Real Estate in Europe. He is responsible for overseeing all real estate activities in the region, including investments, portfolio management and new fund formation. He has been instrumental in the creation and expansion of Brookfield's logistics and student housing operating platforms. Prior to joining Brookfield in 2011, he held various positions at O'Connor Capital Partners and Jones Lang Lasalle. He holds a Bachelor of Arts from the University of North Carolina at Chapel Hill.

## Strategic report

### For the 52 weeks ended 18 April 2024 (continued)

#### **Benedict Tobias Annable, Shareholder Director**

Benedict Annable is a Managing Director of Brookfield Property Group and is responsible for advising on all legal aspects of Brookfield's real estate platform, specifically focusing on European acquisitions, dispositions and related financings. Since joining Brookfield in 2018, he has been involved in several acquisitions across various asset classes and jurisdictions, including offices, student housing and apart'hotel businesses and assets in the UK, France and Spain. Prior to joining Brookfield, he was a Partner at the law firm of Mishcon de Reya LLP, where he focused on acquisitions, disposals, investments and joint ventures, primarily in the real estate sector. He holds a BA (Hons) from Durham University.

#### **Andrea Colasanti**

Andrea Colasanti is a Senior Vice President in Brookfield's Property Group, involved in the Asset Management for Brookfield's European real estate investments. Since joining Brookfield in London in 2018, he has been involved in several Asset Management activities and transactions for Brookfield's real estate group across hospitality, student housing and logistics in various European countries (UK, France, Germany and Portugal). Before joining Brookfield, he worked for PwC, where he focused on financial due diligence and corporate finance in the real estate sector. He holds a Bachelor's Degree in Business Administration and a master's degree in economics and business from Luiss Guido Carli University in Rome.

#### **Operating Board**

On a day-to-day basis, the Center Parcs Group is run by the Operating Board, which acts in a similar way to an executive committee. The Operating Board is a group of senior leaders who provide strategic direction and operational management across the Center Parcs business in the UK and Ireland. The Operating Board consists of the Chief Executive Officer, Chief Financial Officer, the Non-Executive Chair and the below members of senior management.

#### **Rajbinder Singh-Dehal, Chief Corporate Officer**

Rajbinder Singh-Dehal joined Center Parcs as Company Secretary in 2009 with responsibility for legal, pensions, health & safety, insurance and risk. He was appointed Head of Legal and Commercial Services in 2012 and assumed responsibility for Procurement in addition to his previous responsibilities. In 2015, he was appointed HR and Commercial Services Director, adding Human Resources to his remit and joining the Center Parcs Operating Board. In 2020, he was appointed Chief Corporate Officer and assumed responsibility for IT. Before joining Center Parcs, he was Head of the Corporate & Commercial legal team at Alliance & Leicester plc. He started his career with Eversheds LLP, where he practised as a corporate lawyer, advising large- to medium-sized public and private companies. He qualified as a Solicitor in 2001.

#### **Steve Hustler, Chief Development and Construction Officer**

Steve Hustler joined Center Parcs in 2015 as Head of Estates, Assets and Development, moving into the position of Director of Estates, Assets & Development in 2020. In 2023, he took on the role of Chief Development and Construction Officer. Prior to joining Center Parcs, he held a number of roles in construction, facilities management and capital development in both the public and private sector, working for companies such as John Lewis Partnership and British Land. He previously held the roles of Assistant Director of Estates Development and Sustainability at Sheffield Hallam University and Commercial Director at Baymark Limited Shopfitting. He is CIWFM qualified.

#### **Cathryn Petchey, Chief People Officer**

Cathryn Petchey joined Center Parcs as Chief People Officer in 2024. Prior to joining Center Parcs, she was Global People Director at Superdry and HR Director at Mulberry. She has a wealth of experience across consumer and retail businesses, both in the UK and globally. She began her career on the M&S graduate scheme and is a Chartered Fellow of the CIPD.

#### **Colin Whaley, Chief Sales and Marketing Officer**

Colin Whaley joined Center Parcs as Sales and Marketing Director in 2004. Prior to joining Center Parcs, he worked at British Airways, gaining broad experience in a number of departments before being appointed as Head of Sales and Marketing at BA Holidays. Following the acquisition of BA Holidays by Thomas Cook Holidays he headed up Sales and Marketing for the newly merged company, later adding ebookers and Bridge The World to the multi-brand portfolio. He has also held the roles of Marketing Director at Travelbag Limited and Marketing Director at ebookers (UK).

## Strategic report

### For the 52 weeks ended 18 April 2024 (continued)

#### **Alan Park, Chief Village Operations Officer**

Alan Park joined Center Parcs in 2004 as UK Operations Manager and was appointed Regional Director of Operations in 2012 with responsibility for Elveden Forest, Longleat Forest and Woburn Forest. He took responsibility for all five villages in 2016 as Director of Village Operations, before joining the Operating Board as Operations Director in 2017. Prior to joining Center Parcs, he held senior positions with BUPA Hospitals and Eurostar, where he was part of the opening team and went on to be Head of UK Terminals and Customer Service. In his earlier career, he worked for the Home Office at Heathrow and In-Flight Operations in the Royal Air Force.

#### **Paul Kent, Non-Executive Director**

Paul Kent joined Center Parcs in 1987, when the first village was established in the UK. During his career with Center Parcs, he has held a variety of roles with responsibility for Retail, Leisure and Food & Beverage, before moving to the position of General Manager at Sherwood Forest and then taking up the UK Operations Manager role in 2002. In 2004 he was appointed to the position of Commercial Director and, in 2012, took over responsibility for both Operations and Development. He was appointed Development and Construction Director in 2017 and, in 2023, took on the role of Non-Executive Director. He started his career in retail management with Safeway plc.

#### **Balance, diversity, size and structure**

The size and composition of the Board is appropriate for the nature of the decisions made and implemented by the Operating Board.

We recognise the benefits of having a diverse, equitable and inclusive environment and are committed to improving the diversity of the Board. It is considered that the Directors of the Company have the appropriate balance of background, skills, experience and knowledge to make and execute Group decisions, working closely with the wider Operating Board. The scrutiny, review and support provided by the Board gives an appropriate amount of independent rigour and challenge to the operation and decisions of the Operating Board.

The size and composition of the Operating Board is appropriate for the size and nature of the business. In particular, each of the Group's key business functions are represented in Operating Board meetings and each member is highly skilled and experienced in the function they represent. During the year, the Operating Board appointed Paul Kent (previously the Development Director on the Operating Board) as a Non-Executive Director of the Operating Board, and Cathryn Petchey in the new position of Chief People Officer. These appointments seek to increase the diversity and breadth of experience and skills on the Operating Board.

The Operating Board and the Directors of the Company continuously strive to increase diversity at all levels of the business.

#### **Effectiveness**

There are periodic evaluations of the constitution and effectiveness of the Operating Board and additional appointments are made where necessary to deliver the appropriate diversity and expertise, as was evidenced during the year by the new appointments.

The Group is committed to the ongoing professional development of its employees, including the Operating Board Directors. This is delivered through a variety of means, such as mentoring programmes, development days and various training courses, ensuring employees have the most up-to-date knowledge and skills to ensure they are effective in their roles. For further details on how the Board and Operating Board engage with the Group's stakeholders and promote the success of the Group, please refer to the Our Stakeholders above.

#### **Principle Three: Director Responsibilities**

##### **Accountability**

The Board and Operating Board ensure every decision considers the views and needs of all stakeholders. Whilst the Operating Board has oversight, key decisions are made by relevant committees and the people with the most appropriate knowledge and experience.

Each Director has a clear understanding of their accountability and responsibilities. The Operating Board Directors and senior management complete an annual code of conduct declaration, confirming they have behaved in accordance with the Group's behaviours and values. Senior managers are also required to declare any potential conflicts of interest as they occur, and these are reviewed by the Operating Board. Where individuals are Directors of separate legal entities within the Group, they are aware of their responsibilities regarding each of these legal entities.



## Strategic report

### For the 52 weeks ended 18 April 2024 (continued)

The primary role of the Non-Executive Chair is to oversee the operation of the Operating Board and the Group's governance structures, in particular to ensure that the Operating Board is effective in setting and implementing the Group's direction and strategy. In addition, the Non-Executive Chair is also responsible for ensuring the Group maintains an appropriate level of dialogue with its stakeholders, in particular shareholders, and overseeing the operational management of the Group's business, in line with the strategy and long-term objectives set by the Board.

#### **Governance Committees**

We have a range of committees with Board-delegated authority to manage day-to-day operations and decision-making on behalf of the Board and the Operating Board. The committees are chaired and attended by members of the Operating Board, as appropriate, and other relevant members of senior management.

These committees operate under clearly documented terms of reference. The remit of each is regularly reviewed and the terms of reference are updated as and when required. The committees provide regular reports to the Board and Operating Board on their activities and are all operational committees of the Operating Board.

#### **Risk Committee**

The Risk Committee meets four times a year and is chaired by the Chief Executive Officer. It provides oversight of risks by assessing the effectiveness of the Group's risk management framework, strategy and systems, as well as monitoring trends and compliance with laws and regulations. It also provides oversight of non-financial reporting by assessing the integrity of the Group's non-financial statements and monitoring the adequacy of controls over the non-financial reporting.

Further details of our committees are detailed on page 7.

#### **Principle Four: Opportunity and Risk**

##### **Opportunity and Risk**

The Group and the Company have a proactive approach to the management of opportunity and risk. Long term strategic opportunities are reviewed by the Board on an annual basis, whilst short term opportunities are reviewed on an ongoing basis.

The Board is also responsible for ensuring that the business maintains sound internal control and risk management systems, as well as reviewing the effectiveness of those systems. The Board receives regular reports, via the Operating Board, on the effectiveness of the systems of internal control and risk management. The board is satisfied that the systems are embedded within the day-to-day activities of the business and cover all material controls, including financial, operational and compliance controls.

#### **Principle Five: Remuneration**

Center Parcs aims to attract and retain a high-quality workforce through appropriate, fair and affordable remuneration at all levels of the Group.

The Board is involved in the setting of a remuneration strategy and policies that affect the Operating Board and the Group. The strategy takes into account the recruitment framework and long-term incentive plans for senior management, legislative requirements, best market practice and remuneration benchmarking.

Pay is aligned with performance and considers fair pay and conditions across the business. Pay of the Board and Operating Board is regularly benchmarked to ensure individuals with the ability to deliver the Group's strategic objectives are secured and retained.

## Strategic report For the 52 weeks ended 18 April 2024 (continued)

### Principle Six: Stakeholder Relations and Engagement

Center Parcs engages regularly with each of its key stakeholder groups to ensure their needs are appropriately reflected in our purpose and priorities. Key stakeholder groups include guests, colleagues, suppliers, communities, nature, and shareholders and investors. For further details on our engagement with these Groups see pages 3 to 7.

Approved by the Board and signed on its behalf by



K Jamieson  
**Director**  
27 June 2024

## Directors' report For the 52 weeks ended 18 April 2024

The Directors present their report and the audited financial statements for the 52 weeks ended 18 April 2024 (2023: 52 weeks ended 20 April 2023).

The registration number of the Company is 07656412 and the registered address is One Edison Rise, New Ollerton, Newark, Nottinghamshire NG22 9DP

Other sections of the Annual Report and Accounts have been deemed to be incorporated into the Directors' Report by reference, and the table below shows where required disclosures can be found.

Disclosure area	Page
Board of Directors	13
Risks and financial risk management	7
Engagement with employees	4
Engagement with guests, suppliers and others	3
Employment of people with disabilities	5
Financial instruments	39

Information about the Group's climate related disclosures, including Greenhouse gas emissions, can be found in the consolidated financial statements of Center Parcs (Group Holdings) Limited.

### Future developments

No changes to the nature of the business are anticipated.

### Dividends

No dividends were paid during the 52 weeks ended 18 April 2024 (2023: no dividends paid). The Directors have not proposed the payment of a final dividend (2023: £nil).

### Directors

The Directors who served during the period and up to the date of this report are stated in the Governance Report.

The Group headed by Center Parcs (Group Holdings) Limited maintains Directors' and Officers' Liability Insurance in respect of legal action that might be brought against its Directors and Officers that may be incurred as a result of their position within the Company and the companies within the Group. The Directors and Officers have the benefit of an Indemnity provision in accordance with the Company's Articles of Association. These indemnities were in place for the whole of the period ended 18 April 2024 and as at the date of the report.

### Political donations

No political donations were made in the current or prior period.

### Events after the reporting period

Details of events after the reporting period are given as part of the financial performance section in the strategic report and form part of this report by cross-reference.

### Going concern

The Company reported a profit for the period of £25.3 million (2023: profit of £30.7 million) and generated operating cash inflows of £68.1 million (2023: £77.5 million). The Directors have received confirmation that Center Parcs (Holdings 1) Limited, will provide sufficient support to the Company to allow it to meet its debts as they fall due for a period of at least 12 months from the date of signing these financial statements.

The Company recognises that as at 18 April 2024 its net current liabilities were in excess of deferred revenue. This is consistent with guest booking patterns and other anticipated working capital movements; cash flow forecasts confirm that the Company will have sufficient cash to settle liabilities as they fall due.

## Directors' report For the 52 weeks ended 18 April 2024 (continued)

### Going concern (continued)

No borrowings have expected maturity dates within 12 months of the date of approval of these financial statements and there is significant headroom on both the Class A and Class B covenant tests.

Brookfield, the Group's parent shareholder, has confirmed that it is exploring strategic alternatives which may, or may not, result in a transaction. The Directors have satisfied themselves that any such transaction would have no impact on the going concern position of the Group.

In light of all of the above, the financial statements have been prepared on the going concern basis.

### Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual 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 the Directors have elected to prepare the financial statements in accordance with United Kingdom adopted international accounting standards. 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, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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 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. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Statement of disclosure of information to the auditor

In accordance with Section 418 of the Companies Act 2006, in the case of each Director in office at the date the Directors' report is approved, the following applies:

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

### Independent auditor

Deloitte LLP are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

Approved by the board and signed on its behalf by



K Jamieson  
Director  
27 June 2024

# Independent auditor's report to the members of CP Woburn (Operating Company) Limited

## Report on the audit of the financial statements

### Opinion

In our opinion the financial statements of CP Woburn (Operating Company) Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 18 April 2024 and of its profit for the 52 weeks then ended;
- have been properly prepared in accordance with United Kingdom adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law, and United Kingdom adopted international accounting standards.

### 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 the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the '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

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 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.

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Independent auditor's report to the members of CP Woburn (Operating Company) Limited (continued)

### Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for 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 the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### 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 or error, and to issue an auditor's report that includes our opinion. 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 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 further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the Directors about their own identification and assessment of the risks of irregularities, including those that are specific to the Company's business sector.

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements including UK Companies Act and pension and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty, these included Health and Safety legislation.

We discussed among the audit engagement team including relevant internal specialists such as tax, valuations and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside of the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

## Independent auditor's report to the members of CP Woburn (Operating Company) Limited (continued)

### Report on other legal and regulatory requirements

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic report or the Directors' report.

#### Matters on which we are required to report by exception

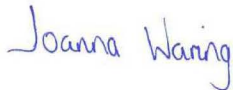
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the Company, 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 respect of these matters.

#### Use of our report

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.



Joanna Waring FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Statutory Auditor  
Birmingham, United Kingdom  
27 June 2024

## Income Statement

For the 52 weeks ended 18 April 2024

	Note	52 weeks ended 18 April 2024			52 weeks ended 20 April 2023		
		Before adjusted items £m	Adjusted items £m	Total £m	Before adjusted items £m	Adjusted items £m	Total £m
<b>Revenue</b>		<b>120.8</b>	<b>-</b>	<b>120.8</b>	115.3	-	115.3
Cost of sales		(34.1)	-	(34.1)	(30.8)	-	(30.8)
<b>Gross profit</b>		<b>86.7</b>	<b>-</b>	<b>86.7</b>	84.5	-	84.5
Administrative expenses		(25.9)	-	(25.9)	(25.7)	-	(25.7)
Depreciation and amortisation	3	(15.5)	-	(15.5)	(14.5)	-	(14.5)
Total operating expenses		(41.4)	-	(41.4)	(40.2)	-	(40.2)
<b>Operating profit</b>	3	<b>45.3</b>	<b>-</b>	<b>45.3</b>	<b>44.3</b>	<b>-</b>	<b>44.3</b>
Movement in fair value of financial derivatives	12	-	0.1	0.1	-	(0.7)	(0.7)
Finance income	5	0.6	-	0.6	0.4	-	0.4
Finance expense	5	(9.7)	-	(9.7)	(9.3)	-	(9.3)
<b>Profit/(loss) before taxation</b>		<b>36.2</b>	<b>0.1</b>	<b>36.3</b>	<b>35.4</b>	<b>(0.7)</b>	<b>34.7</b>
Taxation	6	(11.0)	-	(11.0)	(3.6)	(0.4)	(4.0)
<b>Profit/(loss) for the period attributable to equity shareholders</b>	16	<b>25.2</b>	<b>0.1</b>	<b>25.3</b>	<b>31.8</b>	<b>(1.1)</b>	<b>30.7</b>

All amounts relate to continuing activities.

## Statement of Comprehensive Income

For the 52 weeks ended 18 April 2024

	Note	2024 £m	2023 £m
<b>Profit for the period</b>		<b>25.3</b>	30.7
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Revaluation gain	8	14.9	16.7
Tax relating to components of other comprehensive income	15	(3.7)	(4.0)
<b>Other comprehensive income for the period</b>	16	<b>11.2</b>	12.7
<b>Total comprehensive income for the period</b>		<b>36.5</b>	43.4

The notes on pages 26 to 45 form part of these financial statements



## Statement of Changes in Equity

	Attributable to owners of the parent			Total £m
	Share capital £m	Revaluation reserve £m	Retained earnings £m	
At 21 April 2023	-	100.3	20.1	120.4
<b>Comprehensive income</b>				
Profit for the period	-	-	25.3	25.3
Other comprehensive income	-	11.2	-	11.2
<b>At 18 April 2024</b>	<b>-</b>	<b>111.5</b>	<b>45.4</b>	<b>156.9</b>

	Attributable to owners of the parent			Total £m
	Share capital £m	Revaluation reserve £m	Retained earnings £m	
At 22 April 2022	-	87.6	(10.6)	77.0
<b>Comprehensive income</b>				
Profit for the period	-	-	30.7	30.7
Other comprehensive income	-	12.7	-	12.7
At 20 April 2023	-	100.3	20.1	120.4

The notes on pages 26 to 45 form part of these financial statements

## Balance Sheet

	Note	As at 18 April 2024 £m	As at 20 April 2023 £m
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	7	-	-
Property, plant and equipment	8	529.5	522.0
Right-of-use asset	9	20.5	17.6
		<b>550.0</b>	<b>539.6</b>
<b>Current assets</b>			
Inventories		1.0	0.9
Trade and other receivables	10	1.8	3.4
Derivative financial instruments	12	0.2	0.1
Cash and cash equivalents		14.5	12.6
		<b>17.5</b>	<b>17.0</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	(32.7)	(38.4)
Borrowings	12	(79.6)	(101.8)
Current tax liability		-	(4.8)
		<b>(112.3)</b>	<b>(145.0)</b>
<b>Net current liabilities</b>		<b>(94.8)</b>	<b>(128.0)</b>
<b>Non-current liabilities</b>			
Borrowings	12	(200.2)	(200.0)
Lease liabilities	13	(25.9)	(22.3)
Deferred tax liability	15	(72.2)	(68.9)
		<b>(298.3)</b>	<b>(291.2)</b>
<b>Net assets</b>		<b>156.9</b>	<b>120.4</b>
<b>Equity</b>			
Share capital	16	-	-
Revaluation reserve	16	111.5	100.3
Retained earnings	16	45.4	20.1
<b>Total equity</b>		<b>156.9</b>	<b>120.4</b>

The financial statements on pages 20 to 44 were approved by the Board of Directors on 27 June 2024 and were signed on its behalf by:



K Jamieson  
Director

CP Woburn (Operating Company) Limited  
Registered no. 07656412

The notes on pages 24 to 44 form part of these financial statements

## Cash Flow Statement

	Note	52 weeks ended 18 April 2024 £m	52 weeks ended 20 April 2023 £m
<b>Cash flows from operating activities</b>			
Operating profit		45.3	44.3
Depreciation and amortisation	3	15.5	14.5
Working capital and non-cash movements	17	9.0	20.2
Loss on disposal		-	0.2
Payments for corporation tax and taxation group relief	6/ 20	(1.7)	(1.7)
<b>Net cash from operating activities</b>		<b>68.1</b>	<b>77.5</b>
<b>Cash flows used in investing activities</b>			
Purchase of property, plant and equipment		(7.9)	(9.2)
Interest received		0.6	0.4
<b>Net cash used in investing activities</b>		<b>(7.3)</b>	<b>(8.8)</b>
<b>Cash flows used in financing activities</b>			
Interest paid		(9.0)	(8.7)
Repayment of intra-group borrowings	20	(49.9)	(63.0)
<b>Net cash used in financing activities</b>		<b>(58.9)</b>	<b>(71.7)</b>
Net increase/(decrease) in cash and cash equivalents		1.9	(3.0)
Cash and cash equivalents at beginning of the period		12.6	15.6
<b>Cash and cash equivalents at end of the period</b>		<b>14.5</b>	<b>12.6</b>

The notes on pages 26 to 45 form part of these financial statements.

## Notes to the financial statements

for the 52 weeks ended 18 April 2024

### 1. Accounting policies

#### General information

The Company is a private company limited by shares, which is incorporated and domiciled in the UK, and is registered in England and Wales. The address of its registered office is One Edison Rise, New Ollerton, Newark, Nottinghamshire, NG22 9DP. The principal activity of the Company is set out in the strategic report. The Company's functional currency is £ Sterling.

#### Basis of preparation

These financial statements for the 52 weeks ended 18 April 2024 (2023: 52 weeks ended 20 April 2023) have been properly prepared in accordance with United Kingdom adopted international accounting standards. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain items, principally land and buildings and derivative financial instruments. All accounting policies disclosed have been applied consistently to both periods presented.

#### Going concern

The Company reported a profit for the period of £25.3 million (2023: profit of £30.7 million) and generated operating cash inflows of £68.1 million (2023: £77.5 million). The Directors have received confirmation that Center Parcs (Holdings 1) Limited, will provide sufficient support to the Company to allow it to meet its debts as they fall due for a period of at least 12 months from the date of signing these financial statements.

The Company recognises that as at 18 April 2024 its net current liabilities were in excess of deferred revenue. This is consistent with guest booking patterns and other anticipated working capital movements; cash flow forecasts confirm that the Company will have sufficient cash to settle liabilities as they fall due.

No borrowings have expected maturity dates within 12 months of the date of approval of these financial statements and there is significant headroom on both the Class A and Class B covenant tests. The Group continues to be able to refinance and raise additional debt. On 17 May 2024 the Group issued £330.0 million of tranche B7 secured notes. Part of the proceeds of these new notes was used to settle the Group's tranche B4 secured notes in full.

In light of all of the above, the financial statements have been prepared on the going concern basis.

#### Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the Directors to make estimates and judgements that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

#### Key sources of estimation uncertainty

*Useful economic lives and residual values of property, plant and equipment and other intangible assets:*

The Company reviews the estimated useful lives of property, plant and equipment and other intangible assets at the end of each reporting period. During the current period, the Directors have concluded that no revision is required to either useful economic lives or residual values of these assets, and that residual values exceed carrying values.

*Valuation of property held at fair value (note 8):*

The valuation of the property assets held at fair value is performed by an appropriate third party expert on a sufficiently regular basis so that the carrying value of an asset does not differ significantly from its fair value at the balance sheet date. The valuation requires the third party to estimate future cash flows expected to arise from the investment and using comparable market transactions on arm's length terms.

No significant judgements have been applied in the preparation of the financial statements.

## Notes to the financial statements

for the 52 weeks ended 18 April 2024 (continued)

### 1. Accounting policies (continued)

#### Operating segments

The Company has a single operating segment, being the Woburn Center Parcs holiday village.

#### Revenue

Revenue relates to accommodation rental income on holidays commenced during the period, together with other related income that primarily arises from on-village leisure, retail and food and beverage spend. Revenue relating to accommodation is recognised on a straight-line basis over the period of the holiday. Non-rental income is recognised when the related product or service is provided to the guest. All revenue is recorded net of VAT.

Payment for accommodation rental income is received in advance of holidays commencing, and is recorded as 'deferred income' within Trade and other payables until the holiday commences. A number of trading units on each holiday village are operated by concession partners. Revenue due in respect of such units is recognised on an accruals basis. All revenue arises in the United Kingdom.

#### Cost of sales

Cost of sales comprise the cost of goods and services provided to guests. All costs to the point of sale, including direct colleague costs, are included within cost of sales.

#### Adjusted items

Adjusted items are defined as those that, by virtue of their nature, size or expected frequency, warrant separate disclosure in the financial statements in order to fully understand the underlying performance of the Company. Adjusted items are those that are not directly related to the ongoing trade of the business or that are unrepresentative of ongoing performance. Examples of adjusted items are the costs of Company restructures, the impact of the change in applicable deferred tax rate and movements in the fair value of embedded derivatives.

#### Intangible assets

##### Software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis over their estimated useful lives, which are generally considered to be either four or seven years.

Costs that are directly associated with the production of identifiable and unique software products controlled by the Company, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development colleague costs and an appropriate portion of relevant overheads. Computer software development costs recognised as assets are amortised over their estimated useful lives.

#### Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment and whenever there is an indication at the end of a reporting period that the asset may be impaired. Assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

#### Property, plant and equipment

Land and buildings are stated in the balance sheet at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed by external qualified valuers on a sufficiently regular basis such that the carrying value does not differ materially from that which would be determined using fair values at the balance sheet date.

Impairment losses are charged to the revaluation reserve to the extent that a previous gain has been recorded, and thereafter to the income statement. Surpluses on revaluation are recognised in the revaluation reserve, except to the extent that they reverse previously charged impairment losses, in which case the reversal is recorded in the income statement.

## Notes to the financial statements

for the 52 weeks ended 18 April 2024 (continued)

### 1. Accounting policies (continued)

#### Property, plant and equipment (continued)

Installations, fixtures and fittings, motor vehicles and computer hardware are stated at cost. The cost of property, plant and equipment includes directly attributable costs.

Depreciation is provided on the cost of all property, plant and equipment (except assets in the course of construction) so as to write off the cost, less residual value, on a straight-line basis over the expected useful economic life of the assets concerned, which are typically as follows:

Installations	10 to 20 years
Fixtures and fittings	5 to 10 years
Motor vehicles	4 years
Computer hardware	4 years

Land and buildings are depreciated to residual value over 50 years. Useful lives and residual values are reviewed at each balance sheet date and revised where expectations are significantly different from previous estimates. In such cases, the depreciation charge for current and future periods is adjusted accordingly.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the income statement in the year in which they are incurred.

#### Maintenance expenditure

It is the policy of the Company to maintain its land and buildings to a high standard. Where maintenance expenditure increases the benefits that property, plant and equipment is expected to generate, this expenditure is capitalised. All other maintenance costs are charged to the income statement as incurred.

#### Leases

The Company assesses whether a contract is or contains a lease at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company calculates an appropriate incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liabilities (using the effective interest rate method) and by reducing the carrying amount to reflect the lease payments made. The Company remeasures the lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

## Notes to the financial statements

for the 52 weeks ended 18 April 2024 (continued)

### 1. Accounting policies (continued)

#### Leases (continued)

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'. The costs are included in the related right-of-use asset.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-to-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an administrative expense in the income statement in the period in which the event or condition that triggers those payments occurs.

#### Inventories

The basis of valuation of inventories is the lower of cost on a first in first out basis and estimated net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses. Inventory provisions are created where necessary to ensure that inventory is valued at the lower of cost and estimated net realisable value.

#### Current and deferred tax

The tax currently payable is based on the taxable profit for the period. The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date and is measured at the amount expected to be paid to or recovered from the tax authorities.

Deferred tax is provided in full, using the liability method, on all differences that have originated but not reversed by the balance sheet date which give rise to an obligation to pay more or less tax in the future. Differences are defined as the differences between the carrying value of assets and liabilities and their tax base. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax on properties assumes recovery through sale.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the assets can be utilised.

Deferred tax is calculated using tax rates that are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled, on the basis of the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets and liabilities are only offset when there is a legally enforceable right to offset current tax assets and current tax liabilities and when the deferred income taxes relate to the same fiscal authority and there is an intention to settle on a net basis.

#### Trade receivables

Trade receivables are recognised initially at fair value and subsequently at amortised cost, less any expected credit losses.

## Notes to the financial statements

for the 52 weeks ended 18 April 2024 (continued)

### 1. Accounting policies (continued)

#### Cash and cash equivalents

For the purposes of the cash flow statement and the balance sheet, cash and cash equivalents comprise cash at bank and cash in hand.

#### Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Interest on borrowings is treated as an expense in the income statement, with the exception of interest costs incurred on the financing of major projects, which are capitalised within property, plant and equipment.

#### Early termination costs

Costs associated with the early repayment of borrowings are written off to the income statement as incurred.

#### Derivative financial instruments

The Company does not trade in derivative financial instruments. All derivative financial instruments are measured at the balance sheet date at their fair value. The Company does not currently hedge account for any derivatives. As such, any gain or loss on remeasurement is taken to the income statement.

#### Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### Provisions

Provisions for legal claims are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations is small.

#### Colleague benefits

##### *Pensions*

- Defined contribution pension scheme

Company colleagues can choose to be a member of a defined contribution pension scheme. A defined contribution pension scheme is a pension scheme under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all colleagues the benefits relating to colleague service in the current and prior periods. Contributions are charged to the income statement as incurred.

##### *Profit-sharing and bonus plans*

The Company recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

##### *Holiday pay*

The Company recognises an appropriate liability for the cost of holiday entitlements not taken at the balance sheet date.



## Notes to the financial statements

for the 52 weeks ended 18 April 2024 (continued)

### 1. Accounting policies (continued)

#### Financial instruments

The Company classifies its financial assets into two categories, being those measured at amortised cost and those measured at fair value. Where assets are measured at fair value gains and losses are recognised either in the income statement or in other comprehensive income, depending on the nature of the asset. Financial assets are included in current assets, except for maturities greater than 12 months after the balance sheet date which are classified as non-current assets

Financial liabilities are classified as either fair value through profit and loss or other financial liabilities. The classification depends on the nature of the financial instrument acquired. Other financial liabilities are carried at amortised cost using the effective interest rate method.

#### Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government grants that are receivable as compensation for expenses or losses already incurred or for the purposes of giving immediate financial support to the Company with no future related costs are recognised in the income statement in the period in which they become receivable.

#### Dividend distribution

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

#### Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction.

#### Share capital

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

#### New standards and interpretations

A number of new or revised accounting standards were effective for the first time in the current period. None of these have significantly impacted the financial statements of the Company and are unlikely to have a material impact in the future.

The International Accounting Standards Board (IASB) has issued the following new or revised standards and interpretations with an effective date for financial periods beginning on or after the dates disclosed below and therefore after the date of these financial statements. The IASB has also issued a number of minor amendments to standards as part of their annual improvement process.

IFRS 16	Leases	
	Lease liability in a Sale and Leaseback	1 January 2024
IAS 7/ IFRS 7	Statement of Cash Flows/ Financial Instruments: Disclosures	
	Supplier Finance Arrangements	1 January 2024
IAS 1	Presentation of Financial Statements	
	Amended by Non-current Liabilities with Covenants	1 January 2024
IAS 21	The Effects of Changes in Foreign Exchange Rates	
	Lack of Exchangeability	1 January 2025
IFRS 18	Presentation and Disclosure in Financial Statements	
	New Standard	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	
	New Standard	1 January 2027

The Directors do not anticipate that the adoption of any standards listed above will have a material impact on the Company's financial statements in the period of initial application, although the assessment is ongoing.

## Notes to the financial statements

for the 52 weeks ended 18 April 2024 (continued)

### 2. Financial risk management

The Company finances its operations through a mixture of equity and borrowings as required. The Company has sought to reduce its cost of capital by refinancing and restructuring the Company's funding using the underlying asset value. All tranches of the Company's secured debt are subject to financial covenants. The Director have assessed future compliance and at this time do not foresee any breach of the financial covenants.

The overall policy in respect of interest rates is to reduce the exposure to interest rate fluctuations, and the Company's primary source of borrowings is fixed interest rate loan notes. The Company does not actively trade in derivative financial instruments.

#### Interest rate risk

The Company has fixed rate loan notes as its only external funding sources.

#### Liquidity risk

At 18 April 2024, the Group of companies headed by Center Parcs (Holdings 1) Limited had sufficient levels of cash and funds available to them to meet the Company's medium term working capital, lease liability and funding obligations. Rolling forecasts of the Company's liquidity requirements are prepared and monitored, and surplus cash is invested in interest bearing accounts.

#### Currency risk

The Company is exposed to limited currency risk through foreign currency transactions. The Company does not operate a hedging facility to manage currency risk as it is considered to be insignificant.

#### Credit risk

The Company borrows from well-established institutions with high credit ratings. The Company's cash balances are held on deposit with a UK banking institution.

### 3. Operating profit

The following items have been included in arriving at the Company's operating profit:

	<b>52 weeks ended 18 April 2024</b>	52 weeks ended 20 April 2023
	<b>£m</b>	£m
Colleague costs (note 19)	<b>29.4</b>	26.1
Cost of inventories	<b>9.6</b>	8.6
Depreciation of property, plant and equipment – owned assets (note 8)	<b>15.3</b>	14.3
Depreciation of right-of-use assets (note 9)	<b>0.2</b>	0.2
Repairs and maintenance expenditure on property, plant and equipment	<b>3.3</b>	2.9

Auditor's remuneration in respect of the audit of the Company's financial statements of £22,000 (2023: £22,000) was incurred during the period. Non audit services of £nil (2023: £nil) were also charged in the period.

## Notes to the financial statements

for the 52 weeks ended 18 April 2024 (continued)

### 4. Adjusted items

The following adjusted items are reflected in the financial statements:

	2024 £m	2023 £m
<b>Non-operating items</b>		
Movement in fair value of financial derivatives (note 12)	0.1	(0.7)
Taxation	-	(0.4)
	<b>0.1</b>	<b>(1.1)</b>

Movements in the fair value of financial derivatives are considered to be adjusted items. Taxation on these items has also been treated as an adjusted item, as has the impact of the change in applicable deferred tax rate from 25% to 19% in the prior financial period.

### 5. Net finance costs

	52 weeks ended 18 April 2024 £m	52 weeks ended 20 April 2023 £m
<b>Finance expense</b>		
Interest payable on borrowings	(8.2)	(8.1)
Interest expense on lease liabilities	(1.5)	(1.2)
Total finance expense	(9.7)	(9.3)
<b>Finance income</b>		
Bank interest receivable	0.6	0.4
Total finance income	0.6	0.4
<b>Net finance costs</b>	<b>(9.1)</b>	<b>(8.9)</b>

### 6. Taxation

#### (a) Taxation

The Company made payments for taxation group relief of £0.6 million (2023: £1.7 million) during the period.

The tax charge is made up as follows:

	52 weeks ended 18 April 2024 £m	52 weeks ended 20 April 2023 £m
<b>Current tax:</b>		
- Current period	(11.9)	(5.1)
- Adjustments in respect of prior periods	0.5	1.5
	<b>(11.4)</b>	<b>(3.6)</b>
<b>Deferred tax:</b>		
- Origination and reversal of temporary differences	1.2	(0.2)
- Adjustments in respect of prior periods	(0.8)	(0.2)
<b>Taxation (note 6(b))</b>	<b>(11.0)</b>	<b>(4.0)</b>

## Notes to the financial statements

for the 52 weeks ended 18 April 2024 (continued)

### 6. Taxation (continued)

#### (b) Factors affecting the tax charge

The tax assessed for the period is higher (2023: lower) than that resulting from applying the standard rate of corporation tax in the UK of 25% (2023: 19%). The difference is reconciled below:

	52 weeks ended 18 April 2024	52 weeks ended 20 April 2023
	£m	£m
<b>Profit before taxation</b>	<b>36.3</b>	<b>34.7</b>
Profit before taxation multiplied by the standard rate of corporation tax in the UK	9.1	6.7
Adjustments in respect of prior periods	0.3	(1.3)
Impact of change in corporation tax rate	-	0.5
Tax adjusting items	1.6	(1.8)
Impact of super deduction	-	(0.1)
<b>Tax charge for the period (note 6(a))</b>	<b>11.0</b>	<b>4.0</b>

The standard rate of corporation tax in the UK increased from 19% to 25% with effect from 1 April 2023, however 19% was considered the pervasive rate for the prior period due to the minimal time period the new rate was in effect.

In the period to 18 April 2024, the deferred tax liability was calculated at a rate of 25% (2023: 25%).

### 7. Intangible assets

	Software £m
<b>Cost</b>	
At 21 April 2023	0.8
<b>At 18 April 2024</b>	<b>0.8</b>
<b>Amortisation</b>	
At 21 April 2023	0.8
Charge for the period	-
<b>At 18 April 2024</b>	<b>0.8</b>
Net book amount at 20 April 2023	-
<b>Net book amount at 18 April 2024</b>	<b>-</b>

	Software £m
<b>Cost</b>	
At 22 April 2022	0.8
<b>At 20 April 2023</b>	<b>0.8</b>
<b>Amortisation</b>	
At 22 April 2022	0.8
Charge for the period	-
<b>At 20 April 2023</b>	<b>0.8</b>
Net book amount at 21 April 2022	-
<b>Net book amount at 20 April 2023</b>	<b>-</b>

## Notes to the financial statements for the 52 weeks ended 18 April 2024 (continued)

### 8. Property, plant and equipment

	Land and buildings £m	Installations £m	Fixtures and fittings £m	Motor vehicles and hardware £m	Assets in the course of construction £m	Total £m
<b>Cost</b>						
At 21 April 2023	465.6	99.5	30.5	4.5	0.1	600.2
Additions	-	1.9	5.5	0.5	-	7.9
Disposals	-	-	(8.3)	(0.8)	-	(9.1)
Revaluation	10.1	-	-	-	-	10.1
<b>At 18 April 2024</b>	<b>475.7</b>	<b>101.4</b>	<b>27.7</b>	<b>4.2</b>	<b>0.1</b>	<b>609.1</b>
<b>Depreciation and impairment</b>						
At 21 April 2023	-	53.8	20.1	4.3	-	78.2
Charge for the period	4.8	6.6	3.7	0.2	-	15.3
On disposals	-	-	(8.3)	(0.8)	-	(9.1)
Eliminated on revaluation	(4.8)	-	-	-	-	(4.8)
<b>At 18 April 2024</b>	<b>-</b>	<b>60.4</b>	<b>15.5</b>	<b>3.7</b>	<b>-</b>	<b>79.6</b>
Net book amount at 20 April 2023	465.6	45.7	10.4	0.2	0.1	522.0
<b>Net book amount at 18 April 2024</b>	<b>475.7</b>	<b>41.0</b>	<b>12.2</b>	<b>0.5</b>	<b>0.1</b>	<b>529.5</b>

If the land and buildings had not been revalued, the historical cost net book amount would be £225.1 million (2023: £225.1 million).

At 18 April 2024 independent chartered surveyors revalued the Company's land and buildings on an open market basis. This identified a revaluation uplift of £14.9 million.

	Land and buildings £m	Installations £m	Fixtures and fittings £m	Motor vehicles and hardware £m	Assets in the course of construction £m	Total £m
<b>Cost</b>						
At 22 April 2022	453.5	96.3	26.1	4.4	0.2	580.5
Additions	0.2	3.1	5.8	0.1	-	9.2
Disposals	(0.2)	-	(1.4)	-	-	(1.6)
Transfers	-	0.1	-	-	(0.1)	-
Revaluation	12.1	-	-	-	-	12.1
<b>At 20 April 2023</b>	<b>465.6</b>	<b>99.5</b>	<b>30.5</b>	<b>4.5</b>	<b>0.1</b>	<b>600.2</b>
<b>Depreciation and impairment</b>						
At 22 April 2022	-	47.2	18.5	4.2	-	69.9
Charge for the period	4.6	6.6	3.0	0.1	-	14.3
On disposals	-	-	(1.4)	-	-	(1.4)
Eliminated on revaluation	(4.6)	-	-	-	-	(4.6)
<b>At 20 April 2023</b>	<b>-</b>	<b>53.8</b>	<b>20.1</b>	<b>4.3</b>	<b>-</b>	<b>78.2</b>
Net book amount at 21 April 2022	453.5	49.1	7.6	0.2	0.2	510.6
<b>Net book amount at 20 April 2023</b>	<b>465.6</b>	<b>45.7</b>	<b>10.4</b>	<b>0.2</b>	<b>0.1</b>	<b>522.0</b>

At 20 April 2023 independent chartered surveyors revalued the Company's land and buildings on an open market basis. This identified a revaluation uplift of £16.7 million.

**Notes to the financial statements**

for the 52 weeks ended 18 April 2024 (continued)

**9. Right-of-use assets**

	£m
<b>Cost</b>	
At 21 April 2023	18.6
Remeasurement	3.1
<b>At 18 April 2024</b>	<b>21.7</b>
<b>Depreciation</b>	
At 21 April 2023	(1.0)
Charge for the period ended 18 April 2024	(0.2)
<b>At 18 April 2024</b>	<b>(1.2)</b>
Net book amount at 20 April 2023	17.6
<b>Net book amount at 18 April 2024</b>	<b>20.5</b>

	£m
<b>Cost</b>	
At 22 April 2022	18.6
<b>At 20 April 2023</b>	<b>18.6</b>
<b>Depreciation</b>	
At 22 April 2022	(0.8)
Charge for the period ended 20 April 2023	(0.2)
<b>At 20 April 2023</b>	<b>(1.0)</b>
Net book amount at 21 April 2022	17.8
<b>Net book amount at 20 April 2023</b>	<b>17.6</b>

**10. Trade and other receivables**

	2024 £m	2023 £m
Amounts falling due within one year:		
Trade receivables	1.6	1.5
Prepayments	0.2	0.2
Amounts owed by related parties	-	1.7
	<b>1.8</b>	<b>3.4</b>

The fair value of trade and other receivables are equal to their book value and no impairment provisions have been made (2023: £nil). All of the amounts above are denominated in £ sterling. Credit risk in respect of the Company's revenue streams is limited as the vast majority of customers pay in advance.

**11. Trade and other payables**

	2024 £m	2023 £m
Trade payables	1.3	1.7
Other tax and social security	0.6	0.6
Other payables	0.3	0.3
Amounts owed to related parties	0.3	2.3
Accruals	8.2	9.9
Deferred income	22.0	23.6
	<b>32.7</b>	<b>38.4</b>

All amounts owed to related parties were unsecured and repayable on demand. Further details are set out in note 20.

Deferred income represents revenues received at the period end date that relate to future periods; the principal component is accommodation income. Deferred income principally relates to bookings for holidays in the 12 months immediately following the balance sheet date; approximately 1% (2023: 2%) of bookings relate to the subsequent period.

## Notes to the financial statements

for the 52 weeks ended 18 April 2024 (continued)

### 12. Borrowings

	2024	2023
	£m	£m
<b>Current</b>		
Loans from Group undertakings	79.6	101.8
<b>Non-current</b>		
Secured debt	200.2	200.0

The loans from Group undertakings represents an interest-free loan advanced during a prior period. This loan is unsecured and repayable on demand.

The secured debt is part of an overall £2,122.5 million (2023: £2,562.5 million) facility made available to the Group. The loans detailed below represent the issue proceeds recharged to the Company from CPUK Finance Limited, a related party which issued bonds on the external markets. The terms of the loans from CPUK Finance Limited are identical to the terms of the external borrowings.

The secured debt consists of the following:

	2024	2023
	£m	£m
Tranche A4	69.5	69.7
Tranche A5	85.3	85.3
Tranche B4	15.3	15.3
Tranche B5	15.3	15.3
Tranche B6	15.6	15.6
Unamortised deferred issue costs	(0.8)	(1.2)
	<b>200.2</b>	<b>200.0</b>

On 15 June 2017 the Group issued an additional £100.0 million of tranche A4 secured notes via a tap issue, at a premium of £9.5 million; this premium is being amortised over the period to expected maturity and amortisation of £0.1 million (2023: £nil) was credited to the income statement of the Company during the period.

On 20 November 2018 the Group issued a further £100.0 million of tranche A4 secured notes via a tap issue, at a premium of £3.2 million; this premium is being amortised over the period to expected maturity and amortisation of £0.1 million (2023: £0.1 million) was credited to the income statement of the Company during the period.

The tranche A4 notes have an expected maturity date of 28 August 2025 and a final maturity date of 28 February 2042. The interest rate to expected maturity is fixed at 3.588% and the interest rate from expected maturity to final maturity is 4.244%.

The tranche A5 notes have an expected maturity date of 28 August 2028 and a final maturity date of 28 February 2047. The interest rate to expected maturity is fixed at 3.690% and the interest rate from expected maturity to final maturity is fixed at 4.190%.

The tranche B4 notes have an expected maturity date of 28 August 2025 and a final maturity date of 28 February 2047. The interest rate to both expected maturity and final maturity is fixed at 4.875%. The tranche B4 notes were settled in full after the balance sheet date, as set out in note 23.

The tranche B5 notes have an expected maturity date of 28 August 2026 and a final maturity date of 28 August 2050. The interest rate to both expected maturity and final maturity is fixed at 6.500%.

The tranche B6 notes have an expected maturing date of 28 August 2027 and a final maturity date of 28 August 2051. The interest rate to both expected maturity and final maturity is fixed at 4.500%.

## Notes to the financial statements for the 52 weeks ended 18 April 2024 (continued)

### 12. Borrowings (continued)

The tranche B4, B5 and B6 debt is subordinated to the Class A debt. All tranches of secured debt include optional prepayment clauses permitting the Group to repay the debt in advance of the expected maturity date. The option to repay the B4, B5 and B6 debt prior to maturity are considered to be derivative financial instruments with a fair value of £0.2 million (2023: £0.1 million, 2022: £0.8 million), such fair value being estimated with reference to the yields of similar corporate bonds with comparable terms and credit ratings. The movement in fair value has been recognised as an adjusted item in the income statement.

The derivative financial instrument recognised by the Group is £3.2 million (2023: £1.8 million) and this has been apportioned to the individual borrowers in line with the tranche B debt held by each entity.

All tranches of debt are subject to financial covenants.

As all tranches have fixed interest rates, the Company is not exposed to interest rate fluctuations.

The maturity of the Company's borrowings is as follows:

	Less than one year £m	One to two years £m	Two to five years £m	Greater than five years £m	Premium and deferred issue costs £m	Total £m
<b>At 18 April 2024</b>						
Loans from Group undertakings	79.6	-	-	-	-	79.6
Secured debt	-	84.5	116.2	-	(0.5)	200.2
<b>Total borrowings</b>	<b>79.6</b>	<b>84.5</b>	<b>116.2</b>	<b>-</b>	<b>(0.5)</b>	<b>279.8</b>
<b>At 20 April 2023</b>						
Loans from Group undertakings	101.8	-	-	-	-	101.8
Secured debt	-	-	115.4	85.3	(0.7)	200.0
<b>Total borrowings</b>	<b>101.8</b>	<b>-</b>	<b>115.4</b>	<b>85.3</b>	<b>(0.7)</b>	<b>301.8</b>

The maturity profile reflects the expected maturity date of each tranche of secured debt.

All amounts are denominated in £ sterling.

### Reconciliation of opening and closing secured debt

	2024 £m	2023 £m
Secured debt at the beginning of the period	200.0	199.9
Amortisation of deferred issue costs	0.4	0.2
Amortisation of premium on issue of secured notes	(0.2)	(0.1)
<b>Secured debt at the end of the period</b>	<b>200.2</b>	<b>200.0</b>



## Notes to the financial statements

for the 52 weeks ended 18 April 2024 (continued)

### 13. Leases

#### Lease liabilities

Current period disclosures for the Company, as required by IFRS 16 'Leases' are as follows:

	18 April 2024 £m	20 April 2023 £m
<b>Maturity analysis – contractual undiscounted cash flows</b>		
Less than one year	0.8	0.7
One to five years	3.6	3.0
More than five years	286.0	249.8
<b>Total undiscounted lease liabilities</b>	<b>290.4</b>	<b>253.5</b>
<b>Lease liabilities included in the balance sheet</b>		
Current	-	-
Non-current	25.9	22.3
<b>Total lease liabilities</b>	<b>25.9</b>	<b>22.3</b>
<b>Amounts recognised in the income statement</b>		
Interest on lease liabilities	(1.5)	(1.2)
<b>Total recognised in the income statement</b>	<b>(1.5)</b>	<b>(1.2)</b>
<b>Amounts recognised in the cash flow statement</b>		
Repayment of lease liabilities	-	-
Interest on lease liabilities	(0.9)	(0.6)
<b>Total recognised in the cash flow statement</b>	<b>(0.9)</b>	<b>(0.6)</b>

Lease liabilities are predominantly in respect of the land at the Woburn village and expire in December 2109. The lease agreement includes a five-yearly upwards only rent reviews calculated with reference to revenue increases.

During the current period a rent review was concluded which resulted in a remeasurement of the associated lease liability, resulting in an increase of £3.1 million.

When measuring lease liabilities, the Company discounted lease payments using appropriate incremental borrowing rates. The weighted average rate applied to undiscounted cashflows is 5.8% (2023: 5.8%).

## Notes to the financial statements

for the 52 weeks ended 18 April 2024 (continued)

### 14. Financial instruments

#### Financial instruments by category

The accounting policies for financial instruments have been applied to the items below. As at 18 April 2024 and 20 April 2023 all of the Company's financial assets were classified as those measured at amortised cost, with the exception of derivative financial instruments which are classified as fair value through profit and loss. As at 18 April 2024 and 20 April 2023 all of the Company's financial liabilities were categorised as other financial liabilities. All interest in the income statement relates to loans held at amortised cost.

	2024	2023
	£m	£m
<b>Financial assets</b>		
<i>Amortised cost</i>		
Trade receivables	1.6	1.5
Amounts owed by related parties	-	1.7
Cash and cash equivalents	14.5	12.6
<i>Fair value through profit and loss</i>		
Derivative financial instruments	0.2	0.1
	<b>16.3</b>	<b>15.9</b>

	2024	2023
	£m	£m
<b>Financial liabilities</b>		
<i>Other financial liabilities</i>		
Borrowings	279.8	301.8
Lease liabilities	25.9	22.3
Amounts owed to related parties	0.3	2.3
Trade payables	1.3	1.7
Accruals	8.2	9.9
Other payables	0.3	0.3
	<b>315.8</b>	<b>338.3</b>

#### Fair value hierarchy

IFRS 13 'Financial Instruments: Disclosures' requires fair value measurements to be recognised using a fair value hierarchy that reflects the significance of the inputs used in the measurements, according to the following levels:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The Company's derivative financial instruments have been categorised as Level 3 (2023: Level 3). All other fair value measurements of the Company have been categorised as Level 1 (2023: Level 1) and fair values have been derived from unadjusted quoted market prices in active markets

#### Fair value of financial assets and financial liabilities

The fair value of the Company's gross secured debt is (before unamortised debt costs) at 18 April 2024 was £190.4 million (2023: £184.4 million). The fair value of other financial assets and liabilities of the Company are approximately equal to their book value.

**Notes to the financial statements**

for the 52 weeks ended 18 April 2024 (continued)

**14. Financial instruments (continued)****Maturity of financial liabilities**

The non-discounted minimum future cash flows in respect of financial liabilities are:

<b>At 18 April 2024</b>	<b>Loans from Group undertakings £m</b>	<b>Secured debt £m</b>	<b>Total £m</b>
In less than one year	79.6	8.1	87.7
In one to two years	-	90.3	90.3
In two to five years	-	124.7	124.7
	<b>79.6</b>	<b>223.1</b>	<b>302.7</b>

<b>At 20 April 2023</b>	<b>Loans from Group undertakings £m</b>	<b>Secured debt £m</b>	<b>Total £m</b>
In less than one year	101.8	8.1	109.9
In one to two years	-	8.1	8.1
In two to five years	-	128.6	128.6
In more than five years	-	86.4	86.4
	<b>101.8</b>	<b>231.2</b>	<b>333.0</b>

## Notes to the financial statements

for the 52 weeks ended 18 April 2024 (continued)

### 15. Deferred tax

	2024 £m	2023 £m
<b>Deferred tax liabilities</b>		
Deferred tax liabilities to be recovered after more than 12 months	(72.2)	(68.9)
	<b>(72.2)</b>	<b>(68.9)</b>

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. The above deferred tax balance is after offset.

Forecasts agreed by the Directors indicate that the deferred tax assets will be utilised in the foreseeable future against taxable profits.

The movement on the deferred tax account is:

	52 weeks ended 18 April 2024 £m	52 weeks ended 20 April 2023 £m
<b>At the beginning of the period</b>	<b>(68.9)</b>	<b>(64.5)</b>
Credited/ (Charged) to the income statement	1.2	(0.2)
Adjustment in respect of prior periods	(0.8)	(0.2)
Charged to the statement of comprehensive income	(3.7)	(4.0)
<b>At the end of the period</b>	<b>(72.2)</b>	<b>(68.9)</b>

	Depreciation in excess of capital allowances £m	Short-term temporary differences £m	Land and buildings £m	Leases £m	Total £m
At 21 April 2023	(9.2)	(3.8)	(56.4)	0.5	(68.9)
(Charged)/credited to the income statement	(1.2)	0.4	1.2	-	0.4
Charged to the statement of comprehensive income	-	-	(3.7)	-	(3.7)
<b>At 18 April 2024</b>	<b>(10.4)</b>	<b>(3.4)</b>	<b>(58.9)</b>	<b>0.5</b>	<b>(72.2)</b>

As at the balance sheet date the Company has an unrecognised deferred tax asset of £8.0 million (2023: £8.0 million) which has no expiry date. This relates to carried forward interest expenses restricted under the Corporate Interest Restriction regime which are not forecast to be utilised in the foreseeable future. Deferred tax is calculated at a rate of 25% (2023: 25%).

	Depreciation in excess of capital allowances £m	Short-term temporary differences £m	Land and buildings £m	Leases £m	Total £m
<b>At 22 April 2022</b>	<b>(7.8)</b>	<b>(3.9)</b>	<b>(53.3)</b>	<b>0.5</b>	<b>(64.5)</b>
(Charged)/credited to the income statement	(1.4)	0.1	0.9	-	(0.4)
Charged to the statement of comprehensive income	-	-	(4.0)	-	(4.0)
<b>At 20 April 2023</b>	<b>(9.2)</b>	<b>(3.8)</b>	<b>(56.4)</b>	<b>0.5</b>	<b>(68.9)</b>

## Notes to the financial statements

for the 52 weeks ended 18 April 2024 (continued)

### 16. Share capital, revaluation reserve and retained earnings

	2024	2023
	£m	£m
<b>Allotted and fully paid</b>		
89,861,024 ordinary shares of £1/100,000 per share	-	-

The Company was incorporated in 2011 and hence does not have an authorised share capital.

#### Management of capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, sell assets to reduce debt or borrow additional debt.

	Share capital £m	Revaluation reserve £m	Retained earnings £m	Total £m
At 21 April 2023	-	100.3	20.1	120.4
<b>Comprehensive income</b>				
Profit for the period	-	-	25.3	25.3
Other comprehensive income	-	11.2	-	11.2
<b>At 18 April 2024</b>	<b>-</b>	<b>111.5</b>	<b>45.4</b>	<b>156.9</b>

	Share capital £m	Revaluation reserve £m	Retained earnings £m	Total £m
At 22 April 2022	-	87.6	(10.6)	77.0
<b>Comprehensive income</b>				
Profit for the period	-	-	30.7	30.7
Other comprehensive income	-	12.7	-	12.7
<b>At 20 April 2023</b>	<b>-</b>	<b>100.3</b>	<b>20.1</b>	<b>120.4</b>

### 17. Working capital and non-cash movements

	52 weeks ended 18 April 2024	52 weeks ended 20 April 2023
	£m	£m
Increase in inventories	(0.1)	(0.1)
Increase in trade and other receivables	(0.1)	(0.9)
Increase in trade and other payables	9.2	21.2
	<b>9.0</b>	<b>20.2</b>

### 18. Capital commitments

At the balance sheet date, the Company had capital expenditure contracted for but not provided of £1.5 million (2023: £1.2 million).

## Notes to the financial statements for the 52 weeks ended 18 April 2024 (continued)

### 19. Colleagues and Directors

Colleague costs during the period:	52 weeks ended 18 April 2024	52 weeks ended 20 April 2023
	£m	£m
Wages and salaries	27.6	24.5
Social security costs	1.3	1.2
Pension costs	0.5	0.4
	<b>29.4</b>	<b>26.1</b>

The monthly average number of people (including executive Directors) employed by the Company during the period was:

By activity:	52 weeks ended 18 April 2024	52 weeks ended 20 April 2023
	Number	Number
Leisure, retail and food and beverage	827	814
Housekeeping, technical and estate services	859	811
Administration	98	98
	<b>1,784</b>	<b>1,723</b>

Colleague numbers include only those on contracts of service and hence exclude temporary workers.

The Directors and key management are remunerated for their services to the Group of companies headed by Center Parcs (Holdings 1) Limited rather than individual subsidiary companies. Directors' emoluments are therefore set out in the consolidated financial statements of Center Parcs (Holdings 1) Limited.

### 20. Related parties

During the current and prior period the Company entered into transactions, in the ordinary course of business, with related parties. Transactions entered into, and balances outstanding, are as follows:

	Balance at 20 April 2023	Trading movement	Cash settlement	Loan repayment	Balance at 18 April 2024
	£m	£m	£m	£m	£m
Center Parcs (Operating Company) Limited					
- Loans	(101.8)	-	-	22.2	(79.6)
CP Sherwood Village Limited	0.6	-	(0.6)	-	-
Center Parcs Finance Borrower Limited	(2.3)	(0.2)	2.3	-	(0.2)
BSREP II Center Parcs Jersey Limited	1.1	(0.1)	(1.1)	-	(0.1)

Center Parcs (Operating Company) Limited and CP Sherwood Village Limited are part of the Group headed by Center Parcs (Holdings 1) Limited. All of the companies above, and below in the prior period table, have the same ultimate ownership as CP Woburn (Operating Company) Limited, however BSREP II Center Parcs Jersey Limited and Center Parcs Finance Borrower Limited are not part of the Center Parcs (Holdings 1) Limited Group.

The movement on the balance with Center Parcs Finance Borrower Limited, CP Sherwood Village Limited and BSREP II Center Parcs Jersey Limited in the 52 weeks ended 18 April 2024 represent payments for taxation group relief.

The loan repayment movement with Center Parcs (Operating Company) Limited in the period is made up of £49.9 million cash repaid, £28.8 million of trading movement and £1.1 million of cash repaid in relation to corporation tax paid on their behalf.

**Notes to the financial statements**

for the 52 weeks ended 18 April 2024 (continued)

**20. Related parties (continued)**

	Balance at 21 April 2022 £m	Trading movement £m	Cash settlement £m	Loan repayment £m	Balance at 20 April 2023 £m
Center Parcs (Operating Company) Limited					
- Loans	(135.6)	-	-	33.8	(101.8)
CP Sherwood Village Limited	-	0.6	-	-	0.6
Center Parcs Finance Borrower Limited	(1.6)	(2.3)	1.6	-	(2.3)
BSREP II Center Parcs Jersey Limited	(0.1)	1.1	0.1	-	1.1

The movement on the balance with Center Parcs Finance Borrower Limited, CP Sherwood Village Limited and BSREP II Center Parcs Jersey Limited in the 52 weeks ended 20 April 2023 represent payments for taxation group relief.

The loan repayment movement with Center Parcs (Operating Company) Limited in the period is made up of £63.0 million cash repaid and £29.2 million of trading movement.

**21. Contingent liabilities**

The Company, along with other members of the Group headed by Center Parcs (Holdings 1) Limited, is an obligor in securing the Group's external borrowings of £2,122.5 million (2023: £2,562.5 million). Of the £2,562.5 million in the prior period, £440.0 million was settled by the Group during the current period, none of which was settled by the Company.

**22. Ultimate parent company and controlling parties**

The immediate parent company is Center Parcs (Holdings 3) Limited, a company registered in England and Wales. The ultimate parent company and controlling party is Brookfield Corporation, a company incorporated in Canada.

The largest group in which the results of the Company are consolidated is that headed by Brookfield Corporation. The consolidated financial statements of Brookfield Corporation are available to the public and may be obtained from its registered office at Brookfield Place, Suite 300, 181 Bay Street, Toronto, ON M5J 2T3.

The smallest group in which the results of the Company are consolidated is that headed by Center Parcs (Holdings 1) Limited. A copy of the Center Parcs (Holdings 1) Limited financial statements can be obtained on application to The Company Secretary, One Edison Rise, New Ollerton, Newark, Nottinghamshire, NG22 9DP (registered office).

**23. Events after the balance sheet date**

On 17 May 2024, the Group issued £330.0 million of Tranche B7 secured notes, none of which was issued by the Company. Part of the proceeds of these new notes were used to settle the Group's B4 secured notes in full, £15.3 million of which was settled by the Company.