Financial statements
53 weeks ended 28 April 2011

Forest Refico Limited

Annual report and financial statements

For the 53 weeks ended 28 April 2011

Company registration number: 05994320

Financial statements

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Directors' report
For the 53 weeks ended 28 April 2011

The Directors present their report and audited financial statements for the 53 weeks ended 28 April 2011 (2010 52 weeks ended 22 April 2010) which have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union

The registration number of the Company is 05994320

Principal activities and business review

The Company's principal activity is that of an intermediate holding company

Business review

The Company did not trade during the current or prior period, its only income coming from investments in a subsidiary undertaking

The principal risks and uncertainties of the Company are integrated with the principal risks of the Forest Holdco 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 Forest Holdco Limited Annual Report which does not form part of this report

Key performance indicators and financial risk management

The key performance indicators (KPIs) and financial risk management of the Company are integrated with those of the Forest Holdco 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 Forest Holdco Limited Annual Report which does not form part of this report

Results and dividends

The results of the Company for the period show a loss of £10 1 million (2010 profit of £21 0 million) The Directors have not proposed the payment of a dividend (2010 dividend declared and paid of 112p per ordinary share, totalling £31 0 million)

Directors

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

A M Robinson
M P Dalby
P Inglett
P H Stoll
A Valeri
J P Baratta
C R Pike

During the period, the Company had in place Directors' and officers' insurance

Going concern

The Directors have received confirmation that the ultimate UK parent company, Forest Holdco Limited, will provide sufficient support to the Company to allow it to meet its debts as they fall due over the next 12 months, from the date of signing these financial statements On this basis the financial statements have been prepared on the going concern basis

Directors' report
For the 53 weeks ended 28 April 2011 (continued)

Statement of Directors' responsibilities in respect of the financial statements

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 period Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) 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 Company and of the profit or loss of the Company 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,
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

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 Company's website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Statement of disclosure of information to auditors

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

(a) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are 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 Company's auditors are aware of that information

Independent auditors

A resolution proposing the reappointment of PricewaterhouseCoopers LLP will be put to the Annual General Meeting

By order of the board

M P Dalby
Director
13 October 2011

Independent auditors' report
to the members of Forest Refico Limited

We have audited the financial statements of Forest Refico Limited for the 53 weeks ended 28 April 2011 which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet, the Cash Flow Statement and the related notes 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

Respective responsibilities of Directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

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 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 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 Company's affairs as at 28 April 2011 and of its loss and cash flows for the period then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements

Independent auditors' report
to the members of Forest Refico Limited (continued)

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, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Andrew Lyon BSc FCA (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands

13 October 2011

Income Statement
for the 53 weeks ended 28 April 2011

	Note	**53 weeks ended 28 April 2011 £m**	52 weeks ended 22 April 2010 £m
Administrative expenses		-	(0 7)
Operating loss	2	-	(0 7)
Movement in fair value of derivative financial instruments	4	**(0.1)**	1 2
Finance expense	5	**(12.2)**	(12 4)
Finance income	6	**2.2**	2 2
Income from Group undertakings	7	-	31 0
(Loss)/profit before taxation		**(10.1)**	21 3
Taxation	8	-	(0 3)
(Loss)/profit for the period attributable to equity shareholders	17	**(10 1)**	21 0

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 9 to 22 form part of these financial statements

Statement of Changes in Equity
for the 53 weeks ended 28 April 2011

	Attributable to owners of the parent		
	Share capital £m	**Retained earnings £m**	**Total £m**
At 22 April 2010	-	(5 4)	(5 4)
Comprehensive income			
Loss for the period	-	(10 1)	(10 1)
At 28 April 2011	**-**	**(15.5)**	**(15.5)**

	Attributable to owners of the parent		
	Share capital £m	Retained earnings £m	Total £m
At 23 April 2009	-	4 6	4 6
Comprehensive income			
Profit for the period	-	21 0	21 0
Transactions with owners			
Dividends	-	(31 0)	(31 0)
At 22 April 2010	-	(5 4)	(5 4)

The notes on pages 9 to 22 form part of these financial statements

Balance Sheet
At 28 April 2011

	Note	28 April 2011 £m	22 April 2010 £m
Assets			
Non-current assets			
Investments	9	**204 9**	204 9
Derivative financial instruments	14	**0.1**	-
Deferred tax asset	10	**0.1**	0 1
		205 1	205 0
Current assets			
Trade and other receivables	11	**98.2**	97 1
Derivative financial instruments	14	**-**	0 9
Cash and cash equivalents	12	**0.8**	-
		99.0	98 0
Liabilities			
Current liabilities			
Trade and other payables	13	**(26.2)**	(14 3)
Derivative financial instruments	14	**(0 5)**	(1 2)
Net current assets		**72.3**	82 5
Non-current liabilities			
Financial borrowings	15	**(292 9)**	(292 9)
Net liabilities		**(15 5)**	(5 4)
Equity			
Ordinary shares	16	**-**	-
Retained earnings	17	**(15.5)**	(5 4)
Total equity		**(15.5)**	(5 4)

The financial statements on pages 5 to 22 were approved by the board of Directors on 13 October 2011 and were signed on its behalf by

M P Dalby
Director

The notes on pages 9 to 22 form part of these financial statements

Cash Flow Statement

for the 53 weeks ended 28 April 2011

	Note	**53 weeks ended 28 April 2011 £m**	52 weeks ended 22 April 2010 £m
Operating activities			
Operating loss		-	(0 7)
Working capital and non-cash movements	19	**12.2**	10 8
Interest received		**0.8**	0 7
Interest paid		**(12.2)**	(7 1)
Net cash inflow from operating activities		**0.8**	3 7
Investing activities			
Dividends received from subsidiary undertakings	7	-	59 0
Net cash inflow from investing activities		-	59 0
Financing activities			
Arrangement costs of new bank facilities		-	(3 7)
Equity dividends paid	17	-	(59 0)
Net cash outflow from financing activities		-	(62 7)
Net movement in cash and cash equivalents		**0.8**	-
Reconciliation of net cash flow to movement in net debt			
Movement in cash and cash equivalents in the period		**0.8**	-
Change in debt resulting from cash flows		**0.8**	-
Non-cash movements and deferred issue costs		-	(1 6)
Movement in net debt in the period		**0 8**	(1 6)
Net debt at beginning of the period		**(292.9)**	(291 3)
Net debt at end of the period	20	**(292.1)**	(292 9)

The notes on pages 9 to 22 form part of these financial statements

Notes to the financial statements

for the 53 weeks ended 28 April 2011

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, Newark, Nottinghamshire, NG22 9DP

Statement of compliance
These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations adopted by the European Union (EU) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS

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 accounts of Forest Refico Limited are typically drawn up to the Thursday nearest to its accounting reference date of 22 April

The Company was, at the end of the period, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts

Going concern
The Directors have received confirmation that the ultimate UK parent company, Forest Holdco Limited, will provide sufficient support to the Company to allow it to meet its debts as they fall due over the next 12 months, from the date of signing these financial statements On this basis the financial statements have been prepared on the going concern basis

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 valuation of financial instruments that are not traded in an active market (note 14)

Financial instruments
The Company classifies its financial instruments into two categories Financial assets at fair value through profit and loss, and loans and receivables 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

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 Company provides money, goods or services directly to a debtor with no intention of trading the receivable They are included in current assets, except for maturities greater than 12 months after the balance sheet date which are classified as non-current assets Loans and receivables are included in trade and other receivables in the balance sheet

Notes to the financial statements
for the 53 weeks ended 28 April 2011 (continued)

1. Accounting policies (continued)

Financial assets
The cost of investments, including loans to associated companies, is their purchase cost together with any incremental costs of acquisition

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

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

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

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

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

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

Notes to the financial statements

for the 53 weeks ended 28 April 2011 (continued)

1 Accounting policies (continued)

Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred Borrowings are subsequently stated at amortised cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date

Issue costs of loans
The issue costs recognised in the income statement in respect of capital instruments are allocated to periods over the terms of the instruments at a constant rate on the carrying amount

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

Derivative financial instruments
The Company does not trade in derivative financial instruments Derivative financial instruments (interest rate caps) are used by the Company 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 Company does not currently hedge account for any derivatives As such, any gain or loss on remeasurement is taken to the income statement

New standards and interpretations
During the financial period, the Company adopted the revision to IFRS 3 'Business Combinations' which changes the accounting for business combinations, and the consequential amendments to IAS 27, 28 and 31 These changes include the expensing of all acquisition-related costs, and recording all payments to purchase a business at fair value at the acquisition date, with contingent payments classified as debt and subsequently remeasured through the income statement There is no impact on the Company's financial statements Other standards and interpretations effective for the first time in the current period have had no impact on the Company's financial statements

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 In addition, the International Accounting Standards Board and IFRIC have issued a number of further standards and interpretations with an effective date after the date of these financial statements The Directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the Group's financial statements in the period of initial application

2. Operating loss

Auditors' remuneration of £125,000 (2010 £125,000) is included within the financial statements of Center Parcs (Operating Company) Limited, a fellow Group undertaking This includes £15,000 (2010 £15,000) in respect of Forest Refico Limited

3 Employees

The Company has no employees other than the Directors (2010 nil) No salaries or wages have been paid to employees, including the Directors, during the period (2010 £nil)

Notes to the financial statements
for the 53 weeks ended 28 April 2011 (continued)

4. Movement in fair value of derivative financial instruments

	53 weeks ended 28 April 2011 £m	52 weeks ended 22 April 2010 £m
Movement in fair value of derivative financial instruments		
Assets	**(0.8)**	0 5
Liabilities	**0.7**	0 7
	(0.1)	1 2

5. Finance expense

	53 weeks ended 28 April 2011 £m	52 weeks ended 22 April 2010 £m
Loan interest payable	**12 2**	7 1
Fees payable on loan facilities	**-**	5 3
	12.2	12 4

Fees of £3 7 million were incurred during the prior period in respect of the Company's extended borrowing facilities (note 15) In addition, £1 6 million of capitalised fees in respect of the previous refinancing were amortised or written off during the prior period

6. Finance income

	53 weeks ended 28 April 2011 £m	52 weeks ended 22 April 2010 £m
Interest receivable from Group undertakings	**1 4**	1 5
Other interest receivable	**0 8**	0 7
	2.2	2 2

An element of the debt held by the Company has been securitised The Company is entitled to 50% of the interest differential arising from this securitisation During the period £0 8 million (2010 £0 7 million) such income was receivable

7. Income from Group undertakings

	53 weeks ended 28 April 2011 £m	52 weeks ended 22 April 2010 £m
Ordinary dividends receivable	**-**	31 0

During the prior period, Center Parcs (UK) Group Limited declared and paid a dividend on its ordinary shares of £31 0 million A dividend of £28 0 million was declared during the period ended 23 April 2009 and paid during the 52 weeks ended 22 April 2010

Notes to the financial statements

for the 53 weeks ended 28 April 2011 (continued)

8. Taxation

(a) Taxation

The tax charge is made up as follows

	53 weeks ended 28 April 2011 £m	52 weeks ended 22 April 2010 £m
Current tax		
- Current year	-	-
- Adjustment in respect of prior periods	-	-
	-	-
Deferred tax		
Origination and reversal of temporary differences	-	0 3
Taxation (note 8(b))	-	0 3

The adjustment in respect of prior periods represents finalisation of group relief claims for prior years with other Group companies and related parties

(b) Factors affecting the tax charge

The tax assessed for the period is lower (2010 lower) than that resulting from applying the standard rate of corporation tax in the UK of 28% (2010 28%) The difference is reconciled below

	53 weeks ended 28 April 2011 £m	52 weeks ended 22 April 2010 £m
(Loss)/profit before taxation	**(10.1)**	21 3
(Loss)/profit before taxation multiplied by the standard rate of corporation tax in the UK of 28% (2010 28%)	**(2.8)**	6 0
Permanent difference in respect of transfer pricing adjustments	**0 2**	0 7
Group relief not paid for	**2.6**	2 3
Income from subsidiary undertaking - not subject to tax	-	(8 7)
Tax charge for the period (note 8(a))	-	0 3

Notes to the financial statements
for the 53 weeks ended 28 April 2011 (continued)

8. Taxation (continued)

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

The Finance Act 2010 reduced the main rate of corporation tax from 28% to 27% with effect from 1 April 2011 The March 2011 UK Budget statement announced a further reduction to 26% which was enacted on 29 March 2011 These changes were substantively enacted at the balance sheet date and hence are reflected in these financial statements

In addition to the changes in rates of corporation tax disclosed above a number of further changes to the UK corporation tax system were announced in the March 2011 UK Budget statement Legislation to reduce the main rate of corporation tax from 26% to 25% from 1 April 2012 is expected to be included in the Finance Act 2011 Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 23% by 1 April 2014 These further changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements

The effect of the changes to be enacted by the Finance Act 2011 would be to reduce the deferred tax asset recognised at the balance sheet date by £xxx The £xxx decrease in the deferred tax asset would increase the Company's loss by £xxx This decrease in the deferred tax asset is due to the reduction in the corporation tax rate from 26% to 25% with effect from 1 April 2012

The proposed reductions of the main rate of corporation tax by 1% per year to 23% by 1 April 2014 are expected to be enacted each year The overall effect of the further changes from 25% to 23%, if these applied to the deferred tax balance at the balance sheet date, would be to further reduce the deferred tax asset by an additional £xxx (being £xxx recognised in 2013 and £xxx recognised in 2014)

9. Investments

	Investments in subsidiary undertaking £m
Cost and net book value at 28 April 2011 and 22 April 2010	**204.9**

The Company has one subsidiary undertaking

Center Parcs (UK) Group Limited is an intermediate holding company incorporated in England and Wales The Company owns 100% of the ordinary shares of Center Parcs (UK) Group Limited

The Directors believe that the carrying value of investments is supported by the fair value of the investee and its subsidiary businesses

Notes to the financial statements

for the 53 weeks ended 28 April 2011 (continued)

10. Deferred tax asset

Deferred taxation is calculated in full on temporary differences under the liability method using a tax rate of 26% (2010 28%)

	2011 £m	2010 £m
Deferred tax assets to be recovered after more than 12 months	**0.1**	0 1

The movement on the deferred tax account is shown below

	2011 £m	2010 £m
At the beginning of the period	**(0 1)**	(0 4)
Charged to the income statement	-	0 3
At the end of the period	**(0.1)**	(0 1)

11. Trade and other receivables

	2011 £m	2010 £m
Amounts owed by Group undertakings	**58 1**	57 1
Amounts owed by related parties	**39.6**	39 6
Prepayments and accrued income	**0.5**	0 4
	98 2	97 1

Included within amounts owed by Group undertakings are unsecured loans and associated interest due from Center Parcs (UK) Group Limited of £58 1 million (2010 £57 1 million) This loan accrues interest at LIBOR plus 1 22% which is rolled up into the loan, and is repayable on demand A one percentage point movement in interest rates would affect the Company's interest receivable by approximately £581,000 Interest of £1 0 million was receivable on this loan during the period

The amounts owed by related parties are due from members of the CP Comet Holdings Limited group of companies, and are unsecured This group is held under the same ultimate ownership as the Company These balances are non-interest bearing and repayable on demand

The fair value of trade and other receivables are equal to their book value

12. Cash and cash equivalents

	2011 £m	2010 £m
Cash at bank and in hand	**0.8**	-

Notes to the financial statements
for the 53 weeks ended 28 April 2011 (continued)

13. Trade and other payables

	2011 £m	2010 £m
Amounts owed to Group undertakings	**24.2**	12 7
Amounts owed to related parties	**1.2**	1 2
Accruals	**0.8**	0 4
	26.2	14 3

Included within amounts owed to Group undertakings is an unsecured loan due to Forest Bidco Limited of £0 7 million and the associated interest This loan attracts interest at LIBOR plus 1 22% and is repayable on demand Interest of £13,769 (2010 £14,625) was charged on this loan during the period A one percentage point movement in interest rates would affect the Company's interest charge by approximately £7,000

The remaining amounts owed to Group undertakings are due to Center Parcs (Operating Company) Limited The balance of £23 4 million comprises an amount payable of £47 7 million off-set by a receivable of £24 3 million The amount payable is unsecured, non-interest bearing and repayable on demand The amount receivable is for unsecured loan notes due which attract interest of LIBOR plus 1 22% and are repayable on demand Interest of £0 5 million was receivable on these loan notes during the period A one percentage point movement in interest rates would affect the Company's interest receivable by approximately £0 2 million The company has a right of set-off with Center Parcs (Operating Company) Limited and it is the intention of management that these amounts will be redeemed net

The amounts owed to related parties are due to members of the CP Comet Holdings Limited group of companies This group is held under the same ultimate ownership as the Company These balances are unsecured, non-interest bearing and repayable on demand

The fair value of trade and other payables are equal to their book value

Notes to the financial statements
for the 53 weeks ended 28 April 2011 (continued)

14. Financial instruments

Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below

At 28 April 2011	Loans and receivables £m	Assets at fair value through profit or loss £m	Total £m
Assets as per the balance sheet			
Derivative financial instruments	-	0 1	0 1
Other receivables	97 7	-	97 7
Cash and cash equivalents	0 8	-	0 8
	98.5	**0.1**	**98.6**

At 22 April 2010	Loans and receivables £m	Assets at fair value through profit or loss £m	Total £m
Assets as per the balance sheet			
Derivative financial instruments	-	0 9	0 9
Other receivables	96 7	-	96 7
	96.7	**0.9**	**97.6**

At 28 April 2011	Liabilities at fair value through profit or loss £m	Other financial liabilities £m	Total £m
Liabilities as per the balance sheet			
Derivative financial instruments	0 5	-	0 5
Borrowings	-	292 9	292 9
	0 5	**292.9**	**293.4**

At 22 April 2010	Liabilities at fair value through profit or loss £m	Other financial liabilities £m	Total £m
Liabilities as per the balance sheet			
Derivative financial instruments	1 2	-	1 2
Borrowings	-	292 9	292 9
	1.2	**292.9**	**294.1**

Notes to the financial statements
for the 53 weeks ended 28 April 2011 (continued)

14. Financial instruments (continued)

Financial instruments at fair value through profit or loss were designated as such on initial recognition The fair value of financial instruments that are not traded in an active market, such as over-the-counter derivatives, is determined using valuation techniques These valuation techniques maximise the use of observable data where it is available and rely as little as possible on entity specific estimates The Company obtains such valuations from counterparties who use a variety of assumptions based on marked conditions existing at each balance sheet date

Fair value hierarchy

IFRS 7 requires fair value measurements to be recognised using a fair value hierarchy that reflects the significance of the inputs used in the measurements, according to the following levels

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

All of the Company's fair value measurements have been categorised as Level 2 in both the current and prior periods There were no transfers between levels during the current or prior periods

Fair value of financial assets and financial liabilities

Given the recent renegotiation of the Company's financial borrowings (note 15), the fair value of financial borrowings is not considered to be materially different to its book value

The fair value of other financial assets and liabilities of the Company are approximately equal to their book value

Interest rate cap

At the balance sheet date, the Company had in place an interest rate cap The notional value was £292 9 million (2010 £292 9 million) The interest rate cap limits the LIBOR interest rate to 6% until October 2013 on an accreting balance to match the loan profile

The fair value of the interest rate cap at 28 April 2011 was an asset of £0 1 million (2010 £0 9 million)

Consideration for the interest rate cap is payable on a quarterly basis at £172,604 until January 2012 The fair value of these deferred payments at 28 April 2011 was a liability of £0 5 million (2010 £1 2 million)

Maturity of financial liabilities

The Company's financial borrowings (note 15) are repayable in more than two years but not more than five years

Notes to the financial statements
for the 53 weeks ended 28 April 2011 (continued)

15. Financial borrowings

	2011 £m	2010 £m
Wholly repayable within five years		
Senior A bank loan at LIBOR plus 2 98% p a	**219.3**	219 3
Senior B bank loan at LIBOR plus 3 50% p a	**73.6**	73 6
	292.9	292 9

All amounts are denominated in £ sterling

The loans are part of an overall £1,032 million facility made available to the Group together with the CP Comet Holdings Limited group of companies This group owns the four Center Parcs properties on which the villages operate The total facility was drawn down across the two groups on 14 December 2006 The loans were originally repayable in October 2011 and were split into three Tranches as follows

Senior A	£682 million facility bearing interest at LIBOR plus 0 8%
Senior B	£250 million facility bearing interest at LIBOR plus 2 5%
Senior C	£100 million facility bearing interest at LIBOR plus 3 75%

Subsequently, the Senior C loan was redesignated as Senior A and B loans and the margin on the Senior A and B loans adjusted to 1 22% and 2 24% respectively

On 8 April 2010 the loans were renegotiated As a result the maturity date of the loans was extended from October 2011 to October 2013 In addition, the margin on the Tranche A loan was increased by 1 76% and the margin on the Tranche B loan was increased by 1 26%

The renegotiation was treated as an extinguishment of the existing debt, and hence £1 6 million of capitalised issue costs were amortised or written off to the income statement during the prior period In addition, costs of £3 7 million in relation to the refinancing were also written off to the income statement during the prior period

A one percentage point movement in interest rates would affect the interest charge by approximately £2 9 million (2010 £2 9 million) Increases in the interest rate are protected above 6% until January 2012 by the interest rate cap

All of the Company's borrowings are exposed to interest rate changes linked to movements in the quarterly LIBOR rate

Notes to the financial statements
for the 53 weeks ended 28 April 2011 (continued)

16. Share capital

	2011 £m	2010 £m
Allotted and fully paid		
27,687,301 ordinary shares of £100/27,687,301 each	-	-

On 14 April 2009 the Company undertook a reduction in capital by reducing the nominal value of each £1 share in issue to £100/27,687,301 The impact was to reduce the called up share capital from £27,687,301 to £100

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

Certain Directors purchased shares in the group companies CP Cayman Limited and CP Cayman Topco Limited in November 2006 and continue to hold these shares The shares have variable rights to entitlement which increase over a five year period

17. Retained earnings

	£m
At 22 April 2010	(5 4)
Loss for the period	(10 1)
At 28 April 2011	**(15.5)**

	£m
At 23 April 2009	4 6
Profit for the period	21 0
Dividends	(31 0)
At 22 April 2010	(5 4)

During the prior period a dividend of £31,000,000 (112p per share) was declared and paid At the date the dividends were paid, retained earnings were in excess of £31 0 million

A dividend of £28,000,000 (101p per share) was declared during the period ended 23 April 2009 and paid during the 52 weeks ended 22 April 2010

Notes to the financial statements

for the 53 weeks ended 28 April 2011 (continued)

18. Related party transactions

The following movements on accounts with related parties occurred in the periods reported in these financial statements

	Balance at 22 April 2010 £m	Movement in 53 weeks £m	Balance at 28 April 2011 £m
Center Parcs (Operating Company) Limited	(12 0)	(11 4)	(23 4)
Forest Bidco Limited	(0 7)	(0 1)	(0 8)
Center Parcs (UK) Group Limited	57 1	1 0	58 1
Comet Refico Limited	39 6	-	39 6
Sun CP Newmidco Limited	(1 2)	-	(1 2)

The movement on the Center Parcs (Operating Company) Limited balance represents interest and bank fees paid on behalf of the Company, off-set by interest receivable and other ordinary trading activities The movement on the Forest Bidco Limited and Center Parcs (UK) Group Limited balances represent interest payable to and interest receivable from those companies

	Balance at 23 April 2009 £m	Movement in 52 weeks £m	Balance at 22 April 2010 £m
Center Parcs (Operating Company) Limited	(1 7)	(10 3)	(12 0)
Forest Bidco Limited	(28 7)	28 0	(0 7)
Center Parcs (UK) Group Limited	84 2	(27 1)	57 1
Comet Refico Limited	39 6	-	39 6
Sun CP Newmidco Limited	(1 2)	-	(1 2)

The movement on the Center Parcs (Operating Company) Limited balance represented interest and bank fees paid on behalf of the Company, off-set by interest receivable and other ordinary trading activities The movement on the Forest Bidco Limited balance represented the dividend paid to Forest Bidco Limited The movement on the Center Parcs (UK) Group Limited balance represented the dividend received offset by interest receivable from Center Parcs (UK) Group Limited

19. Working capital and non-cash movements

	2011 £m	2010 £m
(Increase)/decrease in trade and other receivables	**(0.1)**	27 9
Increase/(decrease) in trade and other payables	**12 3**	(17 1)
	12.2	10 8

Notes to the financial statements
for the 53 weeks ended 28 April 2011 (continued)

20. Analysis of changes in net debt

	At 22 April 2010 £m	Cash flows £m	Non-cash movements £m	At 28 April 2011 £m
Cash and cash equivalents	-	0 8	-	0 8
Bank loans	(292 9)	-	-	(292 9)
	(292.9)	**0.8**	-	**(292.1)**

The cash and cash equivalents relate to one business bank account

21 Ultimate parent company and controlling parties

The immediate parent company is Forest Bidco Limited, a company registered in England and Wales The ultimate parent company is CP Cayman Holdings GP Limited, a company registered in the Cayman Islands The ultimate controlling parties are funds advised by The Blackstone Group The largest and smallest group of which the Company is a member and for which group accounts are drawn up is Forest Holdco Limited

A copy of the Forest Holdco Limited financial statements can be obtained on application to The Company Secretary, One Edison Rise, New Ollerton, Newark, Nottinghamshire, NG22 9DP