

Financial statements

52 weeks ended 21 April 2016

Center Parcs (Holdings 1) Limited

Annual report and financial statements

For the 52 weeks ended 21 April 2016

Company registration number: 07656429

Financial statements

52 weeks ended 21 April 2016

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Financial statements

52 weeks ended 21 April 2016

Directors and auditor

Directors

M P Dalby
P Inglett
K O McCrain
Z B Vaughan
V Aneja

Company Secretary

R Singh-Dehal

Independent auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
1 Woodborough Road
Nottingham
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Strategic report For the 52 weeks ended 21 April 2016

The Directors present their Strategic report on the Group for the 52 weeks ended 21 April 2016 (2015: 52 weeks ended 23 April 2015).

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.

During the period the Center Parcs (Holdings 1) Limited Group acquired CP Woburn (Operating Company) Limited, the owner and operator of the Woburn Forest Center Parcs holiday village, from a related party. 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.

The results of the Group for the period show a profit of £6.4 million (2015: profit of £12.4 million). Adjusted EBITDA, being earnings before interest, taxation, depreciation, amortisation, exceptional/non-underlying items and owners' costs (those costs payable to The Blackstone Group, the previous owner, and associated entities) was £198.2 million (2015: £180.2 million). The Group has performed well in the 52 weeks ended 21 April 2016, with revenue and adjusted EBITDA growth driven by the opening of the fifth UK Center Parcs village at Woburn during the prior period.

During the 52 weeks ended 21 April 2016 the Group incurred exceptional/non-underlying administrative expenses of £4.5 million (2015: £6.3 million) in respect of the review of its strategic options that ultimately resulted in the sale of the business. Other exceptional/non-underlying costs in the period were a reduction in the fair value of financial derivatives of £16.8 million (2015: increase in the fair value of financial derivatives of £16.8 million) and finance costs of £42.0 million (2015: £4.3 million) in respect of the refinancings of the Group's debt that took place during the period. Taxation on these items has also been treated as an exceptional/non-underlying item, as has the impact of the change in applicable deferred tax rate from 20% to 18% as set out in note 6 to these financial statements.

In the prior period ending 23 April 2015, the Group also incurred exceptional/non-underlying costs of £6.3 million in respect of pre-opening losses at the Woburn holiday village. Taxation on these losses was also treated as an exceptional/non-underlying item. Further details are provided in note 4 to these financial statements.

On 11 June 2015 the Group issued £490.0 million of New Class A senior notes, divided into £350.0 million 2.666% notes due to mature in February 2020 and £140.0 million 3.588% notes due to mature in August 2025. The proceeds of these new notes, along with existing cash resources available, were used to settle the Group's Class A1 notes, which were due to mature in February 2017, and fund the acquisition of the equity share capital of CP Woburn (Operating Company) Limited.

On 3 August 2015 the Group, including all subsidiary undertakings, was acquired by a fund managed by a subsidiary of Brookfield Asset Management Inc., from the Group's previous owner, funds advised by The Blackstone Group. On the same date the Group announced the issue of £560.0 million 7.000% Class B2 secured notes due to mature in August 2020. Part of the proceeds from these new notes were used to settle the Group's Class B secured notes which were due to mature in February 2018.

The Group's holiday villages are set in a forest environment, typically 400-acres in size, and provide high quality accommodation in fully equipped villas, apartments and lodges which are set amongst trees and streams. Each village offers an extensive range of sports and leisure activities plus numerous restaurants, bars and retail outlets and a superb Aqua Sana spa facility. Woodland, water and a natural, healthy environment are the essential elements.

Center Parcs primarily targets families in the UK, who are open to considering good quality, value for money and convenient short break holidays within the UK. The unique Center Parcs proposition of an easily accessible UK 'escape' in a natural environment with a range of activities to appeal to all ages is very much in line with a number of current socio-economic trends such as concern for the environment, fuel costs, security worries and child wellbeing, and gives 'time-poor' parents an opportunity to spend valuable time with their friends and family.

The United Kingdom domestic holiday market is diverse and competitive and Center Parcs considers its main competitors to be high end self-catering cottage accommodation and leisure hotels/resorts although there are several smaller providers of lodges in rural retreats. However, there are still no direct competitors offering the single-site holiday village/resort to the level of quality and range of activities and facilities of Center Parcs. However, what is clear is that Center Parcs will need to continue to deliver innovation and communicate high quality and standards, reliability and good value for money for the family audience. As consumer expectations continue to rise Center Parcs will need to be in a position to exceed these expectations.

Strategic report

For the 52 weeks ended 21 April 2016 (continued)

Key performance indicators

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

- Revenue: Revenue for the period was £420.2 million (2015: £385.2 million).
- Adjusted EBITDA: Earnings before interest, taxation, depreciation, amortisation, exceptional/non-underlying items and owners' costs. Adjusted EBITDA for the period was £198.2 million (2015: £180.2 million).
- Occupancy: the average number of units of accommodation occupied as a percentage of the total number available. Occupancy for the period was 97.7% (2015: 96.9%).
- 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 £167.31 (2015: £159.43).
- 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 £163.51 (2015: £154.60).

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 accounts.

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 52 weeks ended 21 April 2016 (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.

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.

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.

Strategic report For the 52 weeks ended 21 April 2016 (continued)

Principal risks and uncertainties (continued)

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 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.

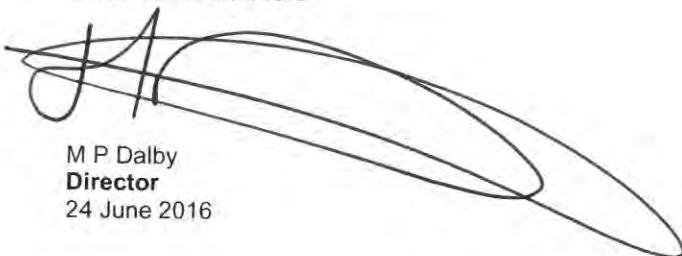
Credit risk

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

A handwritten signature in black ink, appearing to read "M P Dalby".

M P Dalby
Director
24 June 2016

Directors' report For the 52 weeks ended 21 April 2016

The Directors present their report and the audited consolidated financial statements for the 52 weeks ended 21 April 2016 (2015: 52 weeks ended 23 April 2015).

The registration number of the Company is 07656429.

Future developments

No changes to the nature of the business are anticipated.

On 27 February 2016, Center Parcs Ireland Limited, a related party company, was granted planning permission by Longford Council to construct a new Center Parcs holiday village in the Republic of Ireland. This decision was subject to appeal and a small number of objections were raised; as such, the planning application has now been passed to the national planning authority and a decision is expected in July 2016. If planning permission is granted the new village is expected to open in 2019. Center Parcs (Holdings 1) Limited and Center Parcs Ireland Limited have the same ultimate parent company.

Dividends

During the period the Company declared and paid an interim dividend totalling £23.0 million. The Directors have proposed the payment of a final dividend of £9.8 million (2015: no dividends declared or paid).

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	
P Inglett	
A M Robinson	(resigned 2 June 2015)
F Mawji-Karim	(resigned 3 August 2015)
M J Pegler	(resigned 3 August 2015)
A Valeri	(resigned 3 August 2015)
T Daguerre-Lindback	(resigned 3 August 2015)
K Caplan	(resigned 3 August 2015)
K O McCrain	(appointed 3 August 2015)
S Skaar	(appointed 3 August 2015, resigned 16 October 2015)
A Burych	(appointed 3 August 2015, resigned 22 February 2016)
Z B Vaughan	(appointed 16 October 2015)
V Aneja	(appointed 22 February 2016)

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.

The Group has a practice of achieving common awareness of all employees in relation to financial and economic factors that affect the performance of the Group.

Charitable and political donations

The Group made charitable donations of £153,335 during the period (2015: £143,975). No political donations were made in the current or prior period.

Directors' report For the 52 weeks ended 21 April 2016 (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

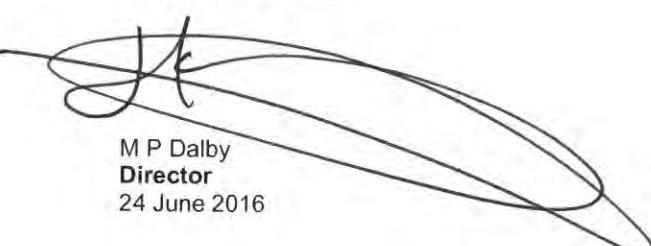
In accordance with Section 418 of the Companies Act 2006, in the case of each Director in office at the date the Directors' report is approved, the following applies:

- 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 has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Independent auditor

A resolution to reappoint Deloitte LLP, who were appointed as auditor during the period, will be proposed at the Annual General Meeting.

By order of the board



M P Dalby
Director
24 June 2016

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

We have audited the financial statements of Center Parcs (Holdings 1) Limited for the 52 weeks ended 21 April 2016 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.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the Parent Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 21 April 2016 and of the Group's profit for the 52 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.

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

Opinion on other matters prescribed by the Companies Act 2006

In our opinion 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.

Alistair Pritchard FCA

Alistair Pritchard FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Nottingham, UK
24 June 2016

Group Income Statement

For the 52 weeks ended 21 April 2016

	Note	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	420.2	-	420.2	385.2	1.7	386.9
Cost of sales		(111.7)	-	(111.7)	(103.3)	(2.8)	(106.1)
Gross profit		308.5	-	308.5	281.9	(1.1)	280.8
Administrative expenses		(110.3)	(4.5)	(114.8)	(101.7)	(8.8)	(110.5)
Adjusted EBITDA	2	198.2	(4.5)	193.7	180.2	(9.9)	170.3
Depreciation and amortisation		(42.6)	-	(42.6)	(40.4)	(0.6)	(41.0)
Owners' costs		(0.4)	-	(0.4)	(2.0)	-	(2.0)
Total administrative expenses		(153.3)	(4.5)	(157.8)	(144.1)	(9.4)	(153.5)
Operating profit	3	155.2	(4.5)	150.7	137.8	(10.5)	127.3
Movement in fair value of financial derivatives	4	-	(16.8)	(16.8)	0.2	16.8	17.0
Finance income	5	0.4	-	0.4	0.7	-	0.7
Finance expense	5	(98.3)	(42.0)	(140.3)	(115.9)	(6.4)	(122.3)
Profit/(loss) before taxation		57.3	(63.3)	(6.0)	22.8	(0.1)	22.7
Taxation	6	(8.5)	20.9	12.4	(4.6)	(5.7)	(10.3)
Profit for the period attributable to equity shareholders	17	48.8	(42.4)	6.4	18.2	(5.8)	12.4

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 £17.4 million (2015: loss of £11.1 million).

All amounts relate to continuing activities.

Group Statement of Comprehensive Income

For the 52 weeks ended 21 April 2016

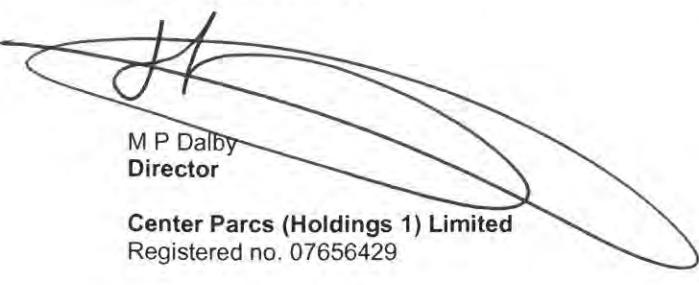
	Note	2016 £m	2015 £m
Profit for the period		6.4	12.4
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	22	0.4	(1.7)
Tax relating to components of other comprehensive income	15	(0.1)	0.3
Other comprehensive income for the period		0.3	(1.4)
Total comprehensive income for the period		6.7	11.0

The notes on pages 14 to 46 form part of these financial statements

Balance Sheets

	Note	Group		Company	
		As at 21 April 2016 £m	As at 23 April 2015 £m	As at 21 April 2016 £m	As at 23 April 2015 £m
Assets					
Non-current assets					
Goodwill	7	157.5	157.5	-	-
Other intangible assets	8	127.6	127.3	-	-
Property, plant and equipment	9	1,413.5	1,393.1	-	-
Investments in subsidiary undertakings	10	-	-	466.9	466.9
Deferred tax asset	15	12.7	6.9	-	-
		1,711.3	1,684.8	466.9	466.9
Current assets					
Inventories		3.3	3.5	-	-
Trade and other receivables	11	7.6	10.8	626.4	526.8
Current tax asset		5.3	4.3	-	-
Derivative financial instruments	13	-	16.8	-	-
Cash and cash equivalents		47.7	104.0	-	-
		63.9	139.4	626.4	526.8
Liabilities					
Current liabilities					
Borrowings	13	(0.3)	(0.3)	-	-
Trade and other payables	12	(163.7)	(151.2)	(732.6)	(702.7)
		(164.0)	(151.5)	(732.6)	(702.7)
Net current liabilities		(100.1)	(12.1)	(106.2)	(175.9)
Non-current liabilities					
Borrowings	13	(1,465.9)	(1,433.3)	-	-
Retirement benefit obligations	22	(2.1)	(2.7)	-	-
Deferred tax liability	15	(99.6)	(111.6)	-	-
		(1,567.6)	(1,547.6)	-	-
		43.6	125.1	360.7	291.0
Equity attributable to owners of the parent					
Equity share capital	16	1.0	-	1.0	-
Share premium	17	74.3	-	74.3	-
Other reserve	17	(154.0)	10.0	126.1	126.1
Retained earnings	17	122.3	115.1	159.3	164.9
Total equity		43.6	125.1	360.7	291.0

The financial statements on pages 10 to 46 were approved by the Board of Directors on 24 June 2016 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 46 form part of these financial statements

Group Cash Flow Statement

	Note	52 weeks ended 21 April 2016 £m	52 weeks ended 23 April 2015 £m
Cash flows from operating activities			
Operating profit		150.7	127.3
Depreciation and amortisation	3	42.6	41.0
Working capital and non-cash movements	18	8.8	15.4
Difference between the pension charge and contributions	22	(0.2)	0.1
Corporation tax paid		(1.0)	(1.2)
Net cash from operating activities		200.9	182.6
Cash flows from investing activities			
Purchase of property, plant and equipment		(56.3)	(68.7)
Purchase of intangible assets		(2.9)	(3.8)
Sale of property, plant and equipment		0.1	0.2
Acquisition of CP Woburn (Operating Company) Limited		(140.5)	-
Dividends paid	17	(23.0)	-
Net cash used in investing activities		(222.6)	(72.3)
Cash flows from financing activities			
Proceeds from issue of ordinary shares		75.3	-
Repayment of external borrowings		(738.9)	(2.3)
Proceeds from external borrowings		1,050.0	20.8
Repayment of related party loans		(330.9)	(2.5)
Proceeds from related party loans		49.9	0.3
Issue costs and consent fees on secured debt		(16.5)	-
Break costs on secured debt		(36.2)	-
Interest received		0.4	0.7
Interest paid		(87.7)	(87.1)
Net cash used in financing activities		(34.6)	(70.1)
Net (decrease)/increase in cash and cash equivalents		(56.3)	40.2
Cash and cash equivalents at beginning of the period		104.0	63.8
Cash and cash equivalents at end of the period		47.7	104.0
Reconciliation of net cash flow to movement in net debt			
(Decrease)/increase in cash and cash equivalents		(56.3)	40.2
Cash inflow from movement in debt		(311.1)	(18.5)
Change in net debt resulting from cash flows		(367.4)	21.7
Non-cash movements and deferred issue costs		6.5	(7.6)
Movement in net debt in the period		(360.9)	14.1
Net debt at beginning of the period		(1,057.6)	(1,071.7)
Net debt at end of the period	19	(1,418.5)	(1,057.6)

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

The notes on pages 14 to 46 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 23 April 2015	-	-	10.0	115.1	125.1
Comprehensive income					
Profit for the period	-	-	-	6.4	6.4
Other comprehensive income	-	-	-	0.3	0.3
Transactions with owners					
Issue of share capital	1.0	74.3	-	-	75.3
Dividend	-	-	-	(23.0)	(23.0)
Acquisition of CP Woburn (Operating Company) Limited	-	-	(164.0)	23.5	(140.5)
At 21 April 2016	1.0	74.3	(154.0)	122.3	43.6

Group	Share capital £m	Share premium £m	Other reserve £m	Retained earnings £m	Total equity £m
At 24 April 2014	-	-	10.0	104.1	114.1
Comprehensive income					
Profit for the period	-	-	-	12.4	12.4
Other comprehensive income	-	-	-	(1.4)	(1.4)
At 23 April 2015	-	-	10.0	115.1	125.1

Company	Share capital £m	Share premium £m	Other reserve £m	Retained earnings £m	Total equity £m
At 23 April 2015	-	-	126.1	164.9	291.0
Comprehensive income					
Profit for the period	-	-	-	17.4	17.4
Transactions with owners					
Issue of share capital	1.0	74.3	-	-	75.3
Dividend	-	-	-	(23.0)	(23.0)
At 21 April 2016	1.0	74.3	126.1	159.3	360.7

Company	Share capital £m	Share premium £m	Other reserve £m	Retained earnings £m	Total equity £m
At 24 April 2014	-	-	126.1	176.0	302.1
Comprehensive income					
Loss for the period	-	-	-	(11.1)	(11.1)
At 23 April 2015	-	-	126.1	164.9	291.0

The notes on pages 14 to 46 form part of these financial statements.

Notes to the financial statements

for the 52 weeks ended 21 April 2016

1. Accounting policies

General information

The Company is a limited company, which is incorporated and domiciled in the UK. The address of its registered office is One Edison Rise, New Ollerton, Nottinghamshire, NG22 9DP.

Basis of preparation

These consolidated financial statements for the 52 weeks ended 21 April 2016 (2015: 52 weeks ended 23 April 2015) 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, whereby an acquirer is not required to be identified, 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.

On 28 February 2012 Center Parcs effected a corporate reorganisation under which Forest Holdco Limited and its subsidiary undertakings and CP Comet Holdings Limited and its subsidiary undertakings were combined into a single consolidated group headed by Center Parcs (Holdings 1) Limited. Before and after this reorganisation the entities were all under common control and hence the business combination was outside the scope of IFRS 3 'Business Combinations (revised)'.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

1. Accounting policies (continued)

Key assumptions and significant judgements

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

<i>Property, plant and equipment:</i>	Useful lives of assets and residual values (see accounting policy)
<i>Impairment test for goodwill:</i>	Growth and discount rates (note 7)
<i>Other intangible assets:</i>	Useful lives of assets and residual values (see accounting policy)
<i>Retirement benefits:</i>	Actuarial assumptions in respect of the defined benefit scheme (note 22)

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.

Woburn Village opened to the public on 6 June 2014; all income received and expenses incurred prior to this date in respect of Woburn Village were treated as an exceptional/non-underlying pre-opening loss.

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 52 weeks ended 21 April 2016 (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 over their estimated useful lives, which is generally considered to be four 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, which do not exceed four years.

Other intangible assets

Other purchased intangible assets are capitalised at cost, amortised 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, using the following rates:

Installations	6.67%
Fixtures and fittings	14%
Motor vehicles	25%
Computer hardware	25%

Buildings are depreciated to residual value over 50 years. Land is not depreciated. The Group's water boreholes are amortised on a straight-line basis over 13 years. The water boreholes were transferred to property, plant and equipment from intangible assets during the period ended 23 April 2015 to better reflect the nature of the assets.

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 52 weeks ended 21 April 2016 (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 purpose for which the financial instruments were 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 52 weeks ended 21 April 2016 (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.

Government grants

Government grants in respect of capital expenditure are categorised as accruals on receipt and are credited to the income statement over the useful life of the relevant property, plant and equipment. The government grant included in the balance sheet at the period end represents grants received to date, less the amount so far credited to the income statement.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

1. Accounting policies (continued)

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.

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.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

1. Accounting policies (continued)

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.

New standards and interpretations

The only new or revised accounting standard effective for the first time in the current period is a revision to IFRS 7 'Financial instruments: Disclosures' in respect of transition disclosures. This has not had a material impact on the financial statements of the Group and Company and is unlikely to have a material impact in the future.

The International Accounting Standards Board (IASB) has issued the following new or revised standards 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. No new interpretations have been issued.

IFRS 9	Financial instruments	
	New accounting standard	1 January 2018
IFRS 10	Consolidated financial statements	
	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
	Investment entities: Applying the Consolidation Exception	1 January 2016
IFRS 11	Joint Arrangements	
	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
IFRS 12	Disclosure of Interests in Other Entities	
	Investment entities: Applying the Consolidation Exception	1 January 2016
IFRS 14	Regulatory Deferral Accounts	
	New accounting standard	1 January 2016
IFRS 15	Revenue from Contracts with Customers	
	New accounting standard	1 January 2018
IFRS 16	Leases	
	New accounting standard	1 January 2019
IAS 1	Presentation of Financial Statements	
	Disclosure Initiative	1 January 2016
IAS 16	Property, Plant and Equipment	
	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
	Agriculture: Bearer Plants	1 January 2016
IAS 27	Separate Financial Statements	
	Equity Method in Separate Financial Statements	1 January 2016
IAS 28	Investments in Associates and Joint Ventures	
	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
	Investment entities: Applying the Consolidation Exception	1 January 2016
IAS 38	Intangible Assets	
	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
IAS 41	Agriculture	
	Agriculture: Bearer Plants	1 January 2016

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 monetary impact of IFRS 16 is currently being assessed by management.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

1. Accounting policies (continued)

New standards and interpretations (continued)

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.

2. Segmental reporting

	Sherwood Forest £m	Elveden Forest £m	Longleat Forest £m	Whinfell Forest £m	Woburn Forest £m	Central Services £m	Total £m
52 weeks ended 21 April 2016							
Revenue	87.4	88.2	83.0	79.6	82.0	-	420.2
Adjusted EBITDA	48.3	46.7	43.4	40.6	44.4	(25.2)	198.2
Exceptional/non-underlying administrative costs							(4.5)
Depreciation and amortisation							(42.6)
Owners' costs							(0.4)
Operating profit							150.7
	Sherwood Forest £m	Elveden Forest £m	Longleat Forest £m	Whinfell Forest £m	Woburn Forest £m	Central Services £m	Total £m
52 weeks ended 23 April 2015							
Revenue	82.9	83.1	77.9	75.7	65.6	-	385.2
Adjusted EBITDA before Woburn pre-opening losses	45.6	43.8	39.9	38.3	35.1	(22.5)	180.2
Woburn pre-opening losses	-	-	-	-	(3.6)	-	(3.6)
Adjusted EBITDA	45.6	43.8	39.9	38.3	31.5	(22.5)	176.6
Exceptional/non-underlying administrative costs							(6.3)
Depreciation and amortisation							(41.0)
Owners' costs							(2.0)
Operating profit							127.3

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 primary profit measure used by the Chief Operating Decision Maker is Adjusted EBITDA, being earnings before interest, taxation, depreciation, amortisation, exceptional/non-underlying items and owners' costs (those costs payable to The Blackstone Group and associated entities).

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

The split of revenue by business stream was £245.7 million (2015: £226.1 million) for accommodation and £174.5 million (2015: £159.1 million) for on-site spend. The split of gross profit was £223.0 million (2015: £205.5 million) for accommodation and £85.5 million (2015: £75.3 million) for on-site spend.

Exceptional/non-underlying administrative expenses are costs incurred in respect of the Group's review of its strategic options, which resulted in the Group's acquisition by a fund managed by a subsidiary of Brookfield Asset Management Inc.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

3. Operating profit

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

	52 weeks ended 21 April 2016	52 weeks ended 23 April 2015
	£m	£m
Staff costs (note 21)	95.3	90.4
Cost of inventories	35.7	34.5
Depreciation of property, plant and equipment – owned assets (note 9)	40.0	38.7
Amortisation of intangible assets (note 8)	2.6	2.3
Operating lease rentals – land and buildings	1.4	1.4
Repairs and maintenance expenditure on property, plant and equipment	11.6	9.2
Services provided by the Group's auditor	0.3	1.6

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

	52 weeks ended 21 April 2016	52 weeks ended 23 April 2015
	£m	£m
Charged to the income statement:		
Audit of the parent company, subsidiary and consolidated financial statements	0.3	0.2
Corporate finance services	-	1.0
Deferred costs in respect of the secured debt:		
Corporate finance services	-	0.4
	0.3	1.6

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 (2015: £2,000) for the audit of the parent company.

Deloitte LLP were appointed as the Group's auditor during the period, replacing PricewaterhouseCoopers LLP.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

4. Exceptional/non-underlying items

	2016	2015		
	Exceptional and non- underlying items £m	Woburn pre-opening losses £m	Other exceptional and non- underlying items £m	Total exceptional and non- underlying items £m
Revenue	-	1.7	-	1.7
Cost of sales	-	(2.8)	-	(2.8)
Gross loss	-	(1.1)	-	(1.1)
Administrative expenses	(4.5)	(2.5)	(6.3)	(8.8)
Adjusted EBITDA	(4.5)	(3.6)	(6.3)	(9.9)
Depreciation and amortisation	-	(0.6)	-	(0.6)
Operating loss	(4.5)	(4.2)	(6.3)	(10.5)
Movement in fair value of financial derivatives	(16.8)	-	16.8	16.8
Finance expense (note 5)	(42.0)	(2.1)	(4.3)	(6.4)
(Loss)/profit before taxation	(63.3)	(6.3)	6.2	(0.1)
Taxation	20.9	(3.1)	(2.6)	(5.7)
(Loss)/profit for the period	(42.4)	(9.4)	3.6	(5.8)

Woburn's results for the 2015 financial year are split into periods in line with the Group's accounting periods, which each consist of four weeks. Woburn pre-opening losses of £6.3 million related to losses incurred in respect of Woburn Village during the eight-week period ended 19 June 2014. This period included the final phase of the development and a trial break period and as such is not considered representative of any on-going performance of Woburn Village.

The £4.5 million (2015: £6.3 million) of exceptional/non-underlying administrative expenses are costs incurred in respect of the Group's review of its strategic options, which resulted in the Group's acquisition by a fund managed by a subsidiary of Brookfield Asset Management Inc.

The option to repay the B tranche of the Group's secured debt prior to maturity was considered to be a derivative financial instrument. The fair value of this instrument increased by £16.8 million during the 52-week period ended 23 April 2015 and this increase was recognised as an exceptional/non-underlying item. This derivative was extinguished on 3 August 2015 when the B tranche of the secured debt was repaid and hence the previous gain has been reversed.

Of the £42.0 million exceptional/non-underlying finance expense for the 52 weeks ended 21 April 2016, £19.9 million relates to make-whole costs and consent fees in respect of the settlement of the A1 tranche of the Group's secured debt. A further £16.9 million represents the premium paid on the settlement of the B tranche of the Group's secured debt and £5.2m represents accelerated amortisation of deferred issue costs in respect of the B tranche. Unamortised deferred issue costs of £4.3 million in respect of the A1 tranche of the Group's secured debt were amortised on an accelerated basis during the 52-week period ended 23 April 2015 in light of the early repayment of this tranche of the debt shortly after the financial year-end.

Taxation in respect of the above items has also been treated as exceptional/non-underlying, as has the impact of the change in applicable deferred tax rate from 20% to 18% (note 6).

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

5. Net finance costs

	Group		Company	
	52 weeks ended 21 April 2016	52 weeks ended 23 April 2015	52 weeks ended 21 April 2016	52 weeks ended 23 April 2015
	£m	£m	£m	£m
Finance expense				
Interest payable on borrowings	(88.2)	(84.7)	-	-
Interest payable to related parties	(9.0)	(24.8)	-	-
Interest payable to Group undertakings	-	-	(44.9)	(44.9)
Other interest and similar charges	(0.3)	(0.7)	-	-
Bank loan interest and commitment fees payable	(0.8)	(5.7)	-	-
Total finance expense before exceptional/non-underlying items	(98.3)	(115.9)	(44.9)	(44.9)
Exceptional/non-underlying finance expense				
- Interest payable to related parties	-	(2.5)	-	-
- Bank loan interest and commitment fees payable	-	(1.0)	-	-
- Less: Interest capitalised	-	1.4	-	-
- Accelerated amortisation of deferred issue costs	(5.2)	(4.3)	-	-
- Make whole and consent fees on settlement of the A1 notes	(19.9)	-	-	-
- Premium on settlement of the B notes	(16.9)	-	-	-
	(42.0)	(6.4)	-	-
Total finance expense	(140.3)	(122.3)	(44.9)	(44.9)
Finance income				
Bank interest receivable	0.4	0.7	-	-
Interest receivable from Group undertakings	-	-	39.3	33.8
Total finance income	0.4	0.7	39.3	33.8
Net finance costs	(139.9)	(121.6)	(5.6)	(11.1)

Interest payable on borrowings includes amortisation of deferred issue costs of £4.3 million (2015: £5.2 million).

The interest rate applied in determining the amount of interest capitalised in the prior period was approximately 9.6%.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

6. Taxation

(a) Taxation

The Group tax credit/(charge) is made up as follows:

	52 weeks ended 21 April 2016 £m	52 weeks ended 23 April 2015 £m
Current tax:		
- Current year	(5.5)	0.1
	(5.5)	0.1
Deferred tax:		
Origination and reversal of timing differences	17.9	(10.4)
Taxation (note 6(b))	12.4	(10.3)

The Company had a tax charge of £nil in the period (2015: £nil).

(b) Factors affecting the tax charge

Group

The tax assessed for the period is lower (2015: higher) than that resulting from applying the standard rate of corporation tax in the UK of 20% (2015: 21%). The difference is reconciled below:

	52 weeks ended 21 April 2016 £m	52 weeks ended 23 April 2015 £m
(Loss)/profit before taxation	(6.0)	22.7
(Loss)/profit before taxation multiplied by the standard rate of corporation tax in the UK	(1.2)	4.8
Adjustments in respect of prior periods	(1.8)	4.3
Permanent differences and expenses not deductible for tax purposes	1.6	3.1
Impact of change in corporation tax rate	(9.7)	(0.3)
Indexation on future capital gains	(0.7)	(0.7)
Brought forward losses not previously recognised	(0.6)	(0.9)
Tax (credit)/charge for the period (note 6(a))	(12.4)	10.3

Company

The tax assessed for the period is lower (2015: higher) than that resulting from applying the standard rate of corporation tax in the UK of 20% (2015: 21%). The difference is reconciled below:

	52 weeks ended 21 April 2016 £m	52 weeks ended 23 April 2015 £m
Profit/(loss) before taxation	17.4	(11.1)
Profit/(loss) before taxation multiplied by the standard rate of corporation tax in the UK	3.5	(2.3)
Group relief not paid for	1.1	2.3
Income from subsidiary undertakings – not subject to tax	(4.6)	-
Tax charge for the period (note 6(a))	-	-

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

6. Taxation (continued)

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

The Finance Act 2013, which was substantively enacted on 2 July 2013, included provisions to reduce the standard rate of corporation tax in the UK to 21% effective from 1 April 2014 and 20% with effect from 1 April 2015.

Finance Act No. 2 2015, which was substantively enacted on 26 October 2015, included further provisions to reduce the standard rate of corporation tax in the UK to 19% with effect from 1 April 2017 and 18% with effect from 1 April 2020.

The Government announced in its 2016 Budget Report on 16 March 2016 that there would be a further reduction in the standard rate of corporation tax in the UK from 18% to 17% from 1 April 2020. As this had not been substantively enacted at the balance sheet date, this rate does not apply to the deferred tax position at 21 April 2016.

7. Goodwill

	Group £m
Cost and net book value At 21 April 2016, 23 April 2015 and 24 April 2014	157.5

Impairment test for goodwill

Goodwill relates to the acquisition of the Sherwood, Elveden, Longleat and Whinfell Villages only. It is allocated 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 ten-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 five years with a terminal value applied after year five.

The key assumptions of the value-in-use calculation are EBITDA margin, growth rates and the discount rate; the discount rate applied is 10% (2015: 8%).

Management determine forecast 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 52 weeks ended 21 April 2016 (continued)

8. Other intangible assets

	Software £m	Brand £m	Total £m
Cost			
At 24 April 2015	11.6	121.2	132.8
Additions	2.9	-	2.9
Disposals	(1.1)	-	(1.1)
At 21 April 2016	13.4	121.2	134.6
Amortisation			
At 24 April 2015	5.5	-	5.5
Charge for the period	2.6	-	2.6
On disposals	(1.1)	-	(1.1)
At 21 April 2016	7.0	-	7.0
Net book amount at 23 April 2015	6.1	121.2	127.3
Net book amount at 21 April 2016	6.4	121.2	127.6

	Water boreholes £m	Software £m	Brand £m	Total £m
Cost				
At 25 April 2014	3.2	10.6	121.2	135.0
Additions	-	3.8	-	3.8
Disposals	-	(2.8)	-	(2.8)
Reclassifications to property, plant and equipment	(3.2)	-	-	(3.2)
At 23 April 2015	-	11.6	121.2	132.8
Amortisation				
At 25 April 2014	1.9	6.2	-	8.1
Charge for the period	0.2	2.1	-	2.3
On disposals	-	(2.8)	-	(2.8)
On reclassifications to property, plant and equipment	(2.1)	-	-	(2.1)
At 23 April 2015	-	5.5	-	5.5
Net book amount at 24 April 2014	1.3	4.4	121.2	126.9
Net book amount at 23 April 2015	-	6.1	121.2	127.3

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 (2015: £nil).

The Company has no other intangible assets.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (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 24 April 2015	1,115.1	325.5	59.0	22.4	2.2	1,524.2
Additions	1.9	20.9	18.9	3.7	15.0	60.4
Disposals	-	-	(21.2)	(0.4)	-	(21.6)
Transfers	-	1.0	0.4	-	(1.4)	-
At 21 April 2016	1,117.0	347.4	57.1	25.7	15.8	1,563.0
Depreciation						
At 24 April 2015	13.6	87.5	17.3	12.7	-	131.1
Charge for the period	1.5	21.7	13.0	3.8	-	40.0
On disposals	-	-	(21.2)	(0.4)	-	(21.6)
At 21 April 2016	15.1	109.2	9.1	16.1	-	149.5
Net book amount at 23 April 2015	1,101.5	238.0	41.7	9.7	2.2	1,393.1
Net book amount at 21 April 2016	1,101.9	238.2	48.0	9.6	15.8	1,413.5

	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 25 April 2014	910.7	223.4	50.0	17.1	281.2	1,482.4
Additions	1.3	21.8	25.3	6.3	2.1	56.8
Disposals	-	-	(16.6)	(1.6)	-	(18.2)
Transfers	199.9	80.3	0.3	0.6	(281.1)	-
Reclassification of boreholes	3.2	-	-	-	-	3.2
At 23 April 2015	1,115.1	325.5	59.0	22.4	2.2	1,524.2
Depreciation						
At 25 April 2014	10.0	66.4	20.5	11.6	-	108.5
Charge for the period	1.5	21.1	13.4	2.7	-	38.7
On disposals	-	-	(16.6)	(1.6)	-	(18.2)
On reclassification of boreholes	2.1	-	-	-	-	2.1
At 23 April 2015	13.6	87.5	17.3	12.7	-	131.1
Net book amount at 24 April 2014	900.7	157.0	29.5	5.5	281.2	1,373.9
Net book amount at 23 April 2015	1,101.5	238.0	41.7	9.7	2.2	1,393.1

The Company has no property, plant and equipment.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

10. Investments in subsidiary undertakings

Company	£m
Cost and net book value	
At 21 April 2016, 23 April 2015 and 24 April 2014	466.9

The investment at 21 April 2016 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 £23.0 million (2015: £nil) for the period ended 21 April 2016 and had net assets at that date of £466.9 million (2015: £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	
	2016 £m	2015 £m	2016 £m	2015 £m
Amounts falling due within one year:				
Trade receivables	2.0	3.8	-	-
Amounts owed by Group undertakings	-	-	626.4	526.8
Amounts owed by related parties	2.7	-	-	-
Prepayments and accrued income	2.9	6.3	-	-
Other receivables	-	0.7	-	-
	7.6	10.8	626.4	526.8

The fair value of trade and other receivables are equal to their book value and no impairment provisions have been made (2015: £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 £560.7 million (2015: £526.8 million) and CP Comet Holdings Limited of £65.7 million (2015: £nil).

The balance due from Center Parcs (Holdings 3) Limited includes loans totalling £422.7 million (2015: £422.7 million) and the associated unpaid interest. Interest is receivable at a rate of 8% per annum and is not compounded. Interest of £33.9 million (2015: £33.8 million) was receivable during the period. The total amount receivable from Center Parcs (Holdings 3) Limited of £560.7 million is net of an interest-free payable of £2.2 million (2015: £2.2 million) in respect of normal trading activities. These amounts are unsecured and repayable on demand.

On 3 August 2015, loan notes payable by CP Comet Holdings Limited, a subsidiary undertaking, were assigned to the Company by CP Cayman Limited, the parent company of Center Parcs (Holdings 1) Limited, in return for equity share capital (note 16). The total value assigned was £75.3 million, being loan notes with a par value of £30.6 million and the unpaid interest thereon of £44.7 million. These loan notes attract compound interest at a rate of 10% per annum and a further £5.4 million of interest was receivable in the period ended 21 April 2016. The loan notes were redeemed on 15 May 2016.

The total amount receivable from CP Comet Holdings Limited of £65.7 million represents the loan notes of £75.3 million and the interest receivable on those notes of £5.4 million, offset by loans of £11.5 million payable to CP Comet Holdings Limited and unpaid interest on those loans of £3.5 million (of which £0.8 million accrued during the 52 weeks ended 21 April 2016). In the prior period the loans payable and unpaid interest were treated as amounts owed to Group undertakings in trade and other payables.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

12. Trade and other payables

	Group		Company	
	2016 £m	2015 £m	2016 £m	2015 £m
Trade payables	8.1	8.4	-	-
Other tax and social security	12.3	14.0	-	-
Other payables	2.1	1.8	-	-
Amounts owed to related parties	5.7	0.2	-	-
Amounts owed to Group undertakings	-	-	732.6	702.7
Accruals	54.6	53.3	-	-
Payments on account	80.9	73.5	-	-
	163.7	151.2	732.6	702.7

Amounts owed to Group undertakings principally relate to loans of £549.7 million (2015: £561.2 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 £44.1 million (2015: £44.9 million) was payable on these loans during the period. Loans of £11.5m million and the associated unpaid interest of £2.7 million due to CP Comet Holdings Limited as at 23 April 2015 are now included in amounts owed by Group undertakings in trade and other receivables.

At 21 April 2016 there were net other amounts owed to Group undertakings of £0.2 million (2015: £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	
	2016 £m	2015 £m
Current		
Mortgage due within one year	0.3	0.3
Non-current		
Mortgage	0.9	1.2
Related party loans due to CP Woburn Holdco Sarl	-	152.3
Related party loan due to UK Parcs Holdings Sarl	-	119.7
Bank borrowings	-	158.6
Secured debt	1,465.0	1,001.5
	1,465.9	1,433.3

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 £12,000 (2015: £14,000).

Related party loans

The related party loans due to CP Woburn Holdco Sarl were settled on 3 August 2015. The loans were unsecured and interest was payable at a fixed rate of 8.0% per annum on loans of £2.1 million and at 12.0% per annum on the remainder. Interest on the loans was rolled up into the outstanding balance.

The related party loan due to UK Parcs Holdings Sarl represented £50.0 million of unsecured loan notes and the unpaid interest thereon. The loan notes incurred compound interest at a rate of 10% per annum. On 3 August 2015 these loan notes were assigned by UK Parcs Holdings Sarl to CP Cayman Limited and subsequently to members of the Center Parcs (Holdings 1) Limited Group. The loan notes were redeemed on 15 May 2016.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

13. Borrowings (continued)*Bank borrowings*

The bank borrowings were in respect of drawdowns on a term loan entered into on 28 February 2012. This loan financed the costs of building the holiday village at Woburn and was repaid on 11 June 2015. Interest was payable on amounts drawn under the facility at a rate of 3-month LIBOR plus 4.25% until 5 September 2014 after which interest was payable at a rate of 3-month LIBOR plus 3.00%. The total facility was £158.6 million and a commitment fee of 2.125% was payable on the undrawn amount. The bank borrowings were settled on 11 June 2015.

Derivative financial instruments related to bank borrowings

On 7 December 2012 the Group entered into interest rate swaps with a nominal value of £158.3 million. These swaps were effective from 15 February 2013 and matured on 27 February 2015. These instruments fixed 3-month LIBOR at a rate of 0.9%. At the balance sheet date these interest rate swaps had a fair value of £nil (2015: £nil; 2014: liability of £0.5 million).

On 7 December 2012 the Group also entered into interest rate caps with a nominal value of £165.0 million. These caps were effective from 27 February 2015 and were expected to mature on 28 February 2017. These instruments capped 3-month LIBOR at 3.5%. These interest rate caps were settled on 11 June 2015. At the balance sheet date these interest rate caps had a fair value of £nil (2015: £nil; 2014: asset of £0.3 million).

The net movement on the fair value of interest rate swaps and caps has been treated as income in the income statement.

Secured debt

The secured debt consists of the following:

	2016 £m	2015 £m
Tranche A1	-	300.0
Tranche A2	440.0	440.0
Tranche A3	350.0	-
Tranche A4	140.0	-
Tranche B	-	280.0
Tranche B2	560.0	-
Unamortised deferred issue costs	(25.0)	(18.5)
	1,465.0	1,001.5

On 11 June 2015 the Group issued £490.0 million of New Class A senior notes, divided into £350.0 million A3 notes and £140.0 million A4 notes. The proceeds of these new notes, along with existing cash resources available, were used to settle the Group's A1 secured notes and fund the acquisition of the equity share capital of CP Woburn (Operating Company) Limited.

On 3 August 2015 the Group announced the issue of £560.0 million of New Class B2 notes. Part of the proceeds from these new notes were used to settle the Group's Class B secured notes.

The tranche A1 notes had an expected maturity date of 28 February 2017 and a final maturity date of 28 February 2042. The interest rate to expected maturity was fixed at 4.811% and the interest rate from expected maturity to final maturity was fixed at 7.169%. Unamortised deferred issue costs relating to this tranche of the secured debt, totalling £4.3 million, were amortised on an accelerated basis in the prior year to reflect the anticipated repayment. This accelerated amortisation was classified as an exceptional/non-underlying finance expense in the income statement.

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%.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

13. Borrowings (continued)

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 B notes had an expected maturity date of 28 February 2018 and a final maturity date of 28 February 2042. The interest rate to expected maturity was fixed at 11.625% and the interest rate from expected maturity to final maturity was fixed at 6.25%.

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

The tranche B2 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.

Derivative financial instruments related to secured debt

The option to repay the B debt prior to maturity was considered to be a derivative financial instrument with a fair value of £16.8 million at 23 April 2015 (24 April 2014: £nil), such fair value being estimated with reference to the yields of similar corporate bonds with comparable terms and credit ratings. The option was utilised on 3 August 2015 and hence had a value of £nil at 21 April 2016. Movements in the fair value of this derivative financial instrument were recognised as an exceptional/non-underlying item in the income statement.

Interest of £12.3 million (2015: £11.8 million) was accrued in respect of the secured debt at 21 April 2016.

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	Deferred issue costs £m	Total £m
At 21 April 2016					
Mortgage	0.3	0.9	-	-	1.2
Secured debt	-	910.0	580.0	(25.0)	1,465.0
Total borrowings	0.3	910.9	580.0	(25.0)	1,466.2
At 23 April 2015					
Mortgage	0.3	1.2	-	-	1.5
Related party loans	-	119.7	152.3	-	272.0
Bank borrowings	-	158.6	-	-	158.6
Secured debt	-	580.0	440.0	(18.5)	1,001.5
Total borrowings	0.3	859.5	592.3	(18.5)	1,433.6

All amounts are denominated in £ sterling.

The Company has no borrowings.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

14. Financial instruments

Financial instruments by category

The accounting policies for financial instruments have been applied to the items below. As at 21 April 2016 and 23 April 2015 all of the Group's financial assets were categorised as loans and receivables, with the exception of derivative financial instruments which are carried at fair value through profit and loss. As at 21 April 2016 and 23 April 2015 all of the Group's financial liabilities were categorised as other financial liabilities.

	Group	
	2016 £m	2015 £m
Financial assets		
Trade receivables	2.0	3.8
Other receivables	2.7	0.7
Derivative financial instruments	-	16.8
Cash and cash equivalents	47.7	104.0
	52.4	125.3

	Group	
	2016 £m	2015 £m
Financial liabilities		
External borrowings	1,466.2	1,161.6
Related party borrowings	-	272.0
Trade payables	8.1	8.4
Accruals	54.6	53.3
Other payables	7.8	2.0
	1,536.7	1,497.3

The only financial instruments held by the Company are other receivables of £626.4 million (2015: £526.8 million), which are categorised as loan and receivables, and other payables of £732.6 million (2015: £702.7 million) which are categorised as other financial liabilities.

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 (2015: Level 2) and fair values have been derived from unadjusted quoted market prices in active markets. In 2015, the fair values were derived directly or indirectly from observable prices.

Fair value of financial assets and financial liabilities

The fair value of the Group's secured debt is:

	21 April 2016		23 April 2015	
	Book value £m	Fair value £m	Book value £m	Fair value £m
Tranche A1	-	-	300.0	317.1
Tranche A2	440.0	542.0	440.0	580.7
Tranche A3	350.0	353.3	-	-
Tranche A4	140.0	136.3	-	-
Tranche B	-	-	280.0	315.0
Tranche B2	560.0	584.5	-	-
	1,490.0	1,616.1	1,020.0	1,212.8

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

Notes to the financial statements for the 52 weeks ended 21 April 2016 (continued)

14. Financial instruments (continued)

Maturity of financial liabilities

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

At 21 April 2016	Mortgage £m	Secured debt £m		Total £m
In less than one year	0.3	85.4		85.7
In two to five years	1.2	1,214.6		1,215.8
In more than five years	-	692.0		692.0
	1.5	1,992.0		1,993.5

At 23 April 2015	Mortgage £m	Related party loans £m	Bank borrowings £m	Secured debt £m	Unsecured loan notes £m	Total £m
In less than one year	0.3	-	4.8	78.8	132.8	216.7
In two to five years	1.3	-	162.6	786.9	-	950.8
In more than five years	0.2	330.9	-	567.4	-	898.5
	1.8	330.9	167.4	1,433.1	132.8	2,066.0

The Company has no non-current financial liabilities.

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 21 April 2016, the Group had fixed rate loan notes and a floating rate mortgage as its only external funding sources. In the prior year the Group also had floating rate bank borrowings; interest rate swaps and caps were utilised to limit interest rate fluctuations on these borrowings.

Liquidity risk

As at 21 April 2016, 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 52 weeks ended 21 April 2016 (continued)

15. Deferred tax

	Group 2016 £m	2015 £m
Deferred tax assets		
Deferred tax assets to be recovered after more than 12 months	12.7	6.9
	12.7	6.9
Deferred tax liabilities		
Deferred tax liabilities to be recovered after more than 12 months	(99.6)	(111.6)
	(99.6)	(111.6)

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 52 weeks ended 21 April 2016 £m	52 weeks ended 23 April 2015 £m
At the beginning of the period	(104.7)	(94.6)
Credited/(charged) to the income statement	17.9	(10.4)
(Charged)/credited to the statement of comprehensive income	(0.1)	0.3
At the end of the period	(86.9)	(104.7)

	Land and buildings £m	Accelerated capital allowances £m	Short-term timing differences £m	Pension £m	Intangible assets £m	Total £m
At 24 April 2015	(87.4)	4.7	1.7	0.5	(24.2)	(104.7)
Credited/(charged) to the income statement	9.6	6.2	(0.3)	-	2.4	17.9
Charged to the statement of comprehensive income	-	-	-	(0.1)	-	(0.1)
At 21 April 2016	(77.8)	10.9	1.4	0.4	(21.8)	(86.9)

	Land and buildings £m	Accelerated capital allowances £m	Short-term timing differences £m	Pension £m	Intangible assets £m	Pre- trading losses £m	Total £m
At 25 April 2014	(88.3)	12.6	2.3	0.2	(24.5)	3.1	(94.6)
Credited/(charged) to the income statement	1.2	(7.9)	(0.6)	-	-	(3.1)	(10.4)
Credited to the statement of comprehensive income	-	-	-	0.3	-	-	0.3
Transfer	(0.3)	-	-	-	0.3	-	-
At 23 April 2015	(87.4)	4.7	1.7	0.5	(24.2)	-	(104.7)

The Group has an unrecognised deferred tax asset of £6.3 million (2015: £7.7 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 18% (2015: 20%).

The Company has no deferred tax.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

16. Equity share capital

	Company	
	2016 £m	2015 £m
Allotted and fully paid 1,000,004 (2015: 4) ordinary shares of £1 each	1.0	-

On 3 August 2015 the Company issued 1,000,000 ordinary shares to its parent company, CP Cayman Limited, in exchange for loan notes receivable and the unpaid interest thereon totalling £75.3 million (note 11). This resulted in a premium of £74.3 million (note 17).

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 24 April 2015	-	10.0	115.1
Profit for the period	-	-	6.4
Net movement on pension scheme	-	-	0.3
Issue of ordinary shares	74.3	-	-
Dividend	-	-	(23.0)
Acquisition of CP Woburn (Operating Company) Limited	-	(164.0)	23.5
At 21 April 2016	74.3	(154.0)	122.3

Group	Other reserve £m	Retained earnings £m
At 25 April 2014	10.0	104.1
Profit for the period	-	12.4
Net movement on pension scheme	-	(1.4)
At 23 April 2015	10.0	115.1

Company	Share premium £m	Other reserve £m	Retained earnings £m
At 24 April 2015	-	126.1	164.9
Profit for the period	-	-	17.4
Issue of ordinary shares	74.3	-	-
Dividend	-	-	(23.0)
At 21 April 2016	74.3	126.1	159.3

Company	Other reserve £m	Retained earnings £m
At 25 April 2014	126.1	176.0
Loss for the period	-	(11.1)
At 23 April 2015	126.1	164.9

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

18. Working capital and non-cash movements

	Group	52 weeks ended 21 April 2016	52 weeks ended 23 April 2015
	£m	£m	£m
Profit on disposal of property, plant and equipment	(0.1)	(0.2)	
Decrease/(increase) in inventories	0.2	(0.2)	
Decrease/(increase) in trade and other receivables	3.2	(4.4)	
Increase in trade and other payables	5.5	20.2	
	8.8	15.4	

19. Analysis of net debt

	At 23 April 2015 £m	Cash flow £m	Non-cash movements and deferred issue costs £m	At 21 April 2016 £m
Cash and cash equivalents				
Cash at bank and in hand	104.0	(56.3)	-	47.7
	104.0	(56.3)	-	47.7
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	(1.2)	-	0.3	(0.9)
Bank borrowings	(158.6)	158.6	-	-
Secured debt	(1,001.5)	(470.0)	6.5	(1,465.0)
	(1,161.3)	(311.4)	6.8	(1,465.9)
	(1,057.6)	(367.4)	6.5	(1,418.5)

	At 24 April 2014 £m	Cash flow £m	Non-cash movements and deferred issue costs £m	At 23 April 2015 £m
Cash and cash equivalents				
Cash at bank and in hand	63.8	40.2	-	104.0
	63.8	40.2	-	104.0
Debt due within one year				
Mortgage	(0.3)	0.2	(0.2)	(0.3)
Bank borrowings	(2.1)	2.1	-	-
	(2.4)	2.3	(0.2)	(0.3)
Debt due after more than one year				
Mortgage	(1.4)	-	0.2	(1.2)
Bank borrowings	(137.8)	(20.8)	-	(158.6)
Secured debt	(993.9)	-	(7.6)	(1,001.5)
	(1,133.1)	(20.8)	(7.4)	(1,161.3)
	(1,071.7)	21.7	(7.6)	(1,057.6)

Net debt excludes loans from related parties.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

20. Capital commitments

At the balance sheet date, the Group had capital expenditure contracted for but not provided of £29.9 million (2015: £8.9 million).

The Company has no capital commitments.

21. Employees and Directors

	Group	
	52 weeks ended 21 April 2016	52 weeks ended 23 April 2015
	£m	£m
Staff costs during the period:		
Wages and salaries	87.8	82.6
Social security costs	4.8	4.8
Pension costs	2.7	3.0
	95.3	90.4

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

	Group	
	52 weeks ended 21 April 2016	52 weeks ended 23 April 2015
	Number	Number
By activity:		
Leisure, retail and food and beverage	3,496	3,317
Housekeeping, technical and estate services	3,538	3,370
Administration	785	770
	7,819	7,457

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

Key management compensation

	52 weeks ended 21 April 2016	52 weeks ended 23 April 2015
	£m	£m
Short-term benefits	2.7	3.1
Post-employment benefits	0.1	0.2
	2.8	3.3

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

Directors' remuneration

	52 weeks ended 21 April 2016	52 weeks ended 23 April 2015
	£m	£m
Remuneration in respect of qualifying services	1.8	1.5

One Director (2015: one) has retirement benefits accruing under the Group's money purchase pension scheme, in respect of which the Group made contributions of £26,689 (2015: £29,200) in the period. In addition, retirement benefits are accruing to one Director (2015: two Directors) under the Group's defined benefit pension scheme.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (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:

	52 weeks ended 21 April 2016	52 weeks ended 23 April 2015
	£m	£m
Aggregate emoluments	0.9	0.7
Accrued pension at the end of the period	0.3	0.3

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 21 April 2016 were £2.4 million (2015: £2.4 million).

Accruals per note 12 include £0.3 million (2015: £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 21 April 2016 by a qualified independent actuary.

	2016	2015
Discount rate	3.35%	3.20%
Rate of increase in pensions in payment	2.95%	3.00%
Inflation	2.20%	2.25%
Rate of increase in salaries	2.20%	2.25%
Life expectancy from age 60, for a male:		
Currently age 60	31.7 years	31.6 years
Currently age 50	<u>33.3 years</u>	<u>33.5 years</u>

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

	2016	2015
	£m	£m
Present value of funded obligations	(14.3)	(16.5)
Fair value of plan assets	12.2	13.8
Net pension liability	(2.1)	(2.7)

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (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	51%	22
Deferred members	7	41%	22
Pensioners	1	8%	17
Total	9	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	3	57%	22
Deferred members	6	36%	22
Pensioners	1	7%	17
Total	10	100%	21

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

	2016 %	2015 %
Equity securities	49	54
Debt securities	50	42
Cash and cash equivalents	1	4

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 24 April 2015	13.8	(16.5)	(2.7)
Current service cost	-	(0.2)	(0.2)
Past service cost including curtailments	-	(0.1)	(0.1)
Interest income/(expense)	0.4	(0.5)	(0.1)
	14.2	(17.3)	(3.1)
Remeasurements:			
- Return on plan assets, excluding amount included in interest	(0.6)	-	(0.6)
- Gain from change in financial assumptions	-	0.6	0.6
- Experience gains	-	0.4	0.4
	13.6	(16.3)	(2.7)
Employer contributions	0.6	-	0.6
Benefit payments from plan	(2.0)	2.0	-
At 21 April 2016	12.2	(14.3)	(2.1)

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	16.0
1 year increase in life expectancy	14.7
0.5% increase in salary increases	14.5
0.5% increase in inflation	15.8

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

22. Pension commitments (continued)

	Fair value of plan assets £m	Present value of obligation £m	Total £m
At 25 April 2014	11.8	(12.7)	(0.9)
Current service cost	-	(0.4)	(0.4)
Past service cost including curtailments	-	(0.2)	(0.2)
Interest income/(expense)	0.5	(0.5)	-
	12.3	(13.8)	(1.5)
Remeasurements:			
- Return on plan assets, excluding amount included in interest	1.0	-	1.0
- Loss from change in financial assumptions	-	(2.5)	(2.5)
- Loss from change in demographic assumptions	-	(0.1)	(0.1)
- Experience losses	-	(0.1)	(0.1)
	13.3	(16.5)	(3.2)
Employer contributions	0.5	-	0.5
Benefit payments from plan	-	-	-
At 23 April 2015	13.8	(16.5)	(2.7)

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	
	Land and buildings 2016 £m	2015 £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	90.4	92.3
	97.1	99.0

The Group has no other operating lease commitments.

The Company has no operating lease commitments.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (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	Movement in 52 weeks	Balance at	Movement in 52 weeks	Balance at
	24 April 2014		23 April 2015		21 April 2016
	£m	£m	£m	£m	£m
UK Parcs Holdings Sarl	(108.6)	(11.1)	(119.7)	119.7	-
CP Woburn Holdco Sarl	(138.3)	(14.0)	(152.3)	152.3	-
CP Cayman Midco 2 Limited	(0.3)	0.1	(0.2)	-	(0.2)
Center Parcs Ireland Limited	-	-	-	2.7	2.7
BSREP II Center Parcs Jersey Limited	-	-	-	(5.5)	(5.5)

UK Parcs Holdings Sarl, CP Woburn Holdco 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 UK Parcs Holdings Sarl in the 52 weeks ended 21 April 2016 represents interest payable of £3.3 million and the assignment of loans totalling £123.0 million to CP Cayman Limited and, subsequently, to members of the Center Parcs (Holdings 1) Limited Group. The movement in the 52 weeks ended 23 April 2015 represented interest payable.

The movement on the balance with CP Woburn Holdco Sarl in the 52 weeks ended 21 April 2016 represents interest payable of £5.0 million and the settlement of the £157.3 million balance due. The movement in the 52 weeks ended 23 April 2015 represented a new loan from that company of £0.3 million and accrued interest of £16.2 million, offset by the repayment of a loan of £2.5 million.

On 11 June 2015, the Group received an additional loan of £49.9 million from CP Woburn Holdco Sarl. This loan was subsequently assigned from CP Woburn Holdco Sarl to CP Woburn Finco Sarl and then to CP Cayman Midco 1 Limited. This loan was repaid on 3 August 2015, together with £0.7 million of accrued interest. CP Woburn Finco Sarl and CP Cayman Midco 1 Limited share an ultimate controlling party with the Group.

The movement on the balance with CP Cayman Midco 2 Limited represented repayments of the loan balance and interest payable. The balance due as at 23 April 2015 and 21 April 2016 is interest-free.

The movement on the balance with Center Parcs Ireland Limited represents amounts paid on that company's behalf.

The movement on the balance with BSREP II Center Parcs Jersey Limited represents payment for group relief.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

24. Related parties (continued)**Company**

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

	Balance at 24 April 2014	Movement in 52 weeks	Balance at 23 April 2015	Movement in 52 weeks	Balance at 21 April 2016
	£m		£m		£m
CP Longleat Village Limited	(25.6)	(1.8)	(27.4)	(1.8)	(29.2)
CP Comet Holdings Limited	(13.2)	(1.0)	(14.2)	79.9	65.7
Center Parcs (Operating Company) Limited	(232.3)	(16.0)	(248.3)	(16.3)	(264.6)
Forest Midco Limited	(23.4)	(1.6)	(25.0)	(1.6)	(26.6)
Center Parcs (Jersey 1) Limited	(144.9)	(9.9)	(154.8)	(9.9)	(164.7)
Center Parcs Spa Division Holdings Limited	(0.1)	-	(0.1)	-	(0.1)
Center Parcs Limited	(10.3)	(0.7)	(11.0)	(0.7)	(11.7)
CP Comet Bidco Limited	(59.3)	(4.0)	(63.3)	(4.1)	(67.4)
Comet Refico Limited	(48.0)	(3.3)	(51.3)	(3.2)	(54.5)
Sun CP Newmidco Limited	(100.2)	(6.8)	(107.0)	(6.8)	(113.8)
Center Parcs (Holdings 3) Limited	493.0	33.8	526.8	33.9	560.7
Center Parcs Energy Services Limited	(0.3)	-	(0.3)	0.3	-

The movement on the balance with CP Comet Holdings Limited in the 52 weeks ended 21 April 2016 represents the assignment of a loan due from that company of £75.3 million and interest receivable of £5.4 million, off-set by interest payable of £0.8 million.

The movement on the balance with Center Parcs (Operating Company) Limited in the 52 weeks ended 21 April 2016 represents interest payable of £16.0 million and the distribution of a receivable of £0.3 million by Center Parcs Energy Services Limited. The movement in the 52 weeks ended 23 April 2015 represented interest payable of £15.8 million and amounts settled on behalf of the Company of £0.2m.

The movements on the balance with Center Parcs (Holdings 3) Limited represent interest receivable.

The movement on the balance with Center Parcs Energy Services Limited in the 52 weeks ended 21 April 2016 represents the distribution of the balance to Center Parcs (Operating Company) Limited.

During the 52 weeks ended 21 April 2016 Center Parcs (Holdings 2) Limited, the Company's subsidiary undertaking, declared and paid a dividend to Center Parcs (Holdings 1) Limited of £23.0 million (2015: £nil).

All other movements represent interest payable.

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

25. Subsidiary undertakings

The share capitals of subsidiary undertakings, with minor exceptions, 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 Whinfell Village Limited	Investment property company	England and Wales
Center Parcs (Holdings 2) Limited	Investment property company	England and Wales
Center Parcs (Holdings 3) Limited	Intermediate holding company	England and Wales
Sun CP Newmidco Limited	Intermediate holding company	England and Wales
Forest Midco Limited	Intermediate holding company	England and Wales
Center Parcs (UK) Group Limited	Intermediate holding company	England and Wales
CP Comet Bidco Limited	Intermediate holding company	England and Wales
CP Longleat Village Limited	Intermediate holding company	England and Wales
Center Parcs Spa Division Holdings Limited	Investment company	England and Wales
SPV2 Limited	Investment company	England and Wales
Comet Refico Limited	Non-trading	England and Wales
CP Comet Holdings Limited	Non-trading	England and Wales
Center Parcs (Jersey) 1 Limited	Non-trading	Jersey
Forest Bidco Limited	Dormant	England and Wales
Forest Refico Limited	Dormant	England and Wales
Sun CP Newtopco Limited	Dormant	England and Wales
Forest Holdco Limited	Dormant	England and Wales
CP (Sherwood Property) Limited	Dormant	England and Wales
Elveden Property Limited	Dormant	England and Wales
CP (Oasis Property) Limited	Dormant	England and Wales
SPV1 Limited	Dormant	England and Wales
Centrepark Limited	Dormant	England and Wales
Carp (UK) 1 Limited	Dormant	England and Wales

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (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:

	52 weeks ended 21 April 2016	52 weeks ended 23 April 2015
	£m	£m
Income statement		
Finance costs	(122.7)	(79.4)
Finance income	122.8	79.4
Profit for the period attributable to equity shareholders	0.1	-

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

	As at 21 April 2016	As at 23 April 2015
	£m	£m
Balance sheet		
Assets		
Amounts due from the Center Parcs (Holdings 1) Limited Group	1,490.0	1,020.0
Derivative financial instruments	-	16.8
Other receivables	12.3	11.8
Cash	0.1	-
Liabilities		
Secured debt	(1,490.0)	(1,020.0)
Derivative financial instruments	-	(16.8)
Other payables	(12.3)	(11.8)
Total equity	0.1	-

	52 weeks ended 21 April 2016	52 weeks ended 23 April 2015
	£m	£m
Cash flow statement		
Investing activities		
Interest received	85.5	79.6
Reimbursement of break costs	36.2	-
Reimbursement of issue costs and consent fees	16.5	-
Loans repaid by related parties	580.0	-
Loans advanced to related parties	(1,050.0)	-
Net cash (out)/inflow from investing activities	(331.8)	79.6
Financing activities		
Interest paid	(85.4)	(79.6)
Break costs on secured debt	(36.2)	-
Issue costs and consent fees on secured debt	(16.5)	-
Repayment of external borrowings	(580.0)	-
Proceeds from external borrowings	1,050.0	-
Net cash in/(out)flow from financing activities	331.9	(79.6)
Net increase in cash and cash equivalents	0.1	-

Notes to the financial statements

for the 52 weeks ended 21 April 2016 (continued)

27. Ultimate parent company and controlling parties

The immediate parent company is CP Cayman Limited, a company registered in the Cayman Islands.

With effect from 3 August 2015 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 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.