

Center Parcs Limited

Financial statements

52 weeks ended 21 April 2022

Center Parcs Limited

Annual report and financial statements

For the 52 weeks ended 21 April 2022

Company registration number: 01908230

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Financial statements

52 weeks ended 21 April 2022

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Strategic report

For the 52 weeks ended 21 April 2022

The Directors present their strategic report on the Company for the 52 weeks ended 21 April 2022 (2021: 52 weeks ended 22 April 2021).

Review of the Business

The Company's principal activity is the provider of employee services to Group companies.

The Company did not trade during the current or prior period, its only income arising from the holding of certain debt instruments.

The results of the Company for the period show a profit of £nil (2021: profit of £nil).

Principal risks and uncertainties

The principal risks and uncertainties of the Company are integrated with the principal risks of the Center Parcs (Holdings 1) Limited Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group which include those of the Company are discussed within the Business review of the Center Parcs (Holdings 1) Limited Annual Report which does not form part of this report.

Key performance indicators

The key performance indicators (KPIs) and financial risk management of the Company are integrated with those of the Center Parcs (Holdings 1) Limited Group and are not assessed separately. An analysis of the KPIs of the Group, which include those of the Company, together with the Group's financial risk exposure, and the management objectives and policies thereon, is presented within the Business review of the Center Parcs (Holdings 1) Limited Annual Report which does not form part of this report.

Section 172 (1) Statement

Pursuant to the requirements of the Companies (Miscellaneous Reporting) Regulations 2018, we voluntarily report here on how the directors have discharged their duties under Section 172 (1) of the Companies Act 2006 ("CA 2006") and detail the stakeholder, including employee engagement below.

Section 172 (1) of the CA 2006 sets out the matters to which the directors must have regard in performing their duties to promote the success of the Company for the benefit of its shareholders, which includes having regard to other stakeholders and the likely consequences of any decision in the longer term.

The Directors of the Company (the "Directors") are aware of their responsibilities to promote the success of the Company in accordance with section 172 (1) of the CA 2006 and are keen to ensure proper reflection on stakeholder engagement at Director level. The Directors consider it crucial that the Company and the Group maintains a reputation for high standards of business conduct.

As more particularly detailed in the Company's Wates Statement included in the Directors' report, the Company's indirect parent undertaking, Center Parcs (Holdings 1) Limited plays an important role in the governance of the operations of the Company, including consideration and approval of key commercial decisions which materially impact the Company and its operations.

Strategic report

For the 52 weeks ended 21 April 2022 (continued)

Section 172 (1) Statement (continued)

The Board of Center Parcs (Holdings 1) Limited ("the Board") meets quarterly and comprises of the Chief Executive Officer and the Chief Financial Officer of the Company and three shareholder representative directors. Additionally, a group which includes the Chief Executive Officer and the Chief Financial Officer (the "Executive Directors") of the Company and members of the senior management, known internally as the Operating Board, (the "Operating Board") meet monthly to discuss and make operational decisions relating to the Company and to consider and implement decisions of the Board. The Board has delegated oversight of the Group's day-to-day operations and activities to the Operating Board.

As the Board considers and makes recommendations which impact the other operating companies (which are then considered and if deemed appropriate, implemented by the other operating companies), it is important that the Board, the Directors and the Operating Board are involved in and aware of the output of stakeholder engagement. The outcome of the stakeholder engagement influences the ongoing review of the long-term strategy and financial planning to ensure the approach delivers long term growth and protects the Company's reputation for high standards of business conduct. The Directors consider the likely consequences of any decision in the long term and identify stakeholders who may be affected and carefully consider their interests and any potential impact as part of the decision-making process.

Strategic report

For the 52 weeks ended 21 April 2022 (continued)

Stakeholder engagement

The table below sets out the approach to stakeholder engagement during the year.

Stakeholder group	Why are they important?	What is our approach?
Guests	<p>Understanding what is important to our guests is key to our long-term success.</p> <p>Understanding, acknowledging and appreciating how our guests view our business, product offering and service delivery ensures that we can adapt and change what we do and how we do it to maintain our competitive advantage.</p>	<ul style="list-style-type: none"> • The Board and the Operating Board receive regular reports on our "Delivering Excellent Service" (DES) guest metrics and guest related strategic initiatives. The DES results and other quantitative and qualitative reports are used to inform decisions around operational matters such as, for example, availability of activities, opening hours and staffing levels. • The Operating Board and senior management undertake village visits, to ensure that the guest experience is in line with guest expectations and the strategic objectives. • During the Covid-19 restrictions, keeping our guests safe was a major focus and we continued to adapt our business and villages to reflect relevant legislation, guidance and advice in place at the time. We have listened to our guests' comments about the changes we were required to make during the pandemic and have used these to guide decisions about which adaptations should be retained e.g. the online "order and pay" app • We continued to offer the "Book with Confidence" guarantee, to allow our guests the flexibility to change or cancel their booking, should the need arise. • We replaced the optional travel insurance policy with an optional "Flex your Stay" guarantee, which means for a small fee guests can continue to have the flexibility to change their booking after the pandemic. • We have conducted market research and focus groups with our guests to gain an understanding of the changes they would like to see to our facilities e.g. accommodation, menus and accessibility of the website. The result of this research flows through to the changes that will be made in the future.

Strategic report

For the 52 weeks ended 21 April 2022 (continued)

Stakeholder engagement (continued)

Stakeholder group	Why are they important?	What is our approach?
Employees	<p>The Group's employee's well-being (both physical and mental), levels of engagement and motivation as well as overall commitment are essential for our long-term success.</p> <p>The Company is one of the Group's employing companies, along with CP Woburn (Operating Company) Limited and Center Parcs (Operating Company) Limited.</p>	<ul style="list-style-type: none"> • The Executive Directors and senior management engage with employees on a wide range of matters through newsletters, employee forums, internal communications and informal meetings. • We believe our engagement methods allow our employees to influence change in relation to matters that affect them for example the "Return to Work" survey for Head Office employees lead to the introduction of "Dynamic Working" policy. • An independent Employee Assistance Programme is available to all employees to provide initial support and further assistance, if required. • Employees can report any misconduct or unethical behaviour via an independent whistleblowing hotline, either by telephone or online. • The Group is committed to promoting diversity and inclusion across the business and has undertaken benchmarking activities with a view to continue with workshops and drive change in this area. • With the lifting of COVID-19 restrictions we were able to hold our Star Performer and Long Service Awards gala dinners, as a way of recognising and thanking our employees. • We also adapted our recruitment process to enable recruitment to be centralised on the villages and reduce the overall onboarding time. This change was influenced by feedback from candidates and the village employees. • Employee representation on major projects such as the introduction of new time and attendance software.
Suppliers	<p>Working with a wide range of suppliers to deliver services to our guests is vital for our long-term success.</p>	<ul style="list-style-type: none"> • The Operating Board maintains oversight of the management of our critical suppliers and receives regular reports on their performance. This was of vital importance during the pandemic and guided decisions around supply chain. • All suppliers are managed in line with our Procurement Policy and must comply with our Ethical Trading Policy. This ensures supply risk is managed appropriately and provides oversight of risks such as contractual and financial issues, corporate responsibility, modern slavery and sustainable sourcing and data security. • The supplier on-boarding process is regularly reviewed and feedback from suppliers has led to a more streamline process. • The Board reviews the actions we have taken to prevent modern slavery in our supply chain and approves the Modern Slavery Statement each year. • The Operating Board regularly reviews the payment practices and policies to ensure they are in line with agreed terms and best practice and approves the Payment Practices Report.

Strategic report

For the 52 weeks ended 21 April 2022 (continued)

Stakeholder engagement (continued)

Stakeholder group	Why are they important?	How we engage with them?
Community and environment	Being a responsible member of the community plays a vital part in our long-term success.	<ul style="list-style-type: none"> • The Board and the Operating Board receive regular updates on community activities including support for our corporate charity partnership with Together for Short Lives, donated breaks and employee volunteering. • Employees are actively encouraged to volunteer and fundraise for our corporate charity. Guests are also able to make donations to our corporate partner, when booking a break. The Board approves matched donations on an annual basis. • The Center Parcs Community Fund allows each village and Head Office to sponsor local projects and charities. The Board and Operating Board receives regular updates on the support provided by the Community Fund. • We are committed to minimising the impact of our business operations on the environment and recognise our responsibility to carefully manage the natural resources. • We aim to reduce carbon emissions by 30% by 2030. • We have developed an Environmental, Social and Governance section on our website which provides details of our activities in these areas. • For further information details see our climate-related financial disclosures in this Strategic report.
Shareholder, investors in the funds held by the ultimate parent and debtholders.	We recognise the importance of our shareholder and their representatives having a good understanding of our strategy, business model and culture.	<ul style="list-style-type: none"> • The Executive Directors are the primary communication route with the shareholder, outside of regular Board meetings. • The Board has quarterly meetings with the shareholder to update on strategic developments and financial targets. • Shareholder approval is required for significant capital projects over a certain amount. • The Group's quarterly results are presented to debt holders and the Chief Financial Officer is available to answer questions during the presentations. • Corporate reports and stock exchange announcements are published on the website.

Strategic report

For the 52 weeks ended 21 April 2022 (continued)

Key strategic decisions

- As Covid-19 continued to impact on our guests, our employees and the communities in which we operate, we adapted our business to reflect relevant legislation, guidance and advice in place at the time. We also provided extensive support for our employees throughout the period of restrictions, focusing on wellbeing and mental health support, as well as practical assistance for working at home and in the subsequent return to office-based activities.
- In April 2021 the Group entered a new partnership with Joules, the lifestyle brand. New stores opened at all six Center Parcs villages in the UK and Ireland.
- On 8 February 2022 the Group announced that Martin Dalby, the Chief Executive Officer ("CEO"), will become the Group's Non-Executive Chairman from Friday 22nd April 2022. Taking over the role as CEO will be the current Chief Financial Officer ("CFO") Colin McKinlay, who has over four years' experience as CFO of the business and over 25 years' experience in the broader leisure sector. The recruitment process for a new CFO has commenced and in the meantime, Colin is continuing to perform this role.
- On 17 February 2022 the Group took the decision to close four villages due to red and amber weather warnings for high winds, meaning there was danger to life and localised conditions. This was deemed necessary for the safety of everyone on the villages. Guests who had their entire break cancelled were given the option of a replacement break or a refund.

Approved by the board and signed on its behalf by



C G McKinlay
Director
1 July 2022

Directors' report

For the 52 weeks ended 21 April 2022

The Directors present their report and the unaudited financial statements for the 52 weeks ended 21 April 2022 (2021: 52 weeks ended 22 April 2021), which have been prepared in accordance with United Kingdom adopted international accounting standards.

The registration number of the Company is 01908230.

Future developments

No changes to the nature of the business are anticipated.

Financial risk management objectives

Details of financial risk management objectives can be found under the heading 'Key performance indicators', found in the strategic report, and form part of this report by cross-reference.

Dividends

The Directors have not proposed the payment of a dividend (2021: no dividends proposed or paid).

Going concern

The Company had no liabilities at the balance sheet date and is not expected to incur expenditure in the future. As such, the financial statements have been prepared on the going concern basis.

Directors

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

M P Dalby
C G McKinlay
P Kent
C Whaley
R Singh-Dehal
A S Park
Z B Vaughan
B T Annable
A Colasanti

The Group headed by Center Parcs (Holdings 1) Limited maintains Directors' and Officers' Liability Insurance in respect of legal action that might be brought against its Directors' and Officers' that may be incurred as a result of their position within the Company and the companies within the Group. The Directors' and Officers' have the benefit of an Indemnity provision in accordance with the Company's Articles of Association. These indemnities were in place for the whole of the period ended 21 April 2022 and as at the date of the report.

Directors' report

For the 52 weeks ended 21 April 2022 (continued)

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom adopted international accounting standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, International Accounting Standard 1 requires that Directors:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

CORPORATE GOVERNANCE REPORT

Introduction

The Companies (Miscellaneous Reporting) Regulations 2018 require certain large companies to include a statement as to which corporate governance code has been applied and how during the financial year. Center Parcs Limited (the "Company") qualifies for this disclosure and has chosen to adopt the Wates Corporate Governance Principles for Large Private Companies. This report aims to bring transparency to our governance approach which is aligned to the Wates Principles.

Directors' report

For the 52 weeks ended 21 April 2022 (continued)

Role of Center Parcs (Holdings 1) Limited

Center Parcs (Holdings 1) Limited, the indirect parent undertaking of the Company, plays an important role in the governance of the operations of the Company. The narrative below discusses the governance arrangements of the Company and how its governance arrangements interact with governance arrangements of Center Parcs (Holdings 1) Limited, in order to give a holistic view of the Group's governance arrangements.

The board of Center Parcs (Holdings 1) Limited ("the Board") meets quarterly and comprises of the Chief Executive Officer and the Chief Financial Officer of the Company and three shareholder representative directors. Additionally, a group which includes the Chief Executive Officer and the Chief Financial Officer (the "Executive Directors") of the Company and members of the senior management, known internally as the Operating Board, (the "Operating Board") meet monthly to discuss and make operational decisions relating to the Company and to consider and implement decisions of the Board. The Board has delegated oversight of the Group's day-to-day operations and activities to the Operating Board.

Purpose and Leadership

The Board sets the long-term strategy and monitors the performance of the Group. The Board meets quarterly to discuss; the performance of the Group against its strategic objectives and the current and future projects and innovations. The Board for the current financial period consists of the Chief Executive Officer and the Chief Financial Officer of the Company and three shareholder representative Directors (the "Directors"). Details of the Directors of the Board who served during the year are included below.

From the start of the new financial period the newly created role of the Non-Executive Chair will provide leadership to the Board, facilitate open debate and challenge and ensure effective decision-making processes are embedded. The Chair will also provide guidance and support to the Chief Executive Officer and other Directors and focus on the areas of governance, strategy, performance and culture. The roles and responsibilities of the Non-Executive Chair and the Chief Executive Officer are clearly set out and approved by the Board.

The Board has delegated oversight of the Group's day-to-day operations and activities to a group, which is known internally as, the Operating Board. The Operating Board meets monthly and consists of the Executive Directors of the Company and members of the senior management.

The Group's purpose is to be the leading provider of short break holidays in the UK and, over the coming years, to establish a strong presence in Ireland.

The purpose is supported by the strategy which sets out the vision, mission and essence of the Group:

- Our Vision: to be known as the escape where families come together;
- Our Mission: we bring families together by championing free-range family time;
- Our Essence: Center Parcs is family togetherness.

The People Framework supports the strategy and embeds a set of values which are expected to be demonstrated by all, across the business. These values are key to the Group's strategy and achieving the purpose.

Directors' report

For the 52 weeks ended 21 April 2022 (continued)

Purpose and Leadership (continued)

The People Framework is embedded across the Group and is supported by a set of behaviours which are expected to be demonstrated by all colleagues:

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

These behaviours are key to the Group's culture and are embedded across the business. These behaviours are exhibited by the Directors, the Board and Operating Board and are continually communicated to colleagues through inductions, ongoing training, appraisals and briefings. The Group also seeks to recruit new colleagues that are aligned to these values. The People Framework involves "natural conversations" to talk about the knowledge, skills, experience, qualifications and behaviours that are required to be a member of the Center Parcs family. The appraisal system looks at how the colleague has delivered against these behaviours, as well how they have performed in their role. There is also have a Wellbeing Hub giving all colleagues mobile access to an array of health and wellbeing services, including face-to-face counselling, where needed. Colleagues can report any misconduct or unethical behaviour via an independent whistleblowing hotline, either by telephone or online.

The Board and Operating Board monitor the culture through a bi-annual colleague survey. This gives colleagues the opportunity to provide anonymous feedback and helps the Board and Operating Board to monitor engagement and take action to address any concerns. Details of how engagement with colleagues impacts decision making can be found in the Section 172 Statement within the Strategic report.

The Group's approach to stakeholder engagement is reported in the Section 172 (1) section of the Strategic report. This outlines how the Board and Operating Board engaged with principal stakeholder groups, including employees. The Operating Board receives regular reports from key areas of the business and considers how the strategy is delivering the purpose. An example of this can be seen in the long-term capital expenditure plans which look to continually update and improve on village accommodation and facilities in line with guest and employee feedback. The Group is owned by investment funds advised by Brookfield Asset Management Inc., a Canadian global asset management company.

Board Composition

During the year, the Board comprised of the Chief Executive Officer ("CEO"), Chief Financial Officer and three shareholder representative Directors (the "Directors"). Further details on each Director are provided below.

On 22 April 2022 the Group made the following changes to the composition of the Board; the current CEO, Martin Dalby, was appointed as the Non-Executive Chair of the Group and the current CFO, Colin McKinlay was appointed as the new CEO. Colin McKinlay has over four years' experience as CFO of the Group and over 25 years' experience in the broader leisure sector. Recruitment of a new CFO has commenced and, in the meantime, Colin McKinlay will continue to perform the CFO role.

Directors' report

For the 52 weeks ended 21 April 2022 (continued)

Board Composition (continued)

Martin Peter Dalby - Chief Executive Officer (appointed Non-Executive Chair on 22 April 2022)

Martin Dalby has served as CEO of Center Parcs since July 2000 and prior to that was Finance Director of Center Parcs from 1997 to 2000 and Financial Controller from 1995 to 1997. Mr. Dalby joined Scottish and Newcastle in 1978 where he held various accounting positions before joining Center Parcs UK in January 1995 as Financial Controller. Mr. Dalby has led the Center Parcs Group through the change of company ownership from Scottish and Newcastle to Deutsche Bank Capital Partners (subsequently MidOcean Partners) as well as the acquisition and integration of Oasis Whinfell Forest. Mr. Dalby led the listing of the business on AIM in December 2003, the transition to the London Stock Exchange's main list on 1 March 2005 and the subsequent purchases by the Blackstone Funds in 2006 and the Brookfield Funds in 2015. In addition, he oversaw the building and opening of both Woburn Forest in 2014 and Longford Forest in 2019.

Colin McKinlay — Chief Financial Officer (appointed Chief Executive Officer on 22 April 2022)

Colin McKinlay joined Center Parcs in July 2017. Prior to joining Center Parcs, Mr. McKinlay served as Finance Director for TUI Northern Europe, part of the TUI Group, between 2010 and 2017. Mr. McKinlay has held a number of senior financial roles with businesses operating in the travel industry, including serving as Chief Financial Officer at Thomas Cook UK & Ireland between 2004 and 2006. Mr. McKinlay holds a degree in Accountancy & Financial Management from the University of Essex and is ICAEW qualified.

Zach Vaughan — Board Member

Zach Vaughan is Managing Partner in Brookfield's Property Group, responsible for Brookfield's European real estate investments. Mr. Vaughan joined Brookfield in the United States in 2012 and relocated to London in 2015. Since joining Brookfield, he has been involved in several M&A and asset transactions including Thayer Lodging, Center Parcs, MPG Office Trust, UK Student Housing, Associated Estates and Interhotels. Before relocating to London, he oversaw Brookfield's North American multifamily investments and its operating company, Fairfield Residential. Prior to joining Brookfield, Mr. Vaughan worked at Canada Pension Plan Investment Board (CPPIB) and Reichmann International. Mr. Vaughan received an Honours Economics degree from The University of Western Ontario.

Benedict Tobias Annable— Board Member

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

Directors' report

For the 52 weeks ended 21 April 2022 (continued)

Board Composition (continued)

Andrea Colasanti – Board Member

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

The directors of the Company during the year comprised of the Chief Executive Officer, the Chief Financial Officer, Development Director, Sales and Marketing Director, Chief Corporate Officer and the Operations Director. Further details is provided below.

Paul Kent - Development Director

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

Colin Whaley - Sales and Marketing Director

Colin joined British Airways in 1987, gaining broad experience in a number of departments before being appointed as Head of Sales and Marketing with BA Holidays in June 1998. Following the acquisition of BA Holidays by Thomas Cook Holidays he headed up Sales and Marketing for the newly merged company, later adding ebookers and Bridge the world to the multi-brand portfolio. In June 2002 he took up the position of Marketing Director at Travelbag Limited. After this business was acquired by ebookers, Colin was promoted to Marketing Director of ebookers (UK). He joined Center Parcs in November 2004 as Sales and Marketing Director.

Rajbinder Singh-Dehal — Chief Corporate Officer

Raj joined Center Parcs in June 2009 as Company Secretary with responsibility for legal, pensions, health & safety, insurance and risk. In May 2012, he was appointed as Head of Legal and Commercial Services which saw him assume responsibility for Purchasing in addition to his previous responsibilities. In January 2015, he was appointed as HR and Commercial Services Director. In his new role, he added Human Resources to his remit and joined the Center Parcs Operating Board. He also has responsibility for IT services. Before joining Center Parcs, Raj was Head of the Corporate & Commercial legal team at Alliance & Leicester plc. He started his career with Eversheds LLP where he practised as a corporate lawyer advising large to medium sized public and private companies. He qualified as a Solicitor in September 2001.

Directors' report

For the 52 weeks ended 21 April 2022 (continued)

Board Composition (continued)

Alan Park – Operations Director

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

The Board is committed to improving its diversity in terms of gender, ethnicity, disability and age. The Group has an inclusive environment and is aiming to develop a diverse workforce which should increase diversity at senior levels in the coming years. During the year a diversity and inclusion benchmarking project was undertaken, as the first step to increasing diversity and inclusion across the business.

The Directors have equal voting rights when making decisions, but the shareholder has the casting vote. All Directors have access to the advice and services of the Company Secretary and may, if they wish, take professional advice at the Company's expense. The duties of the Directors are delegated through a series of committees.

The Executive Directors attend and act as chair of relevant committees, so they can challenge and influence a broad range of areas across the Group. The Board ensures that the purpose and strategy align and are embedded and communicated throughout the Group. This can be seen at the regular senior management meetings and the employee forums. Directors update their skills, knowledge and familiarity with the business by meeting with senior management, visiting the villages and by attending appropriate external seminars and training courses.

There is an induction programme for all new Directors which is tailored to their specific experience and knowledge and which provides access to all parts of the business and shareholders. The Board also considers the professional development of the directors on a regular basis and will arrange for ad hoc training on matters such as data protection and climate related risks.

The Board has not undergone a self-evaluation or independent effectiveness review however, various Board committees have undergone self-evaluation reviews and the Board will consider this in the future. The self-evaluation reviews of the committees have found the committees to be effective following significant changes that were introduced in the prior year.

Director Responsibilities

The Group and the Company recognise that good corporate governance and transparency is essential for long-term growth. The Company ensures that every decision considers the views and needs of all stakeholders. Whilst the Board has oversight, key decisions are made by the relevant committees and people with the most appropriate knowledge and experience. Each Director has a clear understanding of their accountability and responsibilities. The Directors meet on a quarterly basis. The Directors and senior management complete an Annual Code of Conduct declaration confirming that they have behaved in accordance with the Group's behaviours and values. Senior management are also required to declare any potential conflicts of interest, as they occur, and these are reviewed by the Board.

The Board has overall responsibility for setting the risk appetite for the business and ensuring the overall risk profile is aligned with this.

Directors' report

For the 52 weeks ended 21 April 2022 (continued)

Director Responsibilities (continued)

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

To allow the Board to operate effectively, they have delegated oversight of day-day operations to the Operating Board authority and key areas to committees in particular the Risk Committee, the Safety Management Committee, the Competition Committee and the Data Protection Governance Committee. These committees are chaired by the relevant Director and are attended by the relevant senior management. The Board receives regular reports on all key aspects of the business including health and safety, risks and opportunities, the financial performance of the business, strategy, operational matters, market conditions, data protection and sustainability. Key financial information is collated from the various accounting systems. The finance function is appropriately qualified to ensure the integrity of this information and is provided with the necessary training to keep up to date with regulatory changes. Financial information is currently externally audited by Deloitte LLP on an annual basis, and financial controls are reviewed by the internal audit function and the shareholders' internal audit function. The shareholder also receives reports on key financial and operational metrics and corporate governance issues on a quarterly basis and regularly undertake audits for Sarbanes Oxley requirements.

Opportunity and Risk

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

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

The Operating Board identified the opportunity to enter a new retail partnership with the British lifestyle brand, Joules Limited. New Joules stores have opened on all villages and provide a new and fresh approach to retail for our guests.

The Risk Committee meets quarterly to consider the nature and review the risks facing the business, review the framework to mitigate such risks, and notifies the Board of changes in the status and control of risks. It reviews the key risk registers, challenging and making changes where appropriate and receives reports from its committees. The Risk Committee is chaired by the Chief Executive Officer and attended by the other Executive Director, the Operating Board and other appropriate senior management. Opportunity and risk are also considered by the Safety Management Committee, the Competition Committee and the Data Protection Governance Committee. These committees are chaired by the relevant Director and are attended by the appropriate senior management. The Group's key operational risks and mitigations are outlined in the Strategic report.

Directors' report

For the 52 weeks ended 21 April 2022 (continued)

Remuneration

The shareholder is involved in the setting of the remuneration strategy and policies that affect the Directors of the Company and the Group as a whole. The strategy takes into account the recruitment framework and long-term incentive plans for senior executives, legislative requirements, best market practice and remuneration benchmarking. Pay is aligned with performance and considers fair pay and conditions across the business. An external benchmarking exercise was undertaken during the year.

The Directors' remuneration is disclosed in note 2. The Group's Gender Pay Report can be found on the Center Parcs website. The Group is an active equal opportunities employer and promotes an environment free from discrimination, harassment and victimisation, where everyone receives equal treatment and career development.

Stakeholder Relationships and Engagement

The Board considers stakeholder engagement to be a matter of strategic importance and recognises that it is vital for the long-term growth and performance of the Company.

The Non-Executive Chair is responsible for ensuring that the Company maintains an appropriate level of dialogue with its stakeholders, in particular the shareholders.

The Group's approach to stakeholder engagement is reported in the Section 172 (1) section of the Strategic report. This outlines how the Board and Operating Board engaged with principal stakeholder groups.

Approved by the board and signed on its behalf by



C G McKinlay
Director
1 July 2022

Income Statement

For the 52 weeks ended 21 April 2022

	Note	52 weeks ended 21 April 2022 £m	52 weeks ended 22 April 2021 £m
Operating profit	2	-	-
Profit before taxation		-	-
Taxation	3	-	-
Profit for the period attributable to equity shareholders		-	-

All amounts relate to continuing activities.

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

The notes on pages 19 to 27 form part of these financial statements.

Statement of Changes in Equity

For the 52 weeks ended 21 April 2022

	Attributable to owners of the parent		
	Share capital	Retained earnings	Total
	£m	£m	£m
At 23 April 2020 and 22 April 2021	-	-	-
Comprehensive income			
Profit for the period	-	-	-
At 21 April 2022	-	-	-

The notes on pages 19 to 27 form part of these financial statements.

Balance sheet

As at 21 April 2022

	Note	21 April 2022 £m	22 April 2021 £m
Assets			
Current assets			
Trade and other receivables		-	-
		-	-
Net current assets		-	-
Net assets		-	-
Equity			
Share capital	4	-	-
Retained earnings		-	-
Total equity		-	-

Statements:

- (a) For the 52 weeks ended 21 April 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.
- (b) The members have not required the Company to obtain an audit in accordance with section 476 (1) of the Companies Act 2006.
- (c) The Directors acknowledge their responsibilities for:
- Ensuring the Company keeps accounting records in accordance with Section 386; and
 - Preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the period and of its profit and loss for the period in accordance with the requirements of Section 393, and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Company.

The financial statements on pages 16 to 27 were approved by the board of Directors on 1 July 2022 and were signed on its behalf by:



C G McKinlay
Director

Center Parcs Limited
Registered no. 01908230

The notes on pages 19 to 27 form part of these financial statements.

Notes to the financial statements

for the 52 weeks ended 21 April 2022

1. Accounting policies

General information

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

Statement of compliance

These financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards.

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

Basis of preparation

The financial statements have been prepared under the historical cost convention and on a going concern basis.

The Company's accounting reference date is 22 April.

Going concern

The Company had no liabilities at the balance sheet date and is not expected to incur expenditure in the future. As such, the financial statements have been prepared on the going concern basis.

Cash Flow Statement

The Company had no cash flows during the current or prior period and hence no Cash Flow Statement has been presented.

Key assumptions and significant judgements

The preparation of financial statements requires management to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The Directors do not consider that there are any critical account judgments or key sources of estimation uncertainty.

Financial instruments

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

Financial liabilities are classified as either fair value through profit and loss or other financial liabilities. The classification depends on the nature of the financial instrument acquired. 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.

Notes to the financial statements

for the 52 weeks ended 21 April 2022 (continued)

1. Accounting policies (continued)

Investments

The cost of investments, including loans to associated companies, is their purchase cost.

The Company 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.

Share capital

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

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.

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

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

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

Pensions and employee costs

The Company is the sponsoring employer of the Center Parcs Senior Pension Scheme and holds contracts of service with all of the scheme's participants. The details of the scheme are disclosed in note 5. Center Parcs (Operating Company) Limited, a fellow wholly owned member of the Group headed by Center Parcs (Holdings 1) Limited, bears all costs associated with the employees who hold contracts of service with the Company, including the scheme's participants, and does not recharge these costs to the Company. In addition, Center Parcs (Operating Company) Limited bears all costs associated with the scheme and will make good on any scheme deficit. Due to its legal position as sponsoring employer, the Company has disclosed a contingent liability related to the scheme, however given the intra-group funding arrangements the Directors are of the opinion that the chances of a liability falling due on the Company are remote.

Notes to the financial statements

for the 52 weeks ended 21 April 2022 (continued)

1. Accounting policies (continued)

Pensions and employee costs (continued)

The service cost liability and the surplus or deficit arising on the defined benefit plan are reflected within the accounts of Center Parcs (Operating Company) Limited, the Company's parent undertaking, as the contributions are paid by that company and the responsibility for making good any deficit on the scheme falls to that company. Furthermore, staff costs associated with employees of the Company are fully borne by Center Parcs (Operating Company) Limited and are not recharged to the Company. On that basis such costs are not reflected in these financial statements.

New standards and interpretations

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

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

IFRS 3	Business Combinations	
	Amended by Reference to the Conceptual Framework	1 January 2022
IFRS 17	Insurance Contracts	
	New accounting standard	1 January 2023
IAS 1	Presentation of Financial Statements	
	Classification of Liabilities as Current or Non-current	1 January 2023
IAS 12	Income Taxes	
	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
IAS 16	Property, Plant and Equipment	
	Amended by Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	
	Amended by Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022

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

Notes to the financial statements

for the 52 weeks ended 21 April 2022 (continued)

2. Employees

Employee benefit expense

The Company acts as a provider of employee services to other Group companies. Employees have a contract of service with the Company which acts as the agent. All expenses are borne by Center Parcs (Operating Company) Limited and are not recharged to the Company and are therefore not reflected in this Company's income statement.

	52 weeks ended 21 April 2022 £m	52 weeks ended 22 April 2021 £m
Wages and salaries	76.0	40.7
Social security costs	4.4	3.7
Pension costs	2.7	2.8
	83.1	47.2

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

By activity	52 weeks ended 21 April 2022 Number	52 weeks ended 22 April 2021 Number
Leisure, retail and food and beverage	2,188	2,208
Administration	649	651
Housekeeping, technical and estate services	2,459	2,432
	5,296	5,291

All costs were borne by Center Parcs (Operating Company) Limited, a fellow Group undertaking.

Directors

	52 weeks ended 21 April 2022 £m	52 weeks ended 22 April 2021 £m
Aggregate emoluments (including money purchase pension contributions)	2.0	1.3

Notes to the financial statements

for the 52 weeks ended 21 April 2022 (continued)

2. Employees (continued)

	52 weeks ended 21 April 2022 £m	52 weeks ended 22 April 2021 £m
Included in the above are amounts in respect of the highest paid Director:		
Aggregate emoluments	0.6	0.4

The aggregate emoluments of five (2021: five) of the Directors are earned under Service Agreements between the Company and each of the individual Directors. Since December 2003, the Service Agreement of Mr Dalby has been held with Center Parcs (UK) Group Limited. The emoluments themselves have been paid during the period by Center Parcs (Operating Company) Limited, the immediate parent company, and are included in that company's financial statements.

Of the Directors at 21 April 2022, retirement benefits are accruing to no Directors (2021: one) under a defined benefit pension scheme. Retirement benefits are accruing to five Directors (2021: five) under a defined contribution pension scheme.

During the period, none (2021: none) of the Directors exercised share options.

3. Taxation

(a) Taxation

The tax charge for the period is £nil (2021: £nil).

(b) Factors affecting the tax charge

The tax assessed for the period is the same as (2021: the same as) than that resulting from applying the standard rate of corporation tax in the UK of 19% (2021: 19%).

There is no deferred tax, either recognised or unrecognised at the balance sheet date (2021: £nil).

Change of corporation tax rate

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

Notes to the financial statements

for the 52 weeks ended 21 April 2022 (continued)

4. Share capital

	2022 £m	2021 £m
Allotted and fully paid		
5,500,000 ordinary shares of £0.0000001 each	-	-

Management of capital

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

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

5. 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 2022 were £3.0 million (2021: £3.3 million).

Defined benefit pension scheme

The Group operates a funded defined benefit pension scheme for certain employees of the Group. Contributions are determined by an independent qualified actuary using assumptions on the rate of return on investments and rate of increases in salaries and benefits. Center Parcs Limited is the sponsoring employer of the scheme but all contributions are made by Center Parcs (Operating Company) Limited and it would also make good any deficit.

The contributions made by the Group during the period amounted to £1.0 million (2021: £0.9 million). The contributions were paid by the Company's immediate parent company, Center Parcs (Operating Company) Limited, and the accounting entries in relation to the defined benefit pension scheme have been recorded in that company's financial statements.

The last available actuarial valuation of the scheme at the balance sheet date was that performed as at 31 July 2020. This was updated to 21 April 2022 by a qualified independent actuary.

The service cost liability and the surplus or deficit arising on the defined benefit plan are reflected within the financial statements of Center Parcs (Operating Company) Limited, the Company's parent undertaking, as the contributions are paid by that company and the responsibility for making good any deficit on the scheme falls to that company. The details of the scheme are reflected here to show that Center Parcs Limited is the principal employer.

Notes to the financial statements

for the 52 weeks ended 21 April 2022 (continued)

5. Pension commitments (continued)

The principal assumptions used were:

	2022	2021
Discount rate	3.05%	1.85%
Rate of price inflation (RPI)	3.60%	3.20%
Rate of price inflation (CPI)	3.10%	2.70%
Life expectancy from age 60, for a male:		
• Currently age 60	29.4 years	29.4 years
• Currently age 50	29.9 years	29.8 years

The amounts recognised in the balance sheet of Center Parcs (Operating Company) Limited are determined as follows:

	2022 £m	2021 £m
Present value of funded obligations	(13.8)	(16.6)
Fair value of plan assets	14.8	16.0
Net pension liability	1.0	(0.6)

The Directors have assessed that in the event of the scheme being wound up the Company would have the legal right to the surplus and as such the surplus of £1.0 million has been recognised in the accounts of Center Parcs (Operating Company) Limited.

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

	Number of members	Liability split	Duration (years)
Deferred members	2	6%	17
Pensioners	5	94%	17
Total	7	100%	17

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

	Number of members	Liability split	Duration (years)
Active members	1	63%	20
Deferred members	2	5%	20
Pensioners	4	32%	18
Total	7	100%	19

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

	2022 %	2021 %
Liability Driven Investment	21	24
Buy and Maintain Credit	9	9
Multi-Asset Funds	66	66
Cash and cash equivalents	4	1
	100	100

Notes to the financial statements

for the 52 weeks ended 21 April 2022 (continued)

5. Pension commitments (continued)

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 22 April 2021	16.0	(16.6)	(0.6)
Current service cost	-	(0.2)	(0.2)
Interest income/(expense)	0.3	(0.3)	-
	0.3	(0.5)	(0.2)
Remeasurements			
- Return on plan assets, excluding amount included in interest	(0.7)	-	(0.7)
- Gain from change in financial assumptions	-	2.2	2.2
- Experience losses	-	(0.7)	(0.7)
	(0.7)	1.5	0.8
Employer contributions	1.0	-	1.0
Benefit payments from plan	(1.8)	1.8	-
At 21 April 2022	14.8	(13.8)	1.0

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		15.0
1 year increase in life expectancy		14.3
0.5% increase in inflation		14.7

	Fair value of plan assets £m	Present value of obligation £m	Total £m
At 23 April 2020	14.0	(15.6)	(1.6)
Current service cost	-	-	-
Interest income/(expense)	0.2	(0.3)	(0.1)
	0.2	(0.3)	(0.1)
Remeasurements			
- Return on plan assets, excluding amount included in interest	1.0	-	1.0
- Gains from change in demographic assumptions	-	(0.4)	(0.4)
- Loss from change in financial assumptions	-	(1.0)	(1.0)
- Experience losses	-	0.6	0.6
	1.0	(0.8)	0.2
Employer contributions	0.9	-	0.9
Benefits payable from plan	(0.1)	0.1	-
At 22 April 2021	16.0	(16.6)	(0.6)

Notes to the financial statements

for the 52 weeks ended 21 April 2022 (continued)

5. Pension commitments (continued)

The current service cost and interest income/expense is recognised in the income statement of Center Parcs (Operating Company) Limited, the immediate parent company. Remeasurements are recognised in that company's other comprehensive income.

Expected contributions to the defined benefit pension scheme for the forthcoming financial year are £0.9 million.

All pension contributions are paid by Center Parcs (Operating Company) Limited.

6. Contingent liabilities

The Company, along with other members of the group headed by Center Parcs (Holdings 1) Limited, is an obligor in securing the Group's external borrowings of £1,914.5 million (22 April 2021: £1,909.5 million).

The Company is the sponsoring employer of the Center Parcs Senior Pension Scheme and holds contracts of service with all of the scheme's participants. The details of the scheme are disclosed in note 5. Center Parcs (Operating Company) Limited, a fellow wholly owned member of the Group headed by Center Parcs (Holdings 1) Limited, bears all costs associated with the employees who hold contracts of service with the Company, including the scheme's participants, and does not recharge these costs to the Company. In addition, Center Parcs (Operating Company) Limited bears all costs associated with the scheme and will make good on any scheme deficit. Due to its legal position as sponsoring employer, the Company has disclosed here a contingent liability related to the scheme, however given the intra-group funding arrangements the Directors are of the opinion that the chances of a liability falling due on the Company are remote.

7. Ultimate parent company and controlling parties

The immediate parent company is Center Parcs (Operating Company) Limited, a company registered in England and Wales. 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 (the registered office of that company).

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