CPUK Finance Limited

Annual report and financial statements

For the 52 weeks ended 22 April 2021

Company registration number: 108635 (Jersey)

Financial statements
52 weeks ended 22 April 2021

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Directors' report
For the 52 weeks ended 22 April 2021

The Directors present their report and audited financial statements of CPUK Finance Limited (the "Company") for the 52 weeks ended 22 April 2021 (2020: 52 weeks ended 23 April 2020), which have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The Company was incorporated under the Companies (Jersey) Law 1991 as a public limited liability company on 20 July 2011. The registration number of the Company is 108635.

Principal activities

The Company was established as a structured entity to issue fixed rate secured notes (the "Notes") and to apply the proceeds to make advances to the borrower companies within the group headed by Center Parcs (Holdings 1) Limited (the "Group") in accordance with the loan agreements governing the transaction. The Notes are secured by first ranking security over the assets of the Group. All of the classes of Notes are listed on the Irish Stock Exchange.

In February 2012 the Company issued

- £300,000,000 4.811% Class A1 Fixed Rate Secured Notes,
- £440,000,000 7.239% Class A2 Fixed Rate Secured Notes and
- £280,000,000 11.625% Class B Fixed Rate Secured Notes.

The final maturity date on all of these Notes was 28 February 2042. Expected maturity dates were 28 February 2017, 28 February 2024 and 28 February 2018 for the A1, A2 and B Notes respectively.

In June 2015 the Company issued

- £350,000,000 2.666% Class A3 Fixed Rate Secured Notes and
- £140,000,000 3.588% Class A4 Fixed Rate Secured Notes.

The final maturity date on both of these Notes is 28 February 2042. Expected maturity dates are 28 February 2020 and 28 August 2025 for the A3 and A4 Notes respectively. Part of the proceeds of this issuance was used to repay the £300.0 million of A1 Notes in full.

In August 2015 the Company issued

- £560,000,000 7.000% Class B2 Fixed Rate Secured Notes.

The final maturity date on these Notes was 28 February 2042; the expected maturity date was 28 August 2020. Part of the proceeds of this issuance was used to repay the £280.0 million of B Notes in full.

In June 2017 the Company issued

- £100,000,000 additional 3.588% Class A4 Fixed Rate Secured Notes,
- £480,000,000 4.250% Class B3 Fixed Rate Secured Notes and
- £250,000,000 4.875% Class B4 Fixed Rate Secured Notes.

The final maturity date on the additional A4 Notes is 28 February 2042 and the expected maturity date is 28 August 2025. The final maturity date on both the Class B3 and B4 Notes is 28 February 2047. Expected maturity dates are 28 August 2022 and 28 August 2025 for the B3 and B4 Notes respectively. Part of the proceeds of this issuance was used to repay the £560.0 million of B2 Notes in full.

Directors' report
For the 52 weeks ended 22 April 2021 (continued)

Principal activities (continued)

In November 2018 the Company issued

- £100,000,000 additional 3.588% Class A4 Fixed Rate Secured Notes and
- £379,500,000 3.690% Class A5 Fixed Rate Secured Notes.

The final maturity date on the additional A4 Notes is 28 February 2042 and the expected maturity date is 28 August 2025. The final maturity date on the Class A5 Notes is 28 February 2047 and the expected maturity date is 28 August 2028. Part of the proceeds of this issuance was used to repay the £350.0 million of A3 Notes in full.

In September 2020 the Company issued

- £250,000,000 6.500% Class B5 Fixed Rate Secured Notes.

The final maturity date on these Notes is 28 August 2050 and the expected maturity date is 28 August 2026. Part of the proceeds of this issuance was used to repay £230.0 million of the £480.0 million B3 Notes.

Following the issuances and repayments outlined above, the Company's secured debt at 22 April 2021 totalled £1,909.5 million (23 April 2020: £1,889.5 million), being £440.0 million of A2 Notes, £340.0 million of A4 Notes, £379.5 million of A5 notes, £250.0 million of B3 Notes, £250.0 million of B4 Notes and £250 million of B5 Notes.

The proceeds of the issues were used to finance certain Group companies on identical terms to those outlined above. All costs incurred by the Company during the current and prior period were recovered, by way of the facility fee arrangement, from the Group under the Class A Issuer/Borrower Loan Agreement.

The consolidated financial statements of Center Parcs (Holdings 1) Limited incorporate the results of the Company. The Directors of both CPUK Finance Limited and Center Parcs (Holdings 1) Limited consider that the Company is a structured entity as defined by IFRS 10 and in accordance with the requirements of that standard is consolidated as part of the Center Parcs (Holdings 1) Limited Group.

Business review

The principal risks and uncertainties of the Company are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group which include those of the Company are discussed within the Strategic report of the Center Parcs (Holdings 1) Limited Annual Report which does not form part of this report. No changes to the nature of the business are anticipated.

Impact of the Covid-19 pandemic
Following UK Government advice in the light of the Covid-19 pandemic, the Center Parcs (Holdings 1) Limited Group's five holiday villages were closed to guests for a significant proportion of the financial year. The villages were able to re-open on 12 April 2021, albeit with reduced accommodation capacity and guest activities.

During the year, the Group has taken advantage of Government support measures and reduced operating costs where possible. The Group also took action to ensure a strong liquidity position was maintained by securing funding from Brookfield, the Group's owner. As at 16 July 2021, £198.4 million of funds had been provided, of which £148.4 million was received during the year ended 22 April 2021. A further £31.5 million of funding has been approved if required.

Directors' report
For the 52 weeks ended 22 April 2021 (continued)

Business review (continued)

Brookfield have indicated that additional funding could be made available should the need arise.

The Center Parcs (Holdings 1) Limited Directors' have prepared the financial statements of the Group on a going concern basis as they consider the actions taken to date, the Group's current liquidity position and the contingency plans in place for additional funding will allow the Group to continue to trade.

Brexit
Brexit is not expected to have a direct impact on the Company. The impact of Brexit on the Center Parcs Group is included in the strategic report of Center Parcs (Holdings 1) Limited.

Key performance indicators and financial risk management

The key performance indicators (KPIs) and financial risk management of the Company are integrated with those of the Group and are not assessed separately. An analysis of the KPIs of the Group, which include those of the Company, together with the Group's financial risk exposure, and the management objectives and policies thereon, is presented within the Strategic report of the Center Parcs (Holdings 1) Limited Annual Report which does not form part of this report. A copy of the Center Parcs (Holdings 1) Limited Annual Report can be obtained on application to The Company Secretary, One Edison Rise, New Ollerton, Newark, Nottinghamshire, NG22 9DP.

Results and dividends

The results of the Company for the period show a profit of £25.2 million (2020: £nil). An adjusted gain in the fair value of a derivative of £25.2 million was recognised during the period, the details of which are set out in note 10.

The Directors have not proposed the payment of a dividend (2020: no dividends proposed or paid).

Going concern

All costs incurred by the Company are recharged to members of the Center Parcs (Holdings 1) Limited group of companies.

As described in note 1, the Directors have prepared the financial statements on a going concern basis as they believe the actions taken to date, together with the Group (companies headed by Center Parcs (Holdings 1) Limited, the "Group"), current liquidity position and contingency plans to secure additional funding, will allow the Group to continue its activities.

Directors

The Directors who served the Company during the period and up to the date of this report, unless otherwise stated, were as follows:

C Pearce
P H Whitaker
S I Abrahams

The registered office of the Company is 44 Esplanade, St Helier, Jersey, JE4 9WG. The Company Secretary is Intertrust Offshore Limited.

Directors' report
For the 52 weeks ended 22 April 2021 (continued)

Statement of Directors' responsibilities

The Directors are responsible for preparing the Director's 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 international accounting standards in conformity with the requirements of the Companies Act 2006. The financial statements are required by law to 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.

However, Directors are also required to:

- 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 in IFRSs 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 proper accounting records that 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 (Jersey) Law 1991. 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.

Independent auditor

Pursuant to Article 87(4) of the Companies (Jersey) Law 1991 the Sole Shareholder of the Company has dispensed with the requirement for the holding of the Annual General Meeting.

Deloitte LLP have indicated their willingness to continue in office.

Approved by the board and signed on its behalf by

P H Whitaker
Director
15 October 2021

The registered address of the Company is One Edison Rise, New Ollerton, Newark, Nottinghamshire, NG22 9DP.

Independent Auditor's report to the members of CPUK Finance Limited

Report on the audit of the financial statements

1. Opinion

In our opinion the financial statements of CPUK Finance Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 22 April 2021 and of the company's profit for the 52 week period then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom; and
- have been properly prepared in accordance with Companies (Jersey) Law, 1991.

We have audited the financial statements which comprise:

- the Income Statement,
- the Statement of Changes in Equity
- the Balance Sheet,
- the Cash Flow Statement; and
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the United Kingdom.

2. 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 as applied to listed entities, 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.

Independent Auditor's report to the members of CPUK Finance Limited (continued)

3. Summary of our audit approach

Key audit matters	The key audit matter that we identified in the current period was: • Going concern
Materiality	The materiality that we used in the current year was £2.7m which was determined on the basis of total assets.
Scoping	Audit work to respond to the risks of material misstatement has been performed directly by the audit engagement team.
Significant changes in our approach	There have been no significant changes in the current period.

4. 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.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting is discussed in section 5.1.

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.

Independent Auditor's report to the members of CPUK Finance Limited (continued)

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Going concern

Key audit matter description	The company has listed debt of £1,916.9m as at 22 April 2021 (£1,898.5m as at 23 April 2020). The company also has corresponding receivables owed from related parties totalling £1,916.9m (£1,898.5m as at 23 April 2020). The ability of the company to repay the debt, pay the relevant interest charges and comply with the covenants is dependent on the trading performance, cashflows and future prospects of the group headed up by Center Parcs (Holdings 1) Limited (the 'Center Parcs Group'), and whether the Center Parcs Group will have the ability to repay their loans to the company. Refer to Note 1 to the financial statements.
How the scope of our audit responded to the key audit matter	In response to this risk we have: • Obtained an understanding of the relevant controls over the going concern assessment process; • Evaluated the directors' plans for future actions in relation to the going concern assessment; • Analysed the cash flow forecasts produced by management and challenged the underlying data and key assumptions; • Assessed the financing facilities including nature of facilities, repayment terms and covenants compliance; • Assessed the entity's expected covenants compliance under different scenarios; and • Assessed the appropriateness of management's disclosures in the financial statements.
Key observations	Based on the work performed we are satisfied that the adoption of the going concern basis of accounting and the disclosure in respect of the company's ability to continue as a going concern are appropriate.

Independent Auditor's report to the members of CPUK Finance Limited (continued)

6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Group materiality	£2.7m (2020: £2.7m)
Basis for determining materiality	The basis of materiality is total assets. The materiality is approximately 0.14% of total assets (prior period 0.14% of total assets).
Rationale for the benchmark applied	For an entity of this nature, materiality would ordinarily be based on total assets as this is the key metric used by management, investors, analysts and lenders. As all interest is recharged to the Center Parcs Group, there is no material profit or loss result or equity balance. We have restricted the materiality used on the basis that the entity is consolidated into the Center Parcs Group.

6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 70% of materiality for the 2021 audit (2020: 70%). In determining performance materiality, we considered the following factors:

- our risk assessment, including our assessment of the company's overall control environment; and
- our past experience of the audit, which has indicated a low number of corrected and uncorrected misstatements identified in prior periods.

Independent Auditor's report to the members of CPUK Finance Limited (continued)

6.3. Error reporting threshold

We agreed with the directors of the Center Parcs Group that we would report all audit differences in excess of £0.2m (2020: £0.2m), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

8. 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 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 CPUK Finance Limited (continued)

9. Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, 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.

10. 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. This description forms part of our auditor's report.

11. 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.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

Independent Auditor's report to the members of CPUK Finance Limited (continued)

- the nature of the industry and sector, control environment and business performance including the design of the company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations ;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included Companies (Jersey) Law, 1991.

In addition, we considered provisions of other laws and regulations that 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.

11.2. Audit response to risks identified

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Independent Auditor's report to the members of CPUK Finance Limited (continued)

- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Matters on which we are required to report by exception

12.1. Adequacy of explanations received and accounting records

Under the Companies (Jersey) Law, 1991 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- proper accounting records have not been kept by the company, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

13. Use of our report

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law, 1991. 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

Joanna Waring FCA
For and on behalf of Deloitte LLP
Birmingham, United Kingdom
15 October 2021

Income Statement
for the 52 weeks ended 22 April 2021

	Note	**52 weeks ended 22 April 2021 £m**	52 weeks ended 23 April 2020 £m
Operating profit		**-**	-
Finance expense			
Before adjusted finance expense	4	**(92.9)**	(89.2)
Adjusted finance expense	4	**(2.6)**	-
Total finance expense		**(95.5)**	(89.2)
Finance income			
Before adjusted finance income	5	**92.9**	89.2
Adjusted finance income	5	**2.6**	-
Total finance income		**95.5**	89.2
Adjusted movement in fair value of financial derivatives	10	**25.2**	-
Profit before taxation		**25.2**	-
Taxation	6	**-**	-
Profit for the period attributable to equity shareholders	12	**25.2**	-

All amounts relate to continuing activities.

The Company has no recognised income or expenses other than the profit for the period above and so no Statement of Comprehensive Income is presented.

The notes on pages 17 to 32 form part of these financial statements.

Statement of Changes in Equity
for the 52 weeks ended 22 April 2021

	Attributable to owners of the parent		
	Share capital £m	Retained earnings £m	Total £m
At 23 April 2020 and 25 April 2019	-	-	-
Comprehensive income			
Profit for the period	-	25.2	25.2
At 22 April 2021	**-**	**25.2**	**25.2**

The notes on pages 17 to 32 form part of these financial statements.

Balance Sheet
As at 22 April 2021

	Note	**22 April 2021 £m**	23 April 2020 £m
Assets			
Non-current assets			
Trade and other receivables	7	**1,916.9**	1,898.5
		1,916.9	1,898.5
Current assets			
Trade and other receivables	7	**14.3**	13.8
Derivative financial instruments	10	**25.2**	-
		39.5	13.8
Liabilities			
Current liabilities			
Trade and other payables	8	**(14.3)**	(13.8)
		(14.3)	(13.8)
Net current assets		**25.2**	-
Non-current liabilities			
Borrowings	10	**(1,916.9)**	(1,898.5)
Net assets		**25.2**	-
Equity			
Ordinary shares	11	**-**	-
Retained earnings	12	**25.2**	-
Total equity		**25.2**	-

The financial statements on pages 13 to 32 were approved by the Board of Directors on 15 October 2021 and were signed on its behalf by:

P H Whitaker
Director

CPUK Finance Limited
Registered no. 108635

The notes on pages 17 to 32 form part of these financial statements.

Cash Flow Statement
for the 52 weeks ended 22 April 2021

	52 weeks ended 22 April 2021 £m	52 weeks ended 23 April 2020 £m
Operating activities		
Operating profit	**-**	-
Net cash flow from operating activities	**-**	-
Investing activities		
Interest received	**94.0**	94.9
Reimbursement of break costs	**2.5**	-
Reimbursement of issue costs	**4.2**	0.4
Loans repaid by related parties	**230.0**	-
Loans advanced to related parties	**(250.0)**	-
Reimbursement of covenant waiver fees	**2.6**	-
Net cash inflow from investing activities	**83.3**	95.3
Financing activities		
Interest paid	**(94.0)**	(95.0)
Break costs on secured debt	**(2.5)**	-
Issue costs on secured debt	**(4.2)**	(0.4)
Repayment of external borrowings	**(230.0)**	-
Proceeds from external borrowings	**250.0**	-
Covenant waiver fees	**(2.6)**	-
Net cash outflow from financing activities	**(83.3)**	(95.4)
Net decrease in cash and cash equivalents	**-**	(0.1)
Cash and cash equivalents at the beginning of the period	**-**	0.1
Cash and cash equivalents at the end of the period	**-**	-
Reconciliation of net cash flow to movement in net debt		
Movement in cash and cash equivalents	**-**	(0.1)
Cash inflow from movement in debt	**(20.0)**	-
Change in net debt resulting from cash flows	**(20.0)**	-
Non-cash movements and deferred issue costs	**1.6**	1.5
Movement in net debt in the period	**(18.4)**	1.4
Net debt at the beginning of the period	**(1,898.5)**	(1,899.9)
Net debt at the end of the period	**(1,916.9)**	(1,898.5)

The notes on pages 17 to 32 form part of these financial statements.

Notes to the financial statements
for the 52 weeks ended 22 April 2021

1. Accounting policies

General information
The Company was incorporated under the Companies (Jersey) Law 1991, as a public limited liability company. The address of its registered office is 44 Esplanade, St Helier, Jersey, JE4 9WG. The Company is resident in the UK for tax purposes. The principal activity of the Company is set out in the strategic report. The Company's functional currency is £ Sterling.

Statement of compliance
These financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

The principal accounting policies applied in the preparation of these financial statements are set out below. All accounting policies are consistent with the prior period.

Basis of preparation
The financial statements have been prepared under the historical cost convention, as modified by the revaluation of derivative financial instruments, and on a going concern basis. The Company's accounting reference date is 22 April.

Going concern
All costs incurred by the Company are recharged to members of the Center Parcs (Holdings 1) Limited group of companies. As such the going concern of the Company is considered as part of the overall going concern of the Group as a whole.

The financial statements of the Group and the Company have been prepared on a going concern basis. The Directors consider this to be appropriate for the reasons set out below:

Coronavirus (Covid-19) pandemic
As at the date of approving these financial statements the impact of Covid-19 on the Group's trading has been assessed. The UK Government's response to the pandemic has evolved since the first national lockdown in March 2020 and the Directors continue to monitor any changes. As at the date of these financial statements the Group's five villages are all open, albeit with certain restrictions in place.

Due to measures taken by the UK Government all UK villages were closed to guests for approximately eight months during the financial year. This resulted in all affected guests in that period being offered either a full refund or the option to move their break to a later date. In the last lockdown period over 50% of affected guests took the option of moving their break. During the closure period, the Group reported no revenue and whist there was a corresponding reduction in variable costs, the Group had to fund its fixed costs and, for those guests electing for a refund for cancelled breaks, return monies paid. Where possible, mitigating actions have been taken by management to minimise such costs.

On 12 April 2021 all UK villages re-opened to guests albeit with social distancing restrictions in place, including no access to the Sub Tropical Swimming Paradise area until 17 May 2021. These restrictions result in reduced available accommodation capacity and on-site activities. The villages are currently operating with self-imposed occupancy restrictions to ensure expected standards are met. Whilst it is difficult to predict the future with any certainty, we anticipate a return to pre-Covid trading levels early in the next calendar year. Demand for the Group's breaks remain strong and current forward bookings for the remainder of the financial year ending 21 April 2022 are ahead of those seen for the equivalent period in the year to 23 April 2020 at the corresponding time.

Notes to the financial statements
for the 52 weeks ended 22 April 2021 (continued)

1. Accounting policies (continued)

Going concern (continued)

In order to preserve liquidity during the closure period, the Group took the following measures:

- Secured additional funding from the Group's owner, Brookfield. As at 15 October 2021 they had provided funding of £198.4 million to ensure the liquidity of the Group. Further committed funds of £31.5 million are approved for use if required and Brookfield have indicated that additional funding could be made available should the need arise.
- A significant element of the Group's cost base relates to wages and salaries. The majority of the Group's staff were furloughed during the period of closure with the Group benefitting from the Government's job retention scheme – a total of £37.7 million was received during the year. The hours of remaining staff undertaking essential activities were reviewed to further reduce costs where possible.
- Reviewed all remaining areas of operating cost to eliminate all non-essential expenditure.
- Agreed deferrals of certain tax payments and benefitted from Business rates relief of approximately £24 million.
- Reviewed capital expenditure and delayed certain non-essential projects.

In addition, the Directors negotiated covenant waivers with the holders of the Group's loan notes. Under the terms of the agreed amendments the need to comply with covenant measures was removed for interest payments dates up to and including August 2021. In addition, the Group us able to make certain adjustments to its free cash flow calculation in February 2022 should the business have been affected by closures relating to Covid-19. Whilst the covenant waiver is in place the Group has agreed not to make any distributions.

The Directors have prepared cash flow forecasts for a period of 18 months from the date of approval of these financial statements which indicate that the Group will have sufficient funds to meet its liabilities as they fall due for that period. Under this scenario there would be no breach of lending facilities. There are no capital repayments of debt falling due within the forecast period.

With regard to this forecast, and other factors which may impact the Group's future liquidity position, the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis. In arriving at this conclusion the Directors have also considered:

- As at 9 September 2021 the Group had a cash balance of £143.9 million.
- The UK Government's expressed statement that the current restrictions will be lifted in July and that there will be no reversal of restrictions that have been lifted to date.
- The vaccination program in place in the UK where 78.7% of adults are now fully vaccinated.
- Evidence that the vaccinations given are also effective against new variants of Covid-19.

The Directors believe the cash flow forecast outlined above is reasonable in light of the re-opening of the villages and the current UK Government risk levels. However, there remains a possibility that Covid-19's continued presence may see a change in Government advice and/or further periods of lockdown or restricted activity in the future. Such lockdowns could result in further village closures on a national or regional level or affect the ability of guests and employees to travel to site. These uncertainties clearly introduce a level of subjectivity in assessing assumptions to be used in a downside case. However, the Directors have prepared downside forecasts which assume the closure of all villages for an eight-week period within the next 12 months.

As with the base case scenario this downside case would not result in the Group breaching lending covenants or suffering a liquidity shortage.

Notes to the financial statements
for the 52 weeks ended 22 April 2021 (continued)

1. Accounting policies (continued)

Going concern (continued)

The Directors have also looked at a stress test case to determine what length of time the business could survive with all villages being closed without either breaching banking covenants or needing further injections of equity. This analysis shows that a full closure of approximately 20 weeks would be required before banking covenants were broken and between three and six months before additional liquidity was required depending on the timing of closures.

Were the Group to require access to further liquidity this could be sought from the Group's owner. The Directors believe that this support would be available and forthcoming for a number of reasons, including:

- Previous actions and commitments in supporting the Group with £198.4 million already provided and a further £31.5 million approved for use across the UK, Ireland and other Group companies if required.
- Center Parcs' potential value to Brookfield is very significant and hence injection of further cash to protect this value could reasonably be expected.
- BSREP II is one of Brookfield Asset Management's flagship funds which closed with total equity commitments of $9 billion. BSREP II still has significant equity commitments available to satisfy any needed follow-on capital calls from existing investments and expenses or other liabilities.
- Brookfield have provided a letter of support to the Directors of the Group indicating their intention to provide such funding in the event that it is required.
- Three of the Group's Directors are "Investor Directors" appointed by the Group's owners. They are uniquely placed to understand both the Group's business and potential actions by the owners. They have indicated that they believe it reasonable to believe support would be made available.

In addition, were such a scenario to occur the Directors have a range of further measures which are within their control, to protect the Group's liquidity position even further, including:

- Further encouragement for customers to change their breaks to a future date in the event of a cancellation of their break rather than receiving a full refund.
- Additional changes to working arrangements to reduce staff costs further.
- Negotiations with HMRC to delay payroll and indirect tax payments.
- A £90.0 million committed liquidity facility that remains undrawn. This is available to pay certain senior expenses and Class A note interest.

After considering the base case scenario, downside possibilities and looking at the stress test, together with current UK Government restrictions and announcements on future actions, the Directors have concluded that it is right to prepare the financial statements on a going concern basis.

Notes to the financial statements
for the 52 weeks ended 22 April 2021 (continued)

1. Accounting policies (continued)

Key assumptions and significant judgements

The preparation of financial statements requires management to make estimates and assumptions 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. The directors do not consider that there are any critical account judgments.

Key sources of estimation uncertainty

Valuation of derivative financial instruments (note 10):
The valuation of the Company's derivative financial instruments is performed by an appropriate third party expert on a sufficiently regular basis so that the carrying value does not differ significantly from its fair value at the balance sheet date. The valuation requires the third party to estimate credit spreads based on observable traded loans with similar embedded prepayment options.

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 other financial liabilities and are carried at amortised cost using the effective interest rate method.

Adjusted items

Adjusted items are defined as those items 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.

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.

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 the proceeds.

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.

Notes to the financial statements
for the 52 weeks ended 22 April 2021 (continued)

1. Accounting policies (continued)

Current and deferred tax

The tax currently payable is based on the taxable profit for the year. 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. The Company is resident in the UK for tax purposes and is subject to The Taxation of Securitisation Companies Regulations

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.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit 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.

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.

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.

New standards and interpretations
A number of new standards, amendments and interpretations 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 the standards as part of their annual improvement.

Notes to the financial statements
for the 52 weeks ended 22 April 2021 (continued)

1. Accounting policies (continued)

New standards and interpretations (continued)

IFRS 3	Business Combinations	
	Amended by Reference to the Conceptual Framework	1 January 2022
IFRS 4	Insurance Contracts	
	Amended by Interest Rate Benchmark Reform – Phase 2	1 January 2021
IFRS 7	Financial Instruments: Disclosures	
	Amended by Interest Rate Benchmark Reform – Phase 2	1 January 2021
IFRS 16	Leases	
	Amended by Covid-19-Related Rent Concessions	1 June 2020
	Amended by Interest Rate Benchmark Reform – Phase 2	1 January 2021
IFRS 17	Insurance Contracts	
	New accounting standard	1 January 2023
IAS 1	Presentation of Financial Statements	
	Classification of Liabilities as Current or Non-current	1 January 2023
IAS 16	Property, Plant and Equipment	
	Amended by Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	
	Amended by Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022

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.

2. Operating costs

All operating costs incurred by the Company are recovered, by way of an ongoing facility fee arrangement, from the Group under the Issuer/Borrower Loan Agreement. Operating costs include audit fees for the audit of the Company's financial statements of £9,000 (2020: £9,000) and non-audit work of £nil (2020: £nil) which were recharged to the Group.

3. Directors' emoluments and Employees

The Company has no employees (2020: none). No salaries or wages have been paid to employees, including the Directors, during the period (2020: £nil).

4. Finance expense

	52 weeks ended 22 April 2021 £m	52 weeks ended 23 April 2020 £m
Interest payable on secured debt	**92.9**	89.2
Adjusted finance costs		
Covenant waiver fees	**2.6**	-
Total finance expense	**95.5**	89.2

Notes to the financial statements

for the 52 weeks ended 22 April 2021 (continued)

4. Finance expense (continued)

As a result of the impact of the COVID-19 pandemic, the Group paid covenant waiver fees to the Class A and Class B noteholders in the year to 22 April 2021. The waivers enable the Group to suspend the financial covenant testing in relation to the Class A and Class B loan notes for the period until February 2022. More details on the covenant waiver fees can be found in note 10.

5. Finance income

	52 weeks ended 22 April 2021 £m	52 weeks ended 23 April 2020 £m
Interest receivable from related parties	**92.9**	89.2
Adjusted finance income		
Reimbursement of covenant waiver costs	**2.6**	-
Total finance income	**95.5**	89.2

6. Taxation

The Company is resident in the UK for tax purposes and is subject to The Taxation of Securitisation Companies Regulations.

(a) Taxation

The tax charge for the period is £nil (2020: £nil).

(b) Factors affecting the tax charge

The tax assessed for the current and prior period is lower (2020: the same as) that resulting from applying the standard rate of corporation tax in the UK of 19% (2020: 19%). The difference is reconciled below:

	52 weeks ended 22 April 2021 £m	52 weeks ended 23 April 2020 £m
Profit before taxation	**25.2**	-
Profit before taxation multiplied by the standard rate of corporation tax in the UK of 19% (2020: 19%)	**4.8**	-
Fair value of financial derivative – not subject to tax	**(4.8)**	-
Tax charge for the period (note 5(a))	**-**	-

Change of corporation tax rate

It was announced in the 3 March 2021 Budget that the standard rate of corporation tax in the UK will increase from 19% to 25% with effect from April 2023. This was substantively enacted on 24 May 2021.

Notes to the financial statements

for the 52 weeks ended 22 April 2021 (continued)

7. Trade and other receivables

	2021 £m	2020 £m
Non-current assets		
Amounts owed by related parties	**1,916.9**	1,898.5
Current assets		
Prepayments and accrued income	**14.3**	13.8

Amounts owed by related parties represent the loans advanced to members of the Center Parcs (Holdings 1) Limited group of companies (the "Group"). The loans are secured against the assets of those companies and comprise the following tranches:

Secured debt	2021 £m	2020 £m
Class A2 loan	**440.0**	440.0
Class A4 loan	**347.4**	349.0
Class A5 loan	**379.5**	379.5
Class B3 loan	**250.0**	480.0
Class B4 loan	**250.0**	250.0
Class B5 loan	**250.0**	-
	1,916.9	1,898.5

On 15 June 2017 new loans advanced comprised of an additional £100.0 million of Tranche A4 secured notes issued at a premium of £9.5 million; this premium is being amortised over the period to expected maturity and amortisation of £1.1 million (2020: £1.1 million) was charged to the income statement during the period.

On 20 November 2018 new loans advanced included an additional £100.0 million of Tranche A4 secured notes issued at a premium of £3.2 million; this premium is being amortised over the period to expected maturity and amortisation of £0.5 million (2020: £0.4 million) was charged to the income statement during the period.

The tranche A2 notes have an expected maturity date of 28 February 2024 and a final maturity date of 28 February 2042. The interest rate to expected maturity is fixed at 7.239% and the interest rate from expected maturity to final maturity is fixed at 7.919%.

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 4.190%.

The tranche B3 notes have an expected maturity date of 28 August 2022 and a final maturity date of 28 February 2047. The interest rate to both expected maturity and final maturity is fixed at 4.250%.

Notes to the financial statements
for the 52 weeks ended 22 April 2021 (continued)

7. Trade and other receivables (continued)

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 B5 notes have an expected maturing 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 Group issued £250.0 million of Tranche B5 secured notes during the period.

Prepayments and accrued income represents interest receivable on these loan notes from members of the Group.

8. Trade and other payables

	2021 £m	2020 £m
Accruals	**14.3**	13.8

Accruals relate to the interest payable on the Notes.

The fair value of accruals is equal to their book value.

9. Financial instruments

Financial instruments by category
The accounting policies for financial instruments have been applied to the line items below.

As at 22 April 2021 the financial assets measured at fair value through the profit and loss represents the option to repay the B debt prior to maturity, with the remaining financial assets being classified at amortised cost. All of the Company's financial liabilities were categorised as other financial liabilities.

As at 23 April 2020 all of the Company's financial assets were classified as those measured at amortised cost and all of the Company's financial liabilities were categorised as other financial liabilities.

At 22 April 2021	**Financial assets measured at fair value through profit and loss £m**	**Financial assets measured at amortised cost £m**	**Total £m**
Assets as per the balance sheet			
Amounts owed by related parties	-	**1,916.9**	**1,916.9**
Derivative financial instruments	**25.2**	-	**25.2**
	25.2	**1,916.9**	**1,942.1**

Notes to the financial statements
for the 52 weeks ended 22 April 2021 (continued)

9. Financial instruments (continued)

At 23 April 2020	Financial assets measured at amortised cost £m	Total £m
Assets as per the balance sheet		
Amounts owed by related parties	1,898.5	1,898.5

At 22 April 2021	**Other financial liabilities £m**	**Total £m**
Liabilities as per the balance sheet		
Borrowings	(1,916.9)	(1,916.9)
Accruals	(14.3)	(14.3)
	(1,931.2)	**(1,931.2)**

At 23 April 2020	Other financial liabilities £m	Total £m
Liabilities as per the balance sheet		
Borrowings	(1,898.5)	(1,898.5)

Fair value hierarchy
IFRS 13 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).

All of the Company's fair value measurements have been categorised as Level 1 (2020: Level 1) and fair values have been derived from unadjusted quoted market prices in active market.

Notes to the financial statements
for the 52 weeks ended 22 April 2021 (continued)

9. Financial instruments (continued)

Fair value of financial assets and financial liabilities
The fair values of the Company's financial assets and liabilities as at 22 April 2021 are:

	Book value £m	**Fair value £m**
Financial assets		
Amounts owed by related parties	**1,916.9**	**2,078.2**
Financial liabilities		
Borrowings	**(1,916.9)**	**(2,078.2)**

The fair values of the Company's financial assets and liabilities as at 23 April 2020 are:

	Book value £m	Fair value £m
Financial assets		
Amounts owed by related parties	1,898.5	1,848.8
Financial liabilities		
Borrowings	(1,898.5)	(1,848.8)

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

Secured debt	**2021 £m**	2020 £m
Repayable:		
In less than one year	**97.1**	90.6
In two to five years	**915.8**	1,191.0
In more than five years	**1,296.1**	1,024.4
	2,309.0	2,306.0

Notes to the financial statements
for the 52 weeks ended 22 April 2021 (continued)

10. Borrowings

	2021	2020
Secured debt	**£m**	£m
Repayable within one to two years		
Tranche B3	**250.0**	-
	250.0	-
Repayable within two to five years		
Tranche A2	**440.0**	440.0
Tranche A4	**347.4**	349.0
Tranche B3	**-**	480.0
Tranche B4	**250.0**	250.0
	1,037.4	1,039.0
Repayable after more than five years:		
Tranche A5	**379.5**	379.5
Tranche B5	**250.0**	-
	629.5	379.5
	1,916.9	1,898.5

On 28 February 2012 the Company issued the A1, A2 and B tranches of fixed rate loan notes ("Notes"). The assets of the Group were provided as security for the debt, and the funds raised were advanced to the Group. Total fees of £34.6 million were incurred by the Group in respect of the issuance of Notes. These costs were borne by the Group and were not recharged to CPUK Finance Limited.

On 11 June 2015 the Company issued £490.0 million of New Class A senior notes, divided into £350.0 million A3 notes and £140.0 million of A4 notes; part of the proceeds was used to repay the £300.0 million of A1 notes. Total fees of £7.5 million were incurred by the Group in respect of the issuance of these Notes. These costs were borne by the Group and were not recharged to CPUK Finance Limited.

On 3 August 2015 the Group issued £560.0 million of New Class B2 notes; part of the proceeds was used to repay the £280.0 million of B notes. Total fees of £8.3 million were incurred by the Group in respect of the issuance of these Notes. These costs were borne by the Group and were not recharged to CPUK Finance Limited.

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 £1.1 million (2019: £1.1 million) was credited to the income statement during the period. On the same date the Group issued £730.0 million of new Class B secured notes, divided into £480.0 million B3 notes and £250.0 million B4 notes. Part of the proceeds of these new notes was used to repay the £560.0 million of B2 notes. Total fees of £9.3 million were incurred by the Group in respect of the issuance of these Notes. These costs were borne by the Group and were not recharged to CPUK Finance Limited.

On 20 November 2018 the Group issued an additional £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 £0.4 million (2019: £0.2 million) was credited to the income statement during the period. On the same date the Group issued £379.5 million of new Class A5 secured notes. Part of the proceeds of these new notes was used to repay the £350.0 million of

Notes to the financial statements
for the 52 weeks ended 22 April 2021 (continued)

10. Borrowings (continued)

A3 notes. Total fees of £5.2 million were incurred by the Group in respect of the issuance of these Notes. These costs were borne by the Group and were not recharged to CPUK Finance Limited.

On 17 September 2020 the Group issued £250.0 million of New Class B5 notes; part of the proceeds was used to repay £230.0 million of the £480.0 million B3 notes. Total fees of £4.2 million were incurred by the Group in respect of the issuance of these Notes. These costs were borne by the Group and were not recharged to CPUK Finance Limited.

The tranche A2 notes have an expected maturity date of 28 February 2024 and a final maturity date of 28 February 2042. The interest rate to expected maturity is fixed at 7.239% and the interest rate from expected maturity to final maturity is fixed at 7.919%.

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 4.190%.

The tranche B3 notes have an expected maturity date of 28 August 2022 and a final maturity date of 28 February 2047. The interest rate to both expected maturity and final maturity is fixed at 4.250%. The Group settled £230.0 million of Tranche B3 secured notes during the period.

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 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 B3, B4 and B5 notes are subordinated to all tranches of the A Senior Notes. All of the Notes include optional prepayment clauses permitting the Company to repay the debt in advance of the expected maturity date. All tranches of debt are subject to a financial covenant. In the year to 22 April 2021, the Company announced a consent solicitation in respect of the Class A and Class B notes. As a result of passing the Resolution in the current year, the testing of the Class A and Class B notes have been waived for the financial covenant test dates falling August 2020, February 2021 and August 2021.

For the February 2022 test date, Free Cash Flow will be amended so that if any of the Group's villages are closed during the relevant testing period as a result of measures implemented by the Group in response to any COVID-related or other pandemic, the Group will be allowed to add equity proceeds received during the testing period to EBITDA in order to pass the Financial Covenant tests.

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

All amounts are denominated in £ sterling.

Notes to the financial statements
for the 52 weeks ended 22 April 2021 (continued)

10. Borrowings (continued)

Derivative financial instruments related to securitised debt

The option to repay the B debt prior to maturity is considered to be a derivative financial instrument with a fair value of £25.2 million (2020: £nil), such fair value being estimated with reference to the yields of similar corporate bonds with comparable terms and credit ratings. The movement in the fair value has been recognised as an adjusted item in the income statement.

Reconciliation of opening and closing secured debt

	2021 £m	2020 £m
Secured debt at the beginning of the period	**1,898.5**	1,900.0
Cash flows		
- Proceeds from external borrowings	**250.0**	-
- Repayment of external borrowings	**(230.0)**	-
Amortisation of premium on issue of secured notes	**(1.6)**	(1.5)
Secured debt at the end of the period	**1,916.9**	1,898.5

11. Share capital

	2021 £m	2020 £m
Issued and fully paid		
Two ordinary shares of £1 each	-	-

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, and sell assets to reduce debt or borrow additional debt.

12. Retained earnings

	£m
At 23 April 2020 and 25 April 2019	-
Profit for the period	25.2
At 22 April 2021	**25.2**

Notes to the financial statements

for the 52 weeks ended 22 April 2021 (continued)

13. Related party transactions

The following movements on accounts with related parties occurred in the periods reported in these financial statements. All of the companies below are members of the Group.

	Balance at 23 April 2020 £m	Loans settled £m	Loans advanced £m	Interest and fees received £m	Interest and fees receivable £m	Balance at 22 April 2021 £m
Center Parcs (Operating Company) Limited	864.0	(154.3)	167.7	(42.4)	42.0	877.0
CP Sherwood Village Limited	232.8	(16.2)	17.6	(11.9)	11.7	234.0
CP Elveden Village Limited	219.0	(15.1)	16.3	(11.1)	11.0	220.1
Longleat Property Limited	169.5	(13.5)	14.7	(9.0)	8.9	170.6
CP Whinfell Village Limited	206.3	(16.9)	18.4	(11.1)	10.9	207.6
CP Woburn (Operating Company) Limited	201.3	(14.0)	15.3	(7.8)	7.7	202.5
Center Parcs (Holdings 3) Limited	19.4	-	-	(0.7)	0.7	19.4

	Balance at 25 April 2019 £m	Loans settled £m	Loans advanced £m	Interest and fees received £m	Interest and fees receivable £m	Balance at 23 April 2020 £m
Center Parcs (Operating Company) Limited	866.0	-	-	(41.5)	39.5	864.0
CP Sherwood Village Limited	233.6	-	-	(12.3)	11.5	232.8
CP Elveden Village Limited	219.8	-	-	(11.5)	10.7	219.0
Longleat Property Limited	169.9	-	-	(9.1)	8.7	169.5
CP Whinfell Village Limited	206.8	-	-	(11.2)	10.7	206.3
CP Woburn (Operating Company) Limited	202.4	-	-	(8.5)	7.4	201.3
Center Parcs (Holdings 3) Limited	19.5	-	-	(0.8)	0.7	19.4

14. Controlling parties

The issued share capital of the Company is held by, or on behalf of, Intertrust Offshore Limited, acting in its capacity as Trustee of the CPUK Finance Charitable Trust, on a discretionary trust basis for the benefit of charitable purposes. Intertrust Offshore Limited is therefore the immediate parent company and Intertrust Holdings Limited is the ultimate parent company.

The consolidated financial statements of Center Parcs (Holdings 1) Limited incorporate the results of the Company. This is the smallest group that includes the results of CPUK Finance Limited in its group financial statements. The Directors of both CPUK Finance Limited and Center Parcs (Holdings 1) Limited consider that the Company meets the definition of a structured entity under IFRS 10 'Consolidated Financial Statements' and hence for the purpose of the consolidated financial statements it has been treated as a subsidiary undertaking. 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).

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

Notes to the financial statements
for the 52 weeks ended 22 April 2021 (continued)

15. Post balance sheet event

On 17 May 2021 the Group issued £255.0 million of Tranche B6 secured notes. Part of the proceeds of these new notes was used to settle the Group's remaining Class B3 secured notes.

The Tranche B6 notes have an expected maturity date of 28 August 2027 and a final maturity date of 28 February 2051. The interest rate to expected maturity is fixed at 4.500% and the interest rate from expected maturity to final maturity is fixed at 4.500%.