

Financial statements

53 weeks ended 26 April 2018

Center Parcs (Holdings 1) Limited

Annual report and financial statements

For the 53 weeks ended 26 April 2018

Company registration number: 07656429

Financial statements

53 weeks ended 26 April 2018

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Financial statements

53 weeks ended 26 April 2018

Directors and auditor

Directors

M P Dalby
C G McKinlay
Z B Vaughan
K O McCrain
N J Adomait

Company Secretary

R Singh-Dehal

Independent auditor

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Strategic report For the 53 weeks ended 26 April 2018

The Directors present their Strategic report on the Group for the 53 weeks ended 26 April 2018 (2017: 52 weeks ended 20 April 2017).

Review of the Business

The principal activity of the Group is the operation of short break holiday villages, and the Center Parcs business operates 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.

Center Parcs targets the premium sector of the UK family short break market, offering an escape from the stresses and strains of modern life and helping families come together.

With recent trends showing an increase in family short breaks, particularly in the UK, the Center Parcs concept is more relevant today than at any point in its history in the UK market. Center Parcs continually invests heavily to ensure that we deliver high quality service, accommodation and facilities, combined with an unrivalled array of activities that cater for the most discerning of families, as well as the most changeable of British weather. There is nothing prescriptive about a short break at Center Parcs, with each family free to choose to do as little or as much as they wish. Center Parcs remains a unique proposition for families in the UK market and proves more popular every year with a long-standing run of growth in terms of visitor numbers, revenue and EBITDA, as well as enviable guest feedback scores and consistently high levels of returning guests.

Each of the Group's holiday villages is set in a forest environment amongst approximately 400 acres of forest and lakes and is open 365 days per year. Woodland, water and a natural environment are the essential elements of a Center Parcs break. Within the comfortable, quiet and family-friendly setting, the Center Parcs villages provide guests with high-quality accommodation and more than 150 leisure and spa activities. There are over 4,200 units of accommodation across the five villages. The focal point and key attraction of each village is an all-weather indoor sub-tropical swimming paradise, featuring a selection of water activities including a wave pool, river slides and rides, children's pools and jacuzzis. Other on-site experiences include outdoor activities such as cycling, boating and quadbikes; indoor activities such as ten-pin bowling, badminton and pottery; and leisure amenities such as spas, dining and retail.

Financial performance

The results of the Group for the period show a profit after taxation of £51.5 million (2017: profit of £63.8 million). Adjusted EBITDA, being earnings before interest, taxation, depreciation, amortisation and exceptional/non-underlying items was £228.4 million (2017: £213.0 million).

The heavy snowfall in England in March 2018 caused the temporary closure of Longleat Forest and restricted guest arrivals and activities at all other villages. Guests impacted by the snow were issued refunds of both their accommodation and on-site spend. This was only the fourth time that a village has had to close in over 30 years of trading. The Directors estimate that the lost revenue totalled £1.6 million and the overall reduction in EBITDA for the 53 weeks ended 26 April 2018 was approximately £1.5 million. As such, had the heavy snowfall not occurred, Adjusted EBITDA would have been £229.9 million.

During the period the Group incurred an exceptional/non-underlying finance cost of £26.9 million in respect of a refinancing of the Group's debt. The Group also incurred exceptional/non-underlying administrative expenses of £2.3 million (2017: £nil), representing £1.6 million of costs relating to legal claims and associated settlements and £0.7 million of one-off restructuring and reorganisation costs. Taxation on these expenses has also been treated as an exceptional/non-underlying item, as has a credit of £1.9 million in respect of a one-off group relief adjustment.

On 15 June 2017 the Group issued £100.0 million of additional A4 secured notes, together with £730.0 million of New Class B notes, divided into £480.0 million 4.250% notes due to expire in August 2022 and £250.0 million 4.875% notes due to mature in August 2025. Part of the proceeds of these new notes were used to settle the Group's Class B2 notes, which were due to mature in August 2020.

During the prior period ending 20 April 2017, the Group incurred an exceptional/non-underlying finance expense of £5.2 million in respect of the anticipated refinancing of the Group's debt. Taxation on this expense was also treated as an exceptional/non-underlying item, as was the impact of the change in applicable deferred tax rate from 18% to 17%.

Strategic report For the 53 weeks ended 26 April 2018 (continued)

Key performance indicators

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

- Revenue: Revenue for the period was £469.0 million (2017: £440.3 million).
- Adjusted EBITDA: Earnings before interest, taxation, depreciation, amortisation and exceptional/non-underlying items. Adjusted EBITDA for the period was £228.4 million (2017: £213.0 million).
- Occupancy: the average number of units of accommodation occupied as a percentage of the total number available. Occupancy for the period was 97.6% (2017: 97.3%).
- 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 £184.95 (2017: £178.60).
- 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 £180.46 (2017: £173.80).

Going concern

The Directors have assessed the financial positions of the Group and the Company based upon the net current liabilities positions at the end of the period. In assessing the going concern of the business they have considered the projected future trading and cash flows of the business. Using the evidence available to them they have concluded that it is appropriate to present the financial statements on a going concern basis, as they consider that the Group will continue as a going concern for a period of at least 12 months from the date of signing the financial statements.

Principal risks and uncertainties

The Directors and senior managers adopt a proactive approach to the management of potential risks and uncertainties which could have a material impact on the performance of the business and execution of its growth strategy, and are actively involved in the Group's Risk Committee. In addition to ongoing monitoring, this Risk Committee meets quarterly to oversee risk management arrangements and ensure appropriate processes are put in place to mitigate potential risks and uncertainties. The Fire, Health and Safety Steering Committee also meets bi-monthly to oversee operational risks.

There are a number of potential risks and uncertainties which could have a material impact on the Group's performance and execution of its growth strategy. These risks include, but are not limited to:

Operational risk factors

Health and safety

The health, safety and welfare of the Group's guests and employees are central to its operations. The Group is committed to maintaining industry leading standards in health and safety including fire and food safety and adopts a proactive approach to its safety management. All incidents are recorded and reviewed to monitor trends and capture learning points that are then integrated into the business. The Fire, Health and Safety Steering Committee reviews major incidents and is focused on continuous improvement to mitigate the risk.

Business continuity

The Group operates five holiday villages in the United Kingdom and a significant interruption of any one would have a material impact on the Group. As a result, the Risk Committee supervises comprehensive risk management arrangements including business continuity plans which are regularly tested with the support of external specialists. These arrangements are supported by a broad insurance programme.

Supply chain

The Group has a large number of suppliers and prides itself on the quality of its product. The Group could be adversely affected by a fall in the standard of goods or services supplied by third parties or by a failure of a key partner. Quality risks are mitigated via a robust supplier registration system with food and safety further supported by independent advisors. In addition, the Risk Committee considers supply chain contingency arrangements and takes appropriate measures to mitigate this risk.

Strategic report

For the 53 weeks ended 26 April 2018 (continued)

Principal risks and uncertainties (continued)

Contractual arrangements

The Group has contracts with third parties for the supply of goods and services. Contracts are negotiated at arms' length and the Group does not enter into contracts that are outside the ordinary course of business or those that contain onerous terms. The Group adopts a compliance programme to ensure that it is compliant with its material contractual commitments. There is no single contractual counterparty that is critical to the running of the business. The failure of any critical contractual counterparty is managed through supply chain contingency arrangements (see Supply chain).

Employees

The Group's performance largely depends on its managers and staff, both on the villages and at head office. The resignation of key individuals or the inability to recruit staff with the right experience and skills could adversely impact the Group's results. To mitigate these issues the Group has invested in training programmes for its staff and has a number of bonus schemes linked to the Group's results and achievement against key performance indicators linked to guest satisfaction that are designed to reward and retain key individuals.

Input price increases

The Group's margin can be adversely affected by an increase in the price of key costs to the business including, but not limited to, wages, overheads and utilities. The Group takes proactive steps to manage any such increases including cost control, forward buying and budgeting for any increase.

Brand

The Center Parcs brand could be adversely affected by a serious incident, accident or similar occurrence or just a slow decline in the brand's appeal to consumers. The Group mitigates the risk of a serious incident, accident or similar occurrence by maintaining industry-leading health and safety systems and standards of training. The risk of a slow decline in the brand's appeal is managed through continuous product innovation, marketing campaigns and brand development.

Fraud

The Group operates five sites across the United Kingdom. Risk of fraud exists in misappropriation of assets, including banking, theft of stock and theft of cash takings. The Group mitigates this risk through the management structure and regular financial review with, and extensive use of, business systems. In addition, the Group's internal audit function undertakes regular reviews of financial controls with particular focus on cash and stock transactions. The Group is also subject to regular external audits.

Market risk factors

General Economic conditions

The disposable income of the Group's guests and/or their holiday preferences are and will be affected by changes in the general economic environment and this may result in a fall in the number of guests and/or a decrease in on-site expenditure. The Group regularly reviews its product offering and engages with guests to ensure it provides value for money to meet guest needs.

Brexit

Following the result of the "Brexit" Referendum on 23 June 2016, there remains a large degree of uncertainty regarding what the legal, economic, political and trading relationship will be between the United Kingdom and the member states of the European Union and other sovereign states. Until the terms of "Brexit" have been finalised, it is difficult for businesses to predict the impact it will have on them and their financial performance. Thus far, the referendum result has not had a material impact on the business of the Group.

Competition

The Center Parcs brand is synonymous with high quality short breaks in a forest environment but the Group competes for the discretionary expenditure of potential guests, who could choose to take short breaks at other destinations or participate in other recreational activities. The Directors believe that this risk is mitigated by the strength of the Center Parcs brand and the continual investment in the accommodation and central facilities (including retail and restaurants), coupled with the innovation amongst the leisure activities and the responsiveness to guest surveys.

Strategic report For the 53 weeks ended 26 April 2018 (continued)

Principal risks and uncertainties (continued)

Seasonality and weather

Demand for short breaks is influenced by the main holiday periods at Easter, the Summer holidays and the Christmas/New year period. This risk is mitigated by online dynamic pricing which encourages demand outside of the peak periods. The accommodation is located within forest environments and a significant number of activities take place outdoors. Therefore, demand may be impacted by the prevailing weather. This risk is minimal because guests tend not to book on impulse and the vast majority of breaks and activities are booked in advance. Additionally, the Group maintains diversity between its indoor and outdoor activities to mitigate this risk.

Financial risks

The Directors and senior managers regularly review the financial requirements of the Group and the associated risks. The Group does not use complicated financial instruments and where financial instruments are used they are used to reduce interest rate risk. The Group does not hold financial instruments for trading purposes. The Group finances its operations and developments through a mixture of retained earnings and borrowings as required. Historically, the Group has sought to reduce its cost of capital by refinancing and restructuring the Group funding using the underlying asset value.

All tranches of the Group's secured debt are subject to financial covenants. The Directors have assessed future compliance and at this time do not foresee any breach of the financial covenants.

Interest rate risk

Principal sources of borrowings are fixed interest rate loan notes.

Liquidity risk

The Group maintains sufficient levels of cash to enable it to meet its medium-term working capital and debt service obligations. Rolling forecasts of liquidity requirements are prepared and monitored, and surplus cash is invested in interest bearing accounts.

Currency risk

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.

Credit risk

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.

Financial reporting risk

The Group's financial systems are required to process a large number of transactions securely and accurately; any weaknesses in the systems could result in the incorrect reporting of financial results and covenant compliance. This risk is mitigated by the production of detailed management accounts which are regularly compared to budgets and forecasts. The Group is also subject to an annual external audit.

On behalf of the board



M P Dalby
Director
22 June 2018

Directors' report For the 53 weeks ended 26 April 2018

The Directors present their report and the audited consolidated financial statements for the 53 weeks ended 26 April 2018 (2017: 52 weeks ended 20 April 2017).

The registration number of the Company is 07656429.

Information about the use of financial instruments by the Group is provided in note 14 to the financial statements.

Future developments

No changes to the nature of the business are anticipated.

On 27 July 2016, Center Parcs Ireland Limited, a related party company, was granted full consent to construct a new Center Parcs holiday village in the Republic of Ireland. Construction has commenced and the new village is expected to open in late Summer 2019. Center Parcs (Holdings 1) Limited and Center Parcs Ireland Limited have the same ultimate parent company.

Dividends

During the period the Company paid dividends totalling £298.2 million (2017: £48.5 million). The Directors have proposed the payment of final dividends of £10.0 million and £25.9 million (2017: £nil).

Directors

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

M P Dalby
C G McKinlay (appointed 3 July 2017)
P Inglett (resigned 4 August 2017)
Z B Vaughan
K O McCrain
N J Adomait

During the period and at the date of approval of these financial statements, the Group had in place Directors' and officers' insurance.

Employees

The Group is committed to providing equal opportunities to all employees, irrespective of their gender, sexual orientation, marital status, race, nationality, ethnic origin, disability, age or religion. Center Parcs is an inclusive employer and values diversity among its employees. These commitments extend to recruitment and selection, training, career development, flexible working arrangements, promotion and performance appraisal.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee consultation

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. This is principally achieved through formal and informal briefings, the quarterly internal Group magazine 'Center Forward' and annual presentations of the financial results by the CEO. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests, via village and head office council meetings which take place four times a year. In addition, all employees with more than six months' service receive an annual bonus related to the overall profitability of the Group.

Political donations

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

Directors' report For the 53 weeks ended 26 April 2018 (continued)

Directors' Responsibilities Statement

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

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have prepared the Group and parent company financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. 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 Group and Company and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable IFRS as adopted by the European Union have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

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

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 Group's auditor is unaware; and
- b) he/she has taken all the steps that he ought to have taken as a Director in order to make him/herself aware of any relevant audit information and to establish that the Group'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.

By order of the board



M P Dalby
Director
22 June 2018

Independent auditor's report to the members of Center Parcs (Holdings 1) Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 26 April 2018 and of the Group's profit for the 53 weeks then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Center Parcs (Holdings 1) Limited for the 53 weeks ended 26 April 2018 which comprise the Group Income Statement, the Group Statement of Comprehensive Income, the Group and Parent Company Balance Sheets, the Group Cash Flow Statement, the Group and Parent Company Statements of Changes in Equity and the related notes 1 to 27. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

Independent auditor's report to the members of Center Parcs (Holdings 1) 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 Group's and the Parent 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 Group or the Parent 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

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 Group and of the Parent Company and their 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 Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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.

Alistair Pritchard FCA

Alistair Pritchard FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Nottingham, UK
22 June 2018

Group Income Statement

For the 53 weeks ended 26 April 2018

	Note	2018			2017		
		Before exceptional and non- underlying items £m	Exceptional and non- underlying items £m	Total £m	Before exceptional and non- underlying items £m	Exceptional and non- underlying items £m	Total £m
Revenue	2	469.0	-	469.0	440.3	-	440.3
Cost of sales		(123.7)	-	(123.7)	(115.7)	-	(115.7)
Gross profit		345.3	-	345.3	324.6	-	324.6
Administrative expenses		(116.9)	(2.3)	(119.2)	(111.6)	-	(111.6)
Adjusted EBITDA	2	228.4	(2.3)	226.1	213.0	-	213.0
Depreciation and amortisation		(52.7)	-	(52.7)	(47.9)	-	(47.9)
Total operating expenses		(169.6)	(2.3)	(171.9)	(159.5)	-	(159.5)
Operating profit	3	175.7	(2.3)	173.4	165.1	-	165.1
Finance income	5	0.3	-	0.3	0.2	-	0.2
Finance expense	5	(88.5)	(26.9)	(115.4)	(89.6)	(5.2)	(94.8)
Profit before taxation		87.5	(29.2)	58.3	75.7	(5.2)	70.5
Taxation	6	(14.0)	7.2	(6.8)	(12.3)	5.6	(6.7)
Profit for the period attributable to equity shareholders	17	73.5	(22.0)	51.5	63.4	0.4	63.8

All amounts relate to continuing activities.

Group Statement of Comprehensive Income

For the 53 weeks ended 26 April 2018

	Note	2018 £m	2017 £m
Profit for the period		51.5	63.8
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	22	1.7	(1.4)
Tax relating to components of other comprehensive income	15	(0.3)	0.2
Other comprehensive income for the period	17	1.4	(1.2)
Total comprehensive income for the period		52.9	62.6

The notes on pages 14 to 45 form part of these financial statements

Balance Sheets

	Note	Group		Company	
		As at 26 April 2018 £m	As at 20 April 2017 £m	As at 26 April 2018 £m	As at 20 April 2017 £m
Assets					
Non-current assets					
Goodwill	7	157.5	157.5	-	-
Other intangible assets	8	148.7	135.8	-	-
Property, plant and equipment	9	1,470.8	1,451.9	-	-
Investments in subsidiary undertakings	10	-	-	466.9	466.9
Deferred tax asset	15	0.8	15.0	-	-
		1,777.8	1,760.2	466.9	466.9
Current assets					
Inventories		3.8	3.7	-	-
Trade and other receivables	11	9.8	7.9	223.4	665.8
Current tax asset		3.7	6.4	-	-
Cash and cash equivalents		46.1	34.0	-	-
		63.4	52.0	223.4	665.8
Liabilities					
Current liabilities					
Borrowings	13	(0.3)	(0.3)	-	-
Trade and other payables	12	(187.2)	(181.3)	(587.6)	(776.5)
		(187.5)	(181.6)	(587.6)	(776.5)
Net current liabilities					
		(124.1)	(129.6)	(364.2)	(110.7)
Non-current liabilities					
Borrowings	13	(1,748.1)	(1,474.7)	-	-
Retirement benefit obligations	22	(1.2)	(3.2)	-	-
Deferred tax liability	15	(92.0)	(95.0)	-	-
		(1,841.3)	(1,572.9)	-	-
		(187.6)	57.7	102.7	356.2
Equity attributable to owners of the parent					
Equity share capital	16	1.0	1.0	1.0	1.0
Share premium	17	-	74.3	-	74.3
Other reserve	17	(154.0)	(154.0)	-	126.1
Retained earnings	17	(34.6)	136.4	101.7	154.8
Total equity		(187.6)	57.7	102.7	356.2

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the parent company income statement. The profit for the parent company for the period was £44.7 million (2017: profit of £44.0 million).

The financial statements on pages 10 to 45 were approved by the Board of Directors on 22 June 2018 and were signed on its behalf by:



M P Dalby
Director

Center Parcs (Holdings 1) Limited
Registered no. 07656429

The notes on pages 14 to 45 form part of these financial statements

Group Cash Flow Statement

	Note	53 weeks ended 26 April 2018 £m	52 weeks ended 20 April 2017 £m
Cash flows from operating activities			
Operating profit		173.4	165.1
Depreciation and amortisation	3	52.7	47.9
Working capital and non-cash movements	18	12.5	5.3
Difference between the pension charge and contributions		(0.3)	(0.3)
Corporation tax paid		(1.0)	(1.1)
Net cash from operating activities		237.3	216.9
Cash flows used in investing activities			
Purchase of property, plant and equipment		(74.7)	(87.3)
Purchase of intangible assets		(11.3)	(8.5)
Sale of property, plant and equipment		0.2	0.2
Interest received		0.3	0.2
Net cash used in investing activities		(85.5)	(95.4)
Cash flows used in financing activities			
Repayment of external borrowings		(560.3)	(0.3)
Proceeds from external borrowings		839.5	-
Issue costs on secured debt		(9.3)	-
Break costs on secured debt		(26.9)	-
Interest paid		(84.5)	(86.4)
Dividends paid	17	(298.2)	(48.5)
Net cash used in financing activities		(139.7)	(135.2)
Net increase/(decrease) in cash and cash equivalents		12.1	(13.7)
Cash and cash equivalents at beginning of the period		34.0	47.7
Cash and cash equivalents at end of the period		46.1	34.0
Reconciliation of net cash flow to movement in net debt			
Increase/(decrease) in cash and cash equivalents		12.1	(13.7)
Cash (in)/outflow from movement in debt		(279.2)	0.3
Change in net debt resulting from cash flows		(267.1)	(13.4)
Non-cash movements and deferred issue costs		5.8	(9.1)
Movement in net debt in the period		(261.3)	(22.5)
Net debt at beginning of the period		(1,441.0)	(1,418.5)
Net debt at end of the period	19	(1,702.3)	(1,441.0)

The Company had no cash flows in the current or prior period.

The notes on pages 14 to 45 form part of these financial statements.

Statements of Changes in Equity

Group	Share capital £m	Share premium £m	Other reserve £m	Retained earnings £m	Total equity £m
At 20 April 2017	1.0	74.3	(154.0)	136.4	57.7
Comprehensive income					
Profit for the period	-	-	-	51.5	51.5
Other comprehensive income	-	-	-	1.4	1.4
Transactions with owners					
Bonus issue of shares	-	133.9	-	(133.9)	-
Capital reduction	-	(208.2)	-	208.2	-
Dividends	-	-	-	(298.2)	(298.2)
At 26 April 2018	1.0	-	(154.0)	(34.6)	(187.6)

Group	Share capital £m	Share premium £m	Other reserve £m	Retained earnings £m	Total equity £m
At 21 April 2016	1.0	74.3	(154.0)	122.3	43.6
Comprehensive income					
Profit for the period	-	-	-	63.8	63.8
Other comprehensive income	-	-	-	(1.2)	(1.2)
Transactions with owners					
Dividends	-	-	-	(48.5)	(48.5)
At 20 April 2017	1.0	74.3	(154.0)	136.4	57.7

Company	Share capital £m	Share premium £m	Other reserve £m	Retained earnings £m	Total equity £m
At 20 April 2017	1.0	74.3	126.1	154.8	356.2
Comprehensive income					
Profit for the period	-	-	-	44.7	44.7
Transactions with owners					
Bonus issue of shares	-	133.9	(126.1)	(7.8)	-
Capital reduction	-	(208.2)	-	208.2	-
Dividends	-	-	-	(298.2)	(298.2)
At 26 April 2018	1.0	-	-	101.7	102.7

Company	Share capital £m	Share premium £m	Other reserve £m	Retained earnings £m	Total equity £m
At 21 April 2016	1.0	74.3	126.1	159.3	360.7
Comprehensive income					
Profit for the period	-	-	-	44.0	44.0
Transactions with owners					
Dividends	-	-	-	(48.5)	(48.5)
At 20 April 2017	1.0	74.3	126.1	154.8	356.2

The notes on pages 14 to 45 form part of these financial statements.

Notes to the financial statements

for the 53 weeks ended 26 April 2018

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.

Basis of preparation

These consolidated financial statements for the 53 weeks ended 26 April 2018 (2017: 52 weeks ended 20 April 2017) have been prepared in accordance with IFRS and International Financial Reporting Interpretations Committee (IFRIC) and Standing Interpretations Committee (SIC) interpretations adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of derivative financial instruments and retirement benefit obligations. All accounting policies disclosed have been applied consistently to both periods presented.

The accounting reference date of Center Parcs (Holdings 1) Limited is 22 April.

Going concern

The Directors have assessed the financial positions of the Group and the Company in light of the net current liabilities positions at the end of the period. In assessing the going concern of the business they have considered the projected future trading and cash flows of the business. Using the evidence available to them they have concluded that it is appropriate to present the financial statements on a going concern basis, as they consider that the Group will continue as a going concern for a period of at least 12 months from the date of signing the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of Center Parcs (Holdings 1) Limited ('the Company') and entities controlled by the Company. A company controls another entity when it is exposed, or has rights, to variable returns from its involvement with that entity and has the ability to affect those returns through its power over that entity.

The consolidated financial statements incorporate the results of CPUK Finance Limited, a company set up with the sole purpose of issuing debt secured on assets owned by the Group. The Directors of Center Parcs (Holdings 1) Limited consider this 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. Details of this company are provided in note 26.

The financial statements of subsidiary undertakings are prepared for the same financial reporting period as the Company.

The consolidated financial statements of Center Parcs (Holdings 1) Limited have been prepared under the principles of predecessor accounting and all entities are included at their pre-combination carrying amounts. This accounting treatment results in differences on consolidation between consideration and the fair value of underlying net assets and this difference is included within equity as an other reserve.

On 11 June 2015 the Group acquired CP Woburn (Operating Company) Limited; prior to that date both the Group and CP Woburn (Operating Company) Limited were under the common control of the parent company CP Cayman Midco 1 Limited. The acquisition formed part of a group reconstruction and has been accounted for using merger accounting principles which present the financial statements as if CP Woburn (Operating Company) Limited had always been part of the Group using the pre-combination carrying values.

Under merger accounting principles, the assets and liabilities of CP Woburn (Operating Company) Limited have been consolidated based on their pre-combination book values and the difference between the consideration payable and the book values of the net assets is recorded in equity in the other reserve.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

1. Accounting policies (continued)

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the Directors 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.

Critical judgements in applying the Group's accounting policies

Discount rate used to determine the carrying value of the Group's defined benefit pension scheme obligation:

The Group's defined benefit pension scheme obligation is discounted at a rate set by reference to market yields at the end of the reporting period on high quality corporate bonds. Significant judgment is required when setting the criteria for bonds to be included in the population from which the yield curve is derived.

Key sources of estimation uncertainty

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

The Group 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.

Impairment test for goodwill:

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

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 'payments on account' 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 employee costs, are included within cost of sales.

Operating segments

The operating segments set out in note 2 to the consolidated financial statements are consistent with the internal reporting provided to the Chief Operating Decision Maker, as defined by IFRS 8 'Operating Segments'. The Chief Operating Decision Maker has been identified as the Board of Directors.

Exceptional/non-underlying items

Exceptional/non-underlying 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 Group. Non-underlying items are those that are not directly related to the ongoing trade of the business or that are unrepresentative of ongoing performance. Examples of exceptional/non-underlying items are the costs of Group restructures, expenses incurred when refinancing the Group's debt and movements in the fair value of embedded derivatives.

Goodwill

Goodwill arising on acquisitions is capitalised and represents the excess of the fair value of the consideration given over the fair value of the identifiable net assets and liabilities acquired. Goodwill is not amortised but is instead tested for impairment on an annual basis, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Any impairment is recognised immediately in the income statement. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

1. Accounting policies (continued)

Other 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 Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads. Computer software development costs recognised as assets are amortised over their estimated useful lives.

Other intangible assets

Other purchased intangible assets are capitalised at cost, amortised on a straight-line basis over their useful economic lives and tested for impairment annually.

The brand is not amortised as it is considered to have an indefinite life; the carrying value of the brand is subject to an annual impairment review.

Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to 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

Management chose the cost basis under IAS 16 'Property, plant and equipment', rather than to apply the alternative (revaluation) treatment to all items of property, plant and equipment as its ongoing accounting policy. The cost of property, plant and equipment includes directly attributable costs. The Group elected to apply the optional exemption of IFRS 1 'First-time adoption of International Financial Reporting Standards' and, as such, the carrying value of properties that were previously held at fair value was treated as deemed cost at the date of adoption of IFRS.

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

Buildings are depreciated to residual value over 50 years. Land is not depreciated. The Group's water boreholes are depreciated on a straight-line basis over 13 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 Group 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.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

1. Accounting policies (continued)

Leases

Leases are classified as finance leases if the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are capitalised at cost and depreciated over their useful lives. The capital element of future rentals is treated as a liability and the interest element is charged to the income statement over the period of the lease in proportion to the capital outstanding.

Rental payments on operating leases (net of any incentives received from the lessor and including minimum contractual rental increases) are charged to the income statement on a straight-line basis.

Investments in subsidiary undertakings

Investments are stated at cost, less any provision for permanent diminution in value. If there are indications of impairment, an assessment is made of the recoverable amount. An impairment loss is recognised in the income statement when the recoverable amount is lower than the carrying value. Dividends receivable from investments in subsidiary undertakings are recognised in the income statement when approved by the shareholders of the company paying the dividend.

Current and deferred tax

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.

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.

Financial instruments

The Group classifies its financial assets into two categories, being fair value through profit and loss, and loans and receivables. 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. Management determines the classification of its financial instruments at initial recognition and re-evaluates this designation at each reporting date. Other financial liabilities are carried at amortised cost using the effective interest rate method.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

1. Accounting policies (continued)

Investments

The cost of investments, including loans to related parties, is their purchase cost together with any incremental costs of acquisition. The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In deciding whether an impairment is required, the Directors consider the underlying value inherent in the investment. Provision is made against the cost of investments where, in the opinion of the Directors, there is an impairment in the value of the individual investment.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently at amortised cost. A provision for impairment of trade receivables is made when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the income statement.

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 Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing costs

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 Group does not trade in derivative financial instruments. Derivative financial instruments have historically been used by the Group to manage its exposure to interest rates on long-term floating-rate borrowings. All derivative financial instruments are measured at the balance sheet date at their fair value. The Group does not currently hedge account for any derivatives. As such, any gain or loss on remeasurement is taken to the income statement.

Embedded derivatives

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit and loss.

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 Group 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.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

1. Accounting policies (continued)

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. The resulting profit or loss, together with realised profits and losses arising during the period on the settlement of overseas assets and liabilities, are included in the trading results. Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction.

Employee benefits

Pensions

- Defined contribution pension scheme

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

- Defined benefit pension scheme

A funded senior management defined benefit pension scheme also exists. A defined benefit pension scheme is a pension plan that defines the amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The surplus or liability recognised in the balance sheet in respect of the defined benefit pension scheme is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates for high-quality corporate bonds, which have terms to maturity approximating the terms of the related pension liability. Past-service costs are recognised immediately in the income statement. Remeasurement gains and losses are recognised in other comprehensive income.

Profit-sharing and bonus plans

The Group 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 Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Holiday pay

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

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.

Other reserve

The other reserve in the consolidated financial statements represents the differences on consolidation arising on the adoption of predecessor accounting. This comprises the difference between consideration paid and the book value of net assets acquired in the transaction. The other reserve in the Company financial statements represents the application of group reconstruction relief in accordance with section 612 of the Companies Act 2006, following the acquisition of certain subsidiaries in prior periods from fellow group companies.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

1. Accounting policies (continued)

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 impacted the financial statements of the Group or 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 2	Share-based Payment Classification and Measurement of Share-based Payment Transactions	1 January 2018
IFRS 4	Insurance Contracts Applying IFRS 9 'Financial Instruments' with IFRS 4 'Insurance Contracts'	1 January 2018
IFRS 9	Financial instruments New accounting standard	1 January 2018
	Prepayment Features with Negative Compensation	1 January 2019
IFRS 15	Revenue from Contracts with Customers New accounting standard	1 January 2018
IFRS 16	Leases New accounting standard	1 January 2019
IFRS 17	Insurance Contracts New accounting standard	1 January 2021
IAS 28	Investments in Associates and Joint Ventures Long-term interests in Associates and Joint Ventures	1 January 2019
IAS 40	Investment Property Transfers of Investment Property	1 July 2018
IFRIC 22	Foreign Currency Transactions and Advance Consideration New interpretation	1 January 2018
IFRIC 23	Uncertainty over Income Tax Treatments New interpretation	1 January 2019

The adoption of IFRS 9 'Financial Instruments' is expected to change the disclosure given in respect of financial instruments but not the amounts reported in the financial statements.

The adoption of IFRS 16 'Leases' will result in the recognition of a right-to-use asset and a lease liability in respect of the leases on the Longleat and Woburn sites. In addition, the lease charge recorded in the income statement will be bifurcated between the amortisation of the right-to-use asset on a straight-line basis and the interest charge on the lease liability will be recognised using the effective interest rate method. This will result in the overall charge to the income statement being higher in the earlier years of a lease than in the later years. Operating lease charges are currently recognised on a straight-line basis in the income statement. The Directors are assessing the monetary impact of adopting IFRS 16, and are considering both the full and modified retrospective adoption approaches permitted under the standard.

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

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

2. Segmental reporting

53 weeks ended 26 April 2018	Sherwood Forest £m	Elveden Forest £m	Longleat Forest £m	Whinfell Forest £m	Woburn Forest £m	Central Services £m	Total £m
Revenue	98.5	96.7	91.8	88.6	93.4	-	469.0
Adjusted EBITDA	55.5	52.5	49.5	46.3	49.4	(24.8)	228.4
Exceptional/non-underlying administrative costs							(2.3)
Depreciation and amortisation							(52.7)
Operating profit							173.4

52 weeks ended 20 April 2017	Sherwood Forest £m	Elveden Forest £m	Longleat Forest £m	Whinfell Forest £m	Woburn Forest £m	Central Services £m	Total £m
Revenue	91.3	92.0	86.7	84.1	86.2	-	440.3
Adjusted EBITDA	51.1	49.9	46.4	44.4	46.5	(25.3)	213.0
Depreciation and amortisation							(47.9)
Operating profit							165.1

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker, as defined by IFRS 8 'Operating Segments'. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

The operating segments are the five holiday villages that the business operates. Central Services costs are centrally managed administration costs. The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 1.

The primary profit measure used by the Chief Operating Decision Maker is Adjusted EBITDA, being earnings before interest, taxation, depreciation, amortisation and exceptional/non-underlying items.

The internal reporting does not disaggregate the balance sheet to each operating segment.

The split of revenue by business stream was £280.0 million (2017: £261.4 million) for accommodation and £189.0 million (2017: £178.9 million) for on-site spend. The split of gross profit was £253.3 million (2017: £237.2 million) for accommodation and £92.0 million (2017: £87.4 million) for on-site spend.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

3. Operating profit

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

	53 weeks ended 26 April 2018	52 weeks ended 20 April 2017
	£m	£m
Staff costs (note 21)	109.8	100.6
Cost of inventories	40.5	39.1
Depreciation of property, plant and equipment – owned assets (note 9)	47.6	45.0
Amortisation of intangible assets (note 8)	5.1	2.9
Operating lease rentals – land and buildings	1.4	1.4
Repairs and maintenance expenditure on property, plant and equipment	12.1	11.7
Services provided by the Group's auditor	0.4	0.5

During the period, the Group obtained the following services from the Group's auditor:

	53 weeks ended 26 April 2018	52 weeks ended 20 April 2017
	£m	£m
Charged to the income statement		
Audit of the parent company, subsidiary and consolidated financial statements	0.2	0.5
Deferred cost in respect of the secured debt		
Corporate finance services	0.2	-
	0.4	0.5

The Directors monitor the level of non-audit work undertaken by the auditors and ensure it is work which they are best suited to perform and does not present a risk to their independence and objectivity. The audit fee above includes £2,000 (2017: £2,000) for the audit of the parent company.

4. Exceptional/non-underlying items

The heavy snowfall in England in March 2018 caused the temporary closure of Longleat Forest and restricted guest arrivals and activities at all other villages. Guests impacted by the snow were issued refunds of both their accommodation and on-site spend. This was only the fourth time that a village has had to close in over 30 years of trading. The Directors estimate that the lost revenue totalled £1.6 million and the overall reduction in EBITDA for the 53 weeks ended 26 April 2018 was approximately £1.5 million. As such, had the heavy snowfall not occurred, Adjusted EBITDA would have been £229.9 million.

The following exceptional/non-underlying items are reflected in the financial statements:

	2018	2017
	£m	£m
Operating items		
Administrative expenses	(2.3)	-
	(2.3)	-
Non-operating items		
Finance expense	(26.9)	(5.2)
Taxation	7.2	5.6
	(19.7)	0.4
	(22.0)	0.4

Exceptional/non-underlying administrative expenses represent £1.6 million of costs relating to legal claims and associated settlements, together with £0.7m of one-off restructuring and reorganisation costs. Taxation on these expenses has also been treated as an exceptional/non-underlying item.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

4. Exceptional/non-underlying items (continued)

The £26.9 million exceptional/non-underlying finance expense in the period represents the premium paid on the settlement of the B2 tranche of the Group's secured debt. Taxation on this expense has also been treated as an exceptional/non-underlying item.

A taxation credit of £1.9 million in respect of a one-off adjustment to group relief has also been treated as an exceptional/non-underlying item.

The £5.2 million exceptional/non-underlying finance expense in the prior period represented accelerated amortisation of deferred issue costs in respect of the B2 tranche of secured notes. Taxation on this expense was also treated as an exceptional/non-underlying item, as was the impact of the change in applicable deferred tax rate from 18% to 17%.

5. Net finance costs

	Group		Company	
	53 weeks ended 26 April 2018 £m	52 weeks ended 20 April 2017 £m	53 weeks ended 26 April 2018 £m	52 weeks ended 20 April 2017 £m
Finance expense				
Interest payable on borrowings	(88.0)	(89.5)	-	-
- Less: Interest capitalised	0.2	0.5	-	-
Interest payable to Group undertakings	-	-	(39.5)	(44.8)
Other interest and similar charges	(0.7)	(0.6)	-	-
Total finance expense before exceptional/non-underlying items	(88.5)	(89.6)	(39.5)	(44.8)
Exceptional/non-underlying finance expense				
- Accelerated amortisation of deferred issue costs	-	(5.2)	-	-
- Premium on settlement of the B2 notes	(26.9)	-	-	-
	(26.9)	(5.2)	-	-
Total finance expense	(115.4)	(94.8)	(39.5)	(44.8)
Finance income				
Bank interest receivable	0.3	0.2	-	-
Interest receivable from Group undertakings	-	-	30.1	40.3
Total finance income	0.3	0.2	30.1	40.3
Net finance costs	(115.1)	(94.6)	(9.4)	(4.5)

Interest payable on borrowings includes amortisation of deferred issue costs of £4.4 million (2017: £3.9 million).

The interest rate applied in determining the amount of interest capitalised in the period was approximately 4.7% (2017: 5.7%).

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

6. Taxation

(a) Taxation

The Group tax charge is made up as follows:

	53 weeks ended 26 April 2018	52 weeks ended 20 April 2017
	£m	£m
Current tax:		
- Current period	(4.9)	(10.8)
- Prior periods	9.0	(2.6)
	4.1	(13.4)
Deferred tax:		
Origination and reversal of timing differences	(10.9)	6.7
Taxation (note 6(b))	(6.8)	(6.7)

The Company had a tax charge of £nil in the period (2017: £nil).

(b) Factors affecting the tax charge

Group

The tax assessed for the period is lower (2017: lower) than that resulting from applying the standard rate of corporation tax in the UK of 19% (2017: 20%). The difference is reconciled below:

	53 weeks ended 26 April 2018	52 weeks ended 20 April 2017
	£m	£m
Profit before taxation	58.3	70.5
Profit before taxation multiplied by the standard rate of corporation tax in the UK	11.1	14.1
Adjustments in respect of prior periods	(2.1)	0.3
Permanent differences and expenses not deductible for tax purposes	1.5	0.8
Impact of change in corporation tax rate	(0.6)	(5.2)
Indexation on future capital gains	(2.5)	(2.6)
Brought forward losses not previously recognised	(0.6)	(0.7)
Tax charge for the period (note 6(a))	6.8	6.7

Company

The tax assessed for the period is lower (2017: lower) than that resulting from applying the standard rate of corporation tax in the UK of 19% (2017: 20%). The difference is reconciled below:

	53 weeks ended 26 April 2018	52 weeks ended 20 April 2017
	£m	£m
Profit before taxation	44.7	44.0
Profit before taxation multiplied by the standard rate of corporation tax in the UK	8.5	8.8
Group relief not paid for	1.8	0.9
Income from subsidiary undertakings – not subject to tax	(14.2)	(9.7)
Release of intra-group receivable – not subject to tax	3.9	-
Tax charge for the period (note 6(a))	-	-

Change of corporation tax rate and factors that may affect future tax charges

Finance Act No. 2 2015, which was substantively enacted on 26 October 2015, reduced the standard rate of corporation tax in the UK to 19% with effect from 1 April 2017.

Finance Act 2016, which was substantively enacted on 6 September 2016, included provisions to reduce the standard rate of corporation tax in the UK to 17% with effect from 1 April 2020.

Deferred tax is calculated at a rate of 17% (2017: 17%).

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

7. Goodwill

Cost and net book value	Group £m
At 26 April 2018, 20 April 2017 and 21 April 2016	157.5

Impairment test for goodwill

Goodwill relates to the acquisition of the Sherwood, Elveden, Longleat and Whinfell Villages only. It is allocated equally to four cash-generating units (CGUs), being the four villages.

The Directors consider that the economic characteristics and future expectations are materially consistent across each of the four villages.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial forecasts prepared by management covering a rolling five-year period.

Key assumptions used for value-in-use calculations

The value-in-use calculation is based on forecasts approved by the Board covering the next ten years with a terminal value applied after year five.

The key assumptions of the value-in-use calculation are Adjusted EBITDA margin, growth rates and the discount rate; the long-term growth rate applied is 2.30% (2017: 2.25%) and the discount rate applied is 9.0% (2017: 9.7%).

Management determine forecast Adjusted EBITDA margins based on past performance and expectations of market development. The growth rates used reflect management's expectations of the future market. Discount rates used are pre-tax and reflect the specific risks to the Group.

Based on the value-in-use calculations performed, the Directors have concluded that there is no impairment of goodwill. The Directors have performed sensitivity analysis using the full range of reasonable assumptions and no impairment triggers have been identified.

The Company has no goodwill.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

8. Other intangible assets

	Software £m	Brand £m	Total £m
Cost			
At 21 April 2017	22.6	121.2	143.8
Additions	11.3	-	11.3
Reclassification from property, plant and equipment	6.7	-	6.7
Disposals	(3.2)	-	(3.2)
At 26 April 2018	37.4	121.2	158.6
Amortisation			
At 21 April 2017	8.0	-	8.0
Charge for the period	5.1	-	5.1
On disposals	(3.2)	-	(3.2)
At 26 April 2018	9.9	-	9.9
Net book amount at 20 April 2017	14.6	121.2	135.8
Net book amount at 26 April 2018	27.5	121.2	148.7

	Software £m	Brand £m	Total £m
Cost			
At 22 April 2016	13.4	121.2	134.6
Additions	8.5	-	8.5
Reclassification from property, plant and equipment	2.6	-	2.6
Disposals	(1.9)	-	(1.9)
At 20 April 2017	22.6	121.2	143.8
Amortisation			
At 22 April 2016	7.0	-	7.0
Charge for the period	2.9	-	2.9
On disposals	(1.9)	-	(1.9)
At 20 April 2017	8.0	-	8.0
Net book amount at 21 April 2016	6.4	121.2	127.6
Net book amount at 20 April 2017	14.6	121.2	135.8

The brand is considered to have an indefinite life due to the continued investment that is made in the guest facilities and the ongoing marketing campaigns of the business. An impairment review using the same assumptions as detailed in note 7 has been undertaken and no impairment was indicated (2017: £nil).

The Company has no other intangible assets.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

9. 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
Cost						
At 21 April 2017	1,127.8	376.5	112.2	18.7	27.4	1,662.6
Additions	12.3	22.4	25.0	2.0	11.5	73.2
Disposals	-	-	(4.7)	(1.6)	-	(6.3)
Reclassification to intangible assets	-	-	-	-	(6.7)	(6.7)
Transfers	17.1	6.4	0.2	-	(23.7)	-
At 26 April 2018	1,157.2	405.3	132.7	19.1	8.5	1,722.8
Depreciation						
At 21 April 2017	15.3	137.7	45.6	12.1	-	210.7
Charge for the period	0.2	25.8	17.8	3.8	-	47.6
On disposals	-	-	(4.7)	(1.6)	-	(6.3)
At 26 April 2018	15.5	163.5	58.7	14.3	-	252.0
Net book amount at 20 April 2017	1,112.5	238.8	66.6	6.6	27.4	1,451.9
Net book amount at 26 April 2018	1,141.7	241.8	74.0	4.8	8.5	1,470.8

	Land and buildings £m	Installations £m	Fixtures and fittings £m	Motor vehicles and hardware £m	Assets in the course of construction £m	Total £m
Cost						
At 22 April 2016	1,117.0	347.4	57.1	25.7	15.8	1,563.0
Additions	5.6	24.3	31.1	2.5	22.5	86.0
Disposals	(0.7)	-	(17.3)	(1.9)	-	(19.9)
Reclassification to intangible assets	-	-	-	-	(2.6)	(2.6)
Transfers	5.9	2.4	1.3	-	(9.6)	-
Re-categorisation	-	2.4	40.0	(7.6)	1.3	36.1
At 20 April 2017	1,127.8	376.5	112.2	18.7	27.4	1,662.6
Depreciation						
At 22 April 2016	15.1	109.2	9.1	16.1	-	149.5
Charge for the period	0.9	24.0	15.6	4.5	-	45.0
On disposals	(0.7)	-	(17.3)	(1.9)	-	(19.9)
Re-categorisation	-	4.5	38.2	(6.6)	-	36.1
At 20 April 2017	15.3	137.7	45.6	12.1	-	210.7
Net book amount at 21 April 2016	1,101.9	238.2	48.0	9.6	15.8	1,413.5
Net book amount at 20 April 2017	1,112.5	238.8	66.6	6.6	27.4	1,451.9

During the prior period, the cost and accumulated depreciation of certain items of property, plant and equipment were re-categorised to more accurately reflect the components of their net book amount. The net impact on the net book amounts of those assets was £nil.

The Company has no property, plant and equipment.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

10. Investments in subsidiary undertakings

Company	£m
Cost and net book value	
At 26 April 2018, 20 April 2017 and 21 April 2016	466.9

The investment at 26 April 2018 relates to 100% of the ordinary shares of Center Parcs (Holdings 2) Limited, a company registered in England and Wales. The principal activity of Center Parcs (Holdings 2) Limited is that of an intermediate holding company. Center Parcs (Holdings 2) Limited made a profit of £74.5 million (2017: profit of £48.5 million) for the period ended 26 April 2018 and had net assets at that date of £466.9 million (2017: £466.9 million).

The Directors believe that the carrying value of investments is supported by the recoverable amount of the investee.

A list of all subsidiary undertakings consolidated in these financial statements is set out in note 25.

11. Trade and other receivables

	Group		Company	
	2018	2017	2018	2017
	£m	£m	£m	£m
Amounts falling due within one year:				
Trade receivables	4.1	3.5	-	-
Amounts owed by Group undertakings	-	-	223.4	665.8
Amounts owed by related parties	1.4	1.6	-	-
Prepayments and accrued income	3.9	2.8	-	-
Other receivables	0.4	-	-	-
	9.8	7.9	223.4	665.8

The fair value of trade and other receivables are equal to their book value and no impairment provisions have been made (2017: £nil). Credit risk in respect of the Group's revenue streams is limited as the vast majority of customers pay in advance.

Amounts owed by Group undertakings represent amounts due from Center Parcs (Holdings 3) Limited of £223.4 million (2017: £594.5 million) and CP Comet Holdings Limited of £nil (2017: £71.3 million).

The balance due from Center Parcs (Holdings 3) Limited includes loans totalling £218.7 million (2017: £422.7 million) and associated unpaid interest. Interest is receivable at a rate of 8% per annum and is not compounded. The total amount receivable at the period-end is net of an interest free payable of £2.2 million (2017: £2.2 million) in respect of normal trading activities. These amounts are unsecured and repayable on demand.

The balance due from CP Comet Holdings Limited at 20 April 2017 represented loans receivable and associated unpaid interest totalling £87.2 million, off-set by loans payable and associated interest of £15.9 million. The interest rate on all loans was 8% per annum and was not compounded. All loans were unsecured and repayable on demand.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

12. Trade and other payables

	Group		Company	
	2018 £m	2017 £m	2018 £m	2017 £m
Trade payables	5.6	8.7	-	-
Other tax and social security	15.9	12.3	-	-
Other payables	2.7	3.0	-	-
Amounts owed to related parties	10.5	18.6	-	-
Amounts owed to Group undertakings	-	-	587.6	776.5
Accruals	60.2	53.5	-	-
Payments on account	92.3	85.2	-	-
	187.2	181.3	587.6	776.5

Amounts owed to Group undertakings principally relate to loans of £393.7 million (2017: £549.7 million) due to other members of the Center Parcs (Holdings 1) Limited Group and the associated unpaid interest. Interest is payable at a rate of 8% per annum and is not compounded. Interest of £39.0 million (2017: £43.9 million) was payable on these loans during the period.

At 26 April 2018 there were net other amounts owed to Group undertakings of £0.2 million (2017: £0.2 million). These balances are interest-free.

All amounts owed to related parties and Group undertakings are unsecured and repayable on demand.

13. Borrowings

	Group	
	2018 £m	2017 £m
Current		
Mortgage due within one year	0.3	0.3
Non-current		
Mortgage	0.3	0.6
Secured debt	1,747.8	1,474.1
	1,748.1	1,474.7

Mortgage

The Group has a mortgage secured over its head office which incurs interest at LIBOR plus 1.125% and matures in 2020. Annual repayments on this mortgage total £267,000. A one percentage point movement in interest rates would affect this interest charge by approximately £6,000 (2017: £9,000).

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

13. Borrowings (continued)

Secured debt

The secured debt consists of the following:

	2018	2017
	£m	£m
Tranche A2	440.0	440.0
Tranche A3	350.0	350.0
Tranche A4	248.6	140.0
Tranche B2	-	560.0
Tranche B3	480.0	-
Tranche B4	250.0	-
Unamortised deferred issue costs	(20.8)	(15.9)
	1,747.8	1,474.1

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 £0.9 million (2017: £nil) 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 settle the Group's Class B2 secured notes.

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 A3 notes have an expected maturity date of 28 February 2020 and a final maturity date of 28 February 2042. The interest rate to expected maturity is fixed at 2.666% and the interest rate from expected maturity to final maturity is 3.944%.

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 B2 notes had an expected maturity date of 28 August 2020 and a final maturity date of 28 February 2042. The interest rate to expected maturity was fixed at 7.000% and the interest rate from expected maturity to final maturity was 5.000%.

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 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 B3 and B4 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. All tranches of debt are subject to financial covenants. The Directors have assessed future compliance and at this time do not foresee any breach of the financial covenants.

Interest of £13.0 million (2017: £12.1 million) was accrued in respect of the secured debt at 26 April 2018.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

13. Borrowings (continued)

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

	Less than one year £m	Two to five years £m	Greater than five years £m	Premium and deferred issue costs £m	Total £m
At 26 April 2018					
Mortgage	0.3	0.3	-	-	0.6
Secured debt	-	830.0	930.0	(12.2)	1,747.8
Total borrowings	0.3	830.3	930.0	(12.2)	1,748.4
At 20 April 2017					
Mortgage	0.3	0.6	-	-	0.9
Secured debt	-	910.0	580.0	(15.9)	1,474.1
Total borrowings	0.3	910.6	580.0	(15.9)	1,475.0

All amounts are denominated in £ sterling.

The Company has no borrowings.

14. Financial instruments

Financial instruments by category

The accounting policies for financial instruments have been applied to the items below. As at 26 April 2018 and 20 April 2017 all of the Group's financial assets were categorised as loans and receivables and all of the Group's financial liabilities were categorised as other financial liabilities.

	Group	
	2018 £m	2017 £m
Financial assets		
Trade receivables	4.1	3.5
Other receivables	1.8	1.6
Cash and cash equivalents	46.1	34.0
	52.0	39.1
Financial liabilities		
External borrowings	1,748.4	1,475.0
Trade payables	5.6	8.7
Accruals	60.2	53.5
Other payables	13.2	21.6
	1,827.4	1,558.8

The only financial instruments held by the Company are other receivables of £223.4 million (2017: £665.8 million), which are categorised as loans and receivables, and other payables of £587.6 million (2017: £776.5 million) which are categorised as other financial liabilities.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

14. Financial instruments (continued)

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).

All of the Group's fair value measurements have been categorised as Level 1 (2017: 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 Group's secured debt is:

	26 April 2018		20 April 2017	
	Book value £m	Fair value £m	Book value £m	Fair value £m
Tranche A2	440.0	545.6	440.0	577.7
Tranche A3	350.0	355.6	350.0	364.0
Tranche A4	248.6	252.2	140.0	152.1
Tranche B2	-	-	560.0	588.0
Tranche B3	480.0	483.5	-	-
Tranche B4	250.0	252.1	-	-
	1,768.6	1,889.0	1,490.0	1,681.8

The fair value of all other financial assets and financial liabilities are approximately equal to their book values.

Maturity of financial liabilities

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

	Secured debt		Total £m
	Mortgage £m	£m	
At 26 April 2018			
In less than one year	0.3	82.4	82.7
In two to five years	0.6	1,116.4	1,117.0
In more than five years	-	1,005.1	1,005.1
	0.9	2,203.9	2,204.8

	Secured debt		Total £m
	Mortgage £m	£m	
At 20 April 2017			
In less than one year	0.3	85.4	85.7
In two to five years	0.9	1,166.1	1,167.0
In more than five years	-	655.1	655.1
	1.2	1,906.6	1,907.8

The Company has no non-current financial liabilities.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

14. Financial instruments (continued)

Financial risk management

The Group finances its operations through a mixture of equity and borrowings as required. The Group has sought to reduce its cost of capital by refinancing and restructuring the Group's funding using the underlying asset value.

All tranches of the Group's secured debt are subject to financial covenants. The Directors 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 Group's exposure to interest rate fluctuations, and the Group's primary source of borrowings is fixed interest rate loan notes.

The Group does not actively trade in derivative financial instruments.

Interest rate risk

As at 26 April 2018 and 20 April 2017 the Group had fixed rate loan notes and a floating rate mortgage as its only external funding sources.

Liquidity risk

As at 26 April 2018, the Group held sufficient levels of cash to enable it to meet its medium-term working capital and funding obligations. Rolling forecasts of the Group's liquidity requirements are prepared and monitored, and surplus cash is invested in interest bearing accounts.

Currency risk

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

Credit risk

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

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

15. Deferred tax

	Group 2018 £m	2017 £m
Deferred tax assets		
Deferred tax assets to be recovered after more than 12 months	0.8	15.0
	0.8	15.0
Deferred tax liabilities		
Deferred tax liabilities to be recovered after more than 12 months	(92.0)	(95.0)
	(92.0)	(95.0)

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:

	Group 53 weeks ended 26 April 2018 £m	52 weeks ended 20 April 2017 £m
At the beginning of the period	(80.0)	(86.9)
(Charged)/credited to the income statement	(10.9)	6.7
(Charged)/credited to the statement of comprehensive income	(0.3)	0.2
At the end of the period	(91.2)	(80.0)

	Land and buildings £m	Accelerated capital allowances £m	Short-term timing differences £m	Pension £m	Intangible assets £m	Total £m
At 20 April 2017	(70.5)	14.5	(3.9)	0.5	(20.6)	(80.0)
Credited/(charged) to the income statement	2.8	(13.9)	0.2	-	-	(10.9)
Charged to the statement of comprehensive income	-	-	-	(0.3)	-	(0.3)
At 26 April 2018	(67.7)	0.6	(3.7)	0.2	(20.6)	(91.2)

	Land and buildings £m	Accelerated capital allowances £m	Short-term timing differences £m	Pension £m	Intangible assets £m	Total £m
At 22 April 2016	(77.8)	10.9	1.4	0.4	(21.8)	(86.9)
Credited/(charged) to the income statement	7.3	3.6	(5.3)	(0.1)	1.2	6.7
Credited to the statement of comprehensive income	-	-	-	0.2	-	0.2
At 20 April 2017	(70.5)	14.5	(3.9)	0.5	(20.6)	(80.0)

The Group has an unrecognised deferred tax asset of £4.7 million (2017: £6.0 million). This relates to carried forward tax losses in non-trading subsidiaries which are not forecast to be utilised in the foreseeable future.

Deferred tax is calculated at a rate of 17% (2017: 17%).

The Company has no deferred tax.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

16. Equity share capital

Allotted and fully paid	Company	
	2018	2017
	£m	£m
1,000,005 (2017: 1,000,004) ordinary shares of £1 each	1.0	1.0

On 3 August 2017 the Company made a bonus issue of one share at a premium of £133.9 million (see note 17). The Company was incorporated in 2011 and hence does not have an authorised share capital.

Management of capital

The Group's objectives when managing capital are to safeguard the Group'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.

17. Share premium, other reserve and retained earnings

Group	Share premium £m	Other reserve £m	Retained earnings £m
At 21 April 2017	74.3	(154.0)	136.4
Profit for the period	-	-	51.5
Net movement on pension scheme	-	-	1.4
Bonus issue of shares	133.9	-	(133.9)
Capital reduction	(208.2)	-	208.2
Dividends	-	-	(298.2)
At 26 April 2018	-	(154.0)	(34.6)

Group	Share premium £m	Other reserve £m	Retained earnings £m
At 22 April 2016	74.3	(154.0)	122.3
Profit for the period	-	-	63.8
Net movement on pension scheme	-	-	(1.2)
Dividends	-	-	(48.5)
At 20 April 2017	74.3	(154.0)	136.4

Company	Share premium £m	Other reserve £m	Retained earnings £m
At 21 April 2017	74.3	126.1	154.8
Profit for the period	-	-	44.7
Bonus issue of shares	133.9	(126.1)	(7.8)
Capital reduction	(208.2)	-	208.2
Dividends	-	-	(298.2)
At 26 April 2018	-	-	101.7

Company	Share premium £m	Other reserve £m	Retained earnings £m
At 22 April 2016	74.3	126.1	159.3
Profit for the period	-	-	44.0
Dividends	-	-	(48.5)
At 20 April 2017	74.3	126.1	154.8

On 3 August 2017 the Company undertook a capital reduction pursuant to which its share premium account was cancelled in full.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

18. Working capital and non-cash movements

	Group	
	53 weeks ended 26 April 2018	52 weeks ended 20 April 2017
	£m	£m
Profit on disposal of property, plant and equipment	(0.2)	(0.2)
Increase in inventories	(0.1)	(0.4)
Increase in trade and other receivables	(2.0)	(0.3)
Increase in trade and other payables	14.8	6.2
	12.5	5.3

19. Analysis of net debt

	At 20 April 2017 £m	Cash flow £m	Non-cash movements and deferred issue costs £m	At 26 April 2018 £m
Cash and cash equivalents				
Cash at bank and in hand	34.0	12.1	-	46.1
	34.0	12.1	-	46.1
Debt due within one year				
Mortgage	(0.3)	0.3	(0.3)	(0.3)
	(0.3)	0.3	(0.3)	(0.3)
Debt due after more than one year				
Mortgage	(0.6)	-	0.3	(0.3)
Secured debt	(1,474.1)	(279.5)	5.8	(1,747.8)
	(1,474.7)	(279.5)	6.1	(1,748.1)
	(1,441.0)	(267.1)	5.8	(1,702.3)

	At 21 April 2016 £m	Cash flow £m	Non-cash movements and deferred issue costs £m	At 20 April 2017 £m
Cash and cash equivalents				
Cash at bank and in hand	47.7	(13.7)	-	34.0
	47.7	(13.7)	-	34.0
Debt due within one year				
Mortgage	(0.3)	0.3	(0.3)	(0.3)
	(0.3)	0.3	(0.3)	(0.3)
Debt due after more than one year				
Mortgage	(0.9)	-	0.3	(0.6)
Secured debt	(1,465.0)	-	(9.1)	(1,474.1)
	(1,465.9)	-	(8.8)	(1,474.7)
	(1,418.5)	(13.4)	(9.1)	(1,441.0)

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

20. Capital commitments

At the balance sheet date, the Group had capital expenditure contracted for but not provided of £22.0 million (2017: £27.9 million).

The Company has no capital commitments.

21. Employees and Directors

	Group	
	53 weeks ended 26 April 2018	52 weeks ended 20 April 2017
	£m	£m
Staff costs during the period:		
Wages and salaries	101.3	92.7
Social security costs	5.7	5.2
Pension costs	2.8	2.7
	109.8	100.6

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

	Group	
	53 weeks ended 26 April 2018	52 weeks ended 20 April 2017
	Number	Number
By activity:		
Leisure, retail and food and beverage	3,742	3,671
Housekeeping, technical and estate services	3,775	3,689
Administration	875	826
	8,392	8,186

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

The Company has no employees.

Key management compensation

	53 weeks ended 26 April 2018	52 weeks ended 20 April 2017
	£m	£m
Short-term benefits	2.8	2.6

Key management compensation encompasses the Directors and certain senior managers of the Group.

Directors' remuneration

	53 weeks ended 26 April 2018	52 weeks ended 20 April 2017
	£m	£m
Remuneration in respect of qualifying services	1.6	1.7

One Director (2017: one) has retirement benefits accruing under the Group's money purchase pension scheme, in respect of which the Group made contributions of £7,500 (2017: £nil) in the period. In addition, retirement benefits are accruing to one Director (2017: one Director) under the Group's defined benefit pension scheme.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

21. Employees and Directors (continued)

Included in the above are the following amounts in respect of the highest paid Director, who is a member of the Group's defined benefit pension scheme:

	53 weeks ended 26 April 2018	52 weeks ended 20 April 2017
	£m	£m
Aggregate emoluments	1.0	1.0
Accrued pension at the end of the period	0.3	0.3

Advances to Director

During the period, a loan of £0.5 million was advanced to Mr C G McKinlay. This loan attracts interest at a rate of 2.5% per annum. A repayment of £0.1m was received during the period, resulting in a balance of £0.4 million owed to the Group at 26 April 2018. This balance is included within other receivables.

22. Pension commitments

Defined contribution pension scheme

The Group participates in the Center Parcs pension scheme, which is a defined contribution pension scheme with a contributory and a non-contributory membership level. Pension costs for the defined contribution scheme for the period ended 26 April 2018 were £2.5 million (2017: £2.5 million).

Accruals per note 12 include £0.4 million (2017: £0.3 million) in respect of defined contribution pension scheme costs.

Defined benefit pension scheme

The Group operates a funded defined benefit pension scheme for certain employees. Contributions are determined by an independent qualified actuary using assumptions on the rate of return on investments and rates of increases in salaries and benefits.

The last available actuarial valuation of the scheme at the balance sheet date was that performed on 1 August 2014. This was updated to 26 April 2018 by a qualified independent actuary. An actuarial valuation was performed at 1 August 2017 but had not been received at the balance sheet date.

Actuarial assumptions used are as follows:

	2018	2017
Discount rate	2.80%	2.60%
Rate of price inflation (RPI)	3.10%	3.20%
Rate of price inflation (CPI)	2.10%	2.20%
Rate of increase in salaries	2.10%	2.20%
Life expectancy from age 60, for a male:		
Currently age 60	28.7 years	31.9 years
Currently age 50	29.6 years	33.4 years

The amounts recognised in the balance sheet are determined as follows:

	2018	2017
	£m	£m
Present value of funded obligations	(15.1)	(16.3)
Fair value of plan assets	13.9	13.1
Net pension liability	(1.2)	(3.2)

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

22. Pension commitments (continued)

At the balance sheet date, the present value of the defined benefit obligation was comprised as follows:

	Number of members	Liability split	Duration (years)
Active members	1	53%	21
Deferred members	5	31%	22
Pensioners	2	16%	17
Total	8	100%	21

At the prior year balance sheet date, the present value of the defined benefit obligation was comprised as follows:

	Number of members	Liability split	Duration (years)
Active members	1	52%	22
Deferred members	5	30%	22
Pensioners	2	18%	18
Total	8	100%	21

The major categories of plan assets as a percentage of total plan assets are as follows:

	2018 %	2017 %
Equity securities	39	38
Debt securities	60	54
Cash and cash equivalents	1	8

The movement in the defined benefit obligation over the period is as follows:

	Fair value of plan assets £m	Present value of obligation £m	Total £m
At 20 April 2017	13.1	(16.3)	(3.2)
Current service cost	-	(0.3)	(0.3)
Interest income/(expense)	0.4	(0.4)	-
	0.4	(0.7)	(0.3)
Remeasurements:			
- Return on plan assets, excluding amount included in interest	(0.1)	-	(0.1)
- Gain from change in demographic assumptions	-	1.2	1.2
- Gain from change in financial assumptions	-	0.7	0.7
- Experience losses	-	(0.1)	(0.1)
	(0.1)	1.8	1.7
Employer contributions	0.6	-	0.6
Benefit payments from plan	(0.1)	0.1	-
At 26 April 2018	13.9	(15.1)	(1.2)

The impact of various changes in actuarial assumptions on the present value of the scheme obligation are set out below.

	Present value of obligation £m
0.5% decrease in discount rate	16.6
1 year increase in life expectancy	15.7
0.5% increase in salary increases	15.2
0.5% increase in inflation	16.2

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

22. Pension commitments (continued)

	Fair value of plan assets £m	Present value of obligation £m	Total £m
At 21 April 2016	12.2	(14.3)	(2.1)
Current service cost	-	(0.2)	(0.2)
Interest income/(expense)	0.4	(0.5)	(0.1)
	0.4	(0.7)	(0.3)
Remeasurements:			
- Return on plan assets, excluding amount included in interest	1.4	-	1.4
- Loss from change in financial assumptions	-	(2.7)	(2.7)
- Experience losses	-	(0.1)	(0.1)
	1.4	(2.8)	(1.4)
Employer contributions	0.6	-	0.6
Benefit payments from plan	(1.5)	1.5	-
At 20 April 2017	13.1	(16.3)	(3.2)

The current service cost and interest income/expense is recognised in the income statement. Remeasurements are recognised in other comprehensive income.

Expected contributions to the defined benefit pension scheme for the forthcoming financial year are £0.6 million.

23. Operating lease commitments

	Group	
	2018	2017
	£m	£m
Commitments under non-cancellable operating leases due:		
Within one year	1.4	1.4
In more than one year but less than five years	5.3	5.3
In more than five years	87.6	89.0
	94.3	95.7

The Group has no other operating lease commitments.

The Company has no operating lease commitments.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

24. Related parties

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

Group

	Balance at 21 April 2016 £m	Movement in 52 weeks £m	Balance at 20 April 2017 £m	Movement in 53 weeks £m	Balance at 26 April 2018 £m
Zinc Investments Sarl	-	1.6	1.6	(0.2)	1.4
CP Cayman Midco 2 Limited	(0.2)	-	(0.2)	0.2	-
Center Parcs Ireland Limited	2.7	(2.7)	-	-	-
BSREP II Center Parcs Jersey Limited	(5.5)	(12.9)	(18.4)	7.9	(10.5)

Zinc Investments Sarl, CP Cayman Midco 2 Limited, Center Parcs Ireland Limited and BSREP II Center Parcs Jersey Limited share an ultimate controlling party with the Group.

The movement on the balance with Zinc Investments Sarl in the 52 weeks ended 20 April 2017 represented funds advanced to that company. The movement on the balance in the 53 weeks ended 26 April 2018 represents a partial repayment of the balance due, offset by further funds advanced to that company.

The movement on the balance with CP Cayman Midco 2 Limited in the 53 weeks ended 26 April 2018 represents the settlement of the balance due.

The movement on the balance with Center Parcs Ireland Limited in the 52 weeks ended 20 April 2017 represented the net of amounts paid on that company's behalf and settlement of the balance due.

The movement on the balance with BSREP II Center Parcs Jersey Limited in the 52 weeks ended 20 April 2017 represented payment for group relief of £13.4 million offset by amounts paid on that company's behalf of £0.5 million. The movement on the balance in the 53 weeks ended 26 April 2018 represents adjustments to group relief payable balances.

Transactions with Directors are set out in note 21 to these financial statements.

Company

All of the related parties below are members of the Group headed by Center Parcs (Holdings 1) Limited.

	Balance at 21 April 2016 £m	Movement in 52 weeks £m	Balance at 20 April 2017 £m	Movement in 53 weeks £m	Balance at 26 April 2018 £m
Center Parcs (Holdings 3) Limited	560.7	33.8	594.5	(371.1)	223.4
CP Comet Holdings Limited	65.7	5.6	71.3	(71.3)	-
CP Longleat Village Limited	(29.2)	(1.7)	(30.9)	(1.8)	(32.7)
Center Parcs (Operating Company) Limited	(264.6)	(15.8)	(280.4)	(15.9)	(296.3)
Forest Midco Limited	(26.6)	(1.6)	(28.2)	28.2	-
Center Parcs (Jersey 1) Limited	(164.7)	(9.9)	(174.6)	(9.8)	(184.4)
Center Parcs Spa Division Holdings Limited	(0.1)	-	(0.1)	0.1	-
Center Parcs Limited	(11.7)	(0.7)	(12.4)	(0.7)	(13.1)
CP Comet Bidco Limited	(67.4)	(4.0)	(71.4)	71.4	-
Comet Refico Limited	(54.5)	(3.3)	(57.8)	(3.2)	(61.0)
Sun CP Newmidco Limited	(113.8)	(6.9)	(120.7)	120.7	-
Center Parcs (UK) Group Limited	-	-	-	(0.1)	(0.1)

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

24. Related parties (continued)

The movement on the balance with Center Parcs (Holdings 3) Limited in the 52 weeks ended 20 April 2017 represented interest receivable. The movement on the balance in the 53 weeks ended 26 April 2018 reflects the following transactions:

- A repayment of £223.6 million.
- Forest Holdco Limited, a fellow group undertaking, distributed a receivable of £29.2 million due from Center Parcs (Holdings 1) Limited to its parent company, Center Parcs (Holdings 3) Limited.
- Sun CP Newtopco Limited, a fellow group undertaking, distributed a receivable of £124.8 million due from Center Parcs (Holdings 1) Limited to its parent company, Center Parcs (Holdings 3) Limited.
- CP Comet Bidco Limited, a fellow group undertaking, distributed a receivable of £73.9 million due from Center Parcs (Holdings 1) Limited to its parent company, Center Parcs (Holdings 3) Limited.
- CP Comet Holdings Limited, a fellow group undertaking, transferred a payable of £54.2 million due from Center Parcs (Holdings 1) Limited to its parent company, Center Parcs (Holdings 3) Limited.
- Interest of £26.2 million was receivable during the period.

The movement on the balance with CP Comet Holdings Limited in the 52 weeks ended 20 April 2017 represented interest receivable of £6.5 million off-set by interest payable of £0.9 million. The movement on the balance in the 53 weeks ended 26 April 2018 represents the following transactions:

- Interest receivable of £3.9 million.
- Interest payable of £0.5 million.
- The waiver of £20.5 million of the balance due.
- The transfer of the remaining balance of £54.2 million from CP Comet Holdings Limited to Center Parcs (Holdings 3) Limited as described above.

The movement on the balance with Forest Midco Limited in the 52 weeks ended 20 April 2017 represented interest payable. The movement on the balance in the 53 weeks ended 26 April 2018 represents the following transactions:

- Interest payable of £1.0 million.
- Forest Midco Limited distributed a receivable of £29.2 million due from Center Parcs (Holdings 1) Limited to its parent company, Forest Holdco Limited. This was subsequently distributed by Forest Holdco Limited to Center Parcs (Holdings 3) Limited, as described above.

The movement on the balance with Center Parcs Spa Division Holdings Limited in the 53 weeks ended 26 April 2018 represents the distribution of the balance due from Center Parcs (Holdings 1) Limited to its parent company, Center Parcs (UK) Group Limited.

The movement on the balance with CP Comet Bidco Limited in the 52 weeks ended 20 April 2017 represented interest payable. The movement on the balance in the 53 weeks ended 26 April 2018 represents the following transactions:

- Interest payable of £2.5 million.
- CP Comet Bidco Limited distributed a receivable of £73.9 million due from Center Parcs (Holdings 1) Limited to its parent company, Center Parcs (Holdings 3) Limited, as described above.

The movement on the balance with Sun CP Newmidco Limited in the 52 weeks ended 20 April 2017 represented interest payable. The movement on the balance in the 53 weeks ended 26 April 2018 represents the following transactions:

- Interest payable of £4.1 million.
- Sun CP Newmidco Limited distributed a receivable of £124.8 million due from Center Parcs (Holdings 1) Limited to its parent company, Center Parcs (Holdings 3) Limited, as described above.

The movement on the balance with Center Parcs (UK) Group Limited represents the distribution of receivable by Center Parcs Spa Division Holdings Limited as described above.

The movements on the balances with CP Longleat Village Limited, Center Parcs (Operating Company) Limited, Center Parcs (Jersey 1) Limited, Center Parcs Limited and Comet Refico Limited represent interest payable.

During the 53 weeks ended 26 April 2018 Center Parcs (Holdings 2) Limited, the Company's subsidiary undertaking, declared and paid dividends to Center Parcs (Holdings 1) Limited totalling £74.5 million (2017: £48.5 million).

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

25. Subsidiary undertakings

The share capitals of all subsidiary undertakings are designated as ordinary shares.

All the subsidiary undertakings set out below are included in the consolidated financial statements. All shareholdings represent 100% of the equity and voting rights. All of the subsidiary undertakings listed are held by other subsidiary undertakings of the Company, with the exception of Center Parcs (Holdings 2) Limited.

Subsidiary undertaking	Activity	Country of incorporation
Center Parcs (Operating Company) Limited	Operation of four holiday villages	England and Wales
CP Woburn (Operating Company) Limited	Operation of one holiday village	England and Wales
Center Parcs Limited	Employee services provider	England and Wales
CP Sherwood Village Limited	Investment property company	England and Wales
CP Elveden Village Limited	Investment property company	England and Wales
Longleat Property Limited	Investment property company	England and Wales
CP Whinfall Village Limited	Investment property company	England and Wales
Center Parcs (Holdings 2) Limited	Intermediate holding company	England and Wales
Center Parcs (Holdings 3) Limited	Intermediate holding company	England and Wales
Center Parcs (UK) Group Limited	Intermediate holding company	England and Wales
CP Longleat Village Limited	Intermediate holding company	England and Wales
SPV2 Limited	Investment company	England and Wales
Comet Refico Limited	Non-trading	England and Wales
Center Parcs (Jersey) 1 Limited	Non-trading	Jersey
SPV1 Limited	Dormant	England and Wales
Centrepark Limited	Dormant	England and Wales
Carp (UK) 1 Limited	Dormant	England and Wales

The registered office of all subsidiary undertakings is One Edison Rise, New Ollerton, Newark, Nottinghamshire, NG22 9DP.

Subsidiary audit exemptions

Center Parcs (Holdings 1) Limited has issued guarantees over the liabilities of the following companies at 26 April 2018 under section 479C of the Companies Act 2006 and these entities are exempt from the requirements of the Act relating to the audit of their individual financial statements by virtue of section 479A of the Act.

- Center Parcs Limited (registered no. 01908230)
- Center Parcs (Holdings 2) Limited (registered no. 07656407)
- Center Parcs (UK) Group Limited (registered no. 04974661)
- CP Longleat Village Limited (registered no. 07656396)
- SPV2 Limited (registered no. 07620891)
- Comet Refico Limited (registered no. 05994315)

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

26. Structured entity – CPUK Finance Limited

CPUK Finance Limited was incorporated in Jersey on 20 July 2011 and issued the secured debt set out in note 13 to the financial statements. The summarised financial statements of CPUK Finance Limited are as follows:

	53 weeks ended 26 April 2018	52 weeks ended 20 April 2017
	£m	£m
Income statement		
Finance expense	(110.6)	(85.6)
Finance income	110.5	85.6
Loss for the period attributable to equity shareholders	(0.1)	-

The loss for the period attributable to equity shareholders represents total comprehensive income.

	As at 26 April 2018	As at 20 April 2017
	£m	£m
Balance sheet		
Assets		
Amounts due from the Center Parcs (Holdings 1) Limited Group	1,768.6	1,490.0
Other receivables	13.0	12.1
Cash	-	0.1
Liabilities		
Secured debt	(1,768.6)	(1,490.0)
Other payables	(13.0)	(12.1)
Total equity	-	0.1

	53 weeks ended 26 April 2018	52 weeks ended 20 April 2017
	£m	£m
Cash flow statement		
Investing activities		
Interest received	83.6	85.8
Reimbursement of break costs	26.9	-
Reimbursement of issue costs	9.3	-
Loans repaid by related parties	560.0	-
Loans advanced to related parties	(839.5)	-
Net cash (out)/inflow from investing activities	(159.7)	85.8
Financing activities		
Interest paid	(83.7)	(85.8)
Break costs on secured debt	(26.9)	-
Issue costs on secured debt	(9.3)	-
Repayment of external borrowings	(560.0)	-
Proceeds from external borrowings	839.5	-
Net cash in/(out)flow from financing activities	159.6	(85.8)
Net decrease in cash and cash equivalents	(0.1)	-

The registered office of CPUK Finance Limited is 44 Esplanade St Helier, Jersey, Channel Islands, JE1 0BD.

Notes to the financial statements

for the 53 weeks ended 26 April 2018 (continued)

27. Ultimate parent company and controlling parties

The immediate parent company is CP Cayman Limited, a company registered in the Cayman Islands. The ultimate parent company and controlling party is Brookfield Asset Management Inc., a company incorporated in Canada.

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 its registered office at Brookfield Place, Suite 300, 181 Bay Street, Toronto, ON M5J 2T3.

No company in the United Kingdom consolidates the results of the Center Parcs (Holdings 1) Limited Group.