BARD MIDCO LIMITED

Report and Financial Statements

For the year ended 31 December 2023

Registered No. 13081881

Contents of the Financial Statements
For the year ended 31 December 2023

Registered No. 13081881

DIRECTORS

L Y Assant
L Caruso
P C Flaum
I S MacMillan
S Palethorpe
A K M Shah
A N Walsh

AUDITORS

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BANKERS

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STRATEGIC REPORT

The Directors present their strategic report for Bard Midco Limited and its subsidiaries (together "the Group") for the year ended 31 December 2023.

The Group is one of the largest providers of holidays and holiday home ownership in the UK. Haven and Warner Leisure Hotels are amongst the most recognised Brands within the UK holiday market. In October 2022, the Group sold Butlin's, enabling it to focus on the growth of Haven and Warner Leisure Hotels.

Haven
Haven operates award-winning, family-focussed caravan parks around the coast of Britain. The parks have in excess of 39,000 pitches, making the Group the largest operator of caravan parks in the UK. Almost all of our parks offer the opportunity to own a holiday home and we currently have nearly 23,000 holiday home owners.

Warner Leisure Hotels
Warner is the UK's only 'grown-up' hotel chain, providing guests with child-free half-board short breaks across a collection of countryside and coastal hotels and villages.

REVIEW OF THE BUSINESS

The Group's key financial results were as follows:

	Year ended 31 December 2023	*Year ended 31 December 2022 Continuing operations*	*Year ended 31 December 2022*
	£000	*£000*	*£000*
Turnover	1,051,656	960,133	1,193,117
EBITDA	239,689	224,787	276,010
Group operating profit	25,404	31,774	47,096
(Loss) / profit on disposal of operations	(5,000)	173,142	173,142
Interest payable (net)	(186,970)	(150,830)	(155,251)
(Loss) / profit after tax	(139,683)	61,701	68,230
Equity shareholders' funds	758,211		891,994
Capital expenditure	217,917		298,667
Net cash flow from operating activities	279,773		238,503
Average number of employees	12,765		16,107

**EBITDA consists of Group operating profit, adjusted for the add back of depreciation and amortisation, exceptional items and share based payments.*

The Group's key financial and other key performance indicators include items such as turnover, EBITDA, guest satisfaction, health and safety, and team turnover.

The Group sold Butlin's on 19 October 2022. The 2022 results include 12 months' trading for Haven and Warner, and trading for Butlin's up to the date of its disposal.

EBITDA from continuing operations increased from £224.8m in 2022 to £239.7m in 2023, driven by an increase in turnover of £91.5m which resulted in an increase in gross profit of £17.2m (6.7%). This was partly offset by an increase in administrative expenses from continuing operations of £2.3m. The Group faced and maintained tight control over inflationary cost pressures particularly on utilities, food and labour costs largely driven by the national living wage changes. The increase in EBITDA shows the strength of the continuing business and its resilience during periods of economic uncertainty. The Directors expect EBITDA to continue to increase during 2024.

The operating costs of the continuing business include the amortisation of the Brand values and goodwill of £73.5m in both 2022 and 2023 which reduces profit but has no cash flow impact. Depreciation of tangible fixed assets and development costs for the continuing business increased from £109.1m in 2022 to £129.2m in 2023, reflecting the continuous growth in capital expenditure.

Following the sale of Butlin's on 19 October 2022, turnover decreased from £1,193.1m in 2022 to £1,051.7m in 2023 mainly because 2022 covered a 12-month trading period for Haven and Warner, and Butlin's up to 19 October whereas 2023 covered trading for only Haven and Warner. Group operating profit decreased from £47.1m to £25.4m, a decrease of £21.7m, £15.3m of which related to the Butlin's operating profit in the previous year.

Net interest payable of £187.0m (2022: £155.3m) includes £179.9m (2022: £119.1m) on the Group's external borrowings, £6.8m (2022: £6.8m) for the amortisation of loan refinancing costs and £0.7m (2022: £25.7m) interest payable on loans held with the parent undertaking, Bard Topco Limited less £0.4m of interest receivable (2022: £0.7m). In 2022, interest payable included £4.4m relating to a Ground Rent transaction on the Butlin's properties prior to the sale of that company.

Interest payable on the Group's external borrowings increased partly because the base rate increased from 3.5% at the start of 2023 to 5.25% at the end. The group had interest rates caps in place for 75% of its Senior Debt for 2023 and part of 2022 (see Note 21).

The Group sustained a loss after tax of £139.7m (2022: £68.2m profit after tax) after charging depreciation and amortisation of £202.7m (2022: £218.3m). 2022 included a profit on the disposal of Butlin's of £173.1m

Net cash flow from operating activities was £279.8m (2022: £238.5m), consisting of the EBITDA and favourable movements in working capital. Caravan stock levels were relatively high at the end of 2022 as the Group mitigated supply chain delays and reduced in 2023 when the supply chain improved.

Guest loyalty and repeat business underpins the long-term growth of the Group. All Group companies continue to sustain high guest satisfaction ratings.

Capital expenditure was £217.9m in 2023 (2022: £219.4m) including £14.9m (2022: £10.6m) for the development of guest focused applications and websites to enhance the guest experience and improve efficiency. The 2023 expenditure included continued investment in hire fleet, pitches, entertainment complexes and swimming pools at Haven and expenditure on improving the guest experience and accommodation at Warner Leisure Hotels. It also includes part of the conversion of our Runnymede on Thames hotel into a Warner hotel which will open in the fourth quarter of 2024.

In addition to the above, in 2022, as part of the acquisition of Walter John Cook and Sons Limited which operates the Haven site in Skegness, Haven acquired fixed assets of £26.7m and Warner acquired fixed assets at the Runnymede On Thames hotel of £52.6m

During 2023 we continued to deliver against a number of strategic initiatives across the business. We improved our digital experience for our guests, owners and teams, migrated a number of our legacy systems to the cloud, improved our revenue management capability, enhanced our guests and owner propositions across each brand, and constantly focussed on cost reduction and mitigation against the highest levels of inflation we have seen for decades.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group recognises a variety of financial and market-based risks, including the exposure to fluctuating interest risks, changing economic conditions, technological and industry-based risks, the competitive environment and regulatory changes. These either singularly or collectively, may affect revenue, cost structure or the value of assets within the business, and are all difficult to quantify.

Geo-political instability and the wider macro-economic uncertainty

We remain focused on reviewing and monitoring geo-political instability and the wider macro-economic uncertainty. We know this risk can lead to significantly higher inflationary pressure from changes in global supply chain capacity, labour shortages, commodity shortages and price increases, all of which could impact profitability. As a business we continue to monitor and remain compliant to trading restrictions and legislative sanctions and look for operational efficiencies to mitigate cost inflation and ensure we have flexibility in our supply chain. We also enter into forward contracts for electricity and gas supply in an effort to reduce the impact of short-term fluctuations.

Financial risks

The main risks arising from the Group's financial instruments are interest rate, liquidity and cash flow risk, and credit risk. Policies with respect to these risks are described below. There is no material currency exposure as all material transactions and financial instruments are in sterling.

- Interest rate risk

The Group borrows at an interest rate of 5.35% plus SONIA. The Directors regularly review the need for any financial instruments to cover the risk posed by fluctuating interest rates, thereby minimising the Group's exposure to significant changes in interest rates. The Group had interest rate caps in place for 2023 and part of 2022 and currently has an interest rate cap which expires in February 2025.

- Liquidity and cash flow risk

Liquidity and cash flow risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities and exposure to variability in cash flows. The Group aims to mitigate liquidity and cash flow risk by managing cash generation by its operations. The Group also manages liquidity and cash flow risk via a super senior revolving facility and long-term debt.

- Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Group policies are aimed at minimising such losses and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures.

Other risks

- IT risk and cyber security

The Group has various IT systems and applications, the obsolescence or failure of which could impede trading. Failure to put in place adequate preventative measures, if attacked, could lead to data loss or the inability to use the IT systems for a prolonged period. The IT strategy is focused on ensuring the long-term stability of operating systems and data security, whilst keeping pace with the changing face of consumer IT expectations. We continue to strengthen IT security to mitigate the increasing risk of cyber security threats.

- People and succession

Bourne is a people focused business and employed over 15,000 team members at peak times in 2023. Attracting and maintaining talented team members and investing in their training and development are essential to the efficiency and sustainability of the Group. Succession planning is embedded across the Group and is proactively managed.

SECTION 172 STATEMENT - THE DIRECTORS' APPROACH

In accordance with the duties of Directors under section 172 of the Companies Act 2006, the Board considers a number of matters in its decision-making, including:

- the likely consequences of any decision on the long-term outlook;
- the risks to the Group and its stakeholders;
- the interests and wellbeing of our team;
- the impact of our businesses on the environment and the communities where we are present;
- the Group's relationships with its customers and suppliers; and
- the importance of our reputation for high standards of business conduct.

- 2024 Outlook

In 2023, the Group saw an increase in demand for holidays within the UK which has seen the Group thrive and increase sales revenue. The Group is in a strong position, with EBITDA expected to increase further in 2024.

- Policies and Practices

The Directors' objectives continue to be to maximise the long-term value and revenue streams for the Group's shareholders, to create secure and rewarding employment for its people and to deliver a high-quality holiday or holiday home experience to its guests and owners of holiday homes. The Group aims to deliver sustainable and growing revenues from efficient operations and cost structures. The Group aims to grow its businesses through both organic growth and acquisitions.

- Corporate Governance

The Directors are responsible for determining the Group's strategy for managing risk and overseeing its systems of internal control. The Group maintains appropriate standards of corporate governance in order to conduct its business in a prudent and well organised manner. Further details are provided in the Corporate Governance Statement on page 9.

- Team matters

The Group seeks to recruit, retain and remain engaged with talented and versatile team members using its 'Get, Grow and Keep' model. It strives to provide an environment where team members can thrive and also to create opportunities for long, rewarding and fulfilling careers. These objectives are supported through various communication mechanisms whilst at the same time actively encouraging feedback from team members. The Group emphasises the importance of training and regularly runs a variety of well-developed training programmes. We have an established Diversity and Inclusion Board that ensures we set a diverse and inclusive culture for our colleagues to thrive. The Group places a high degree of importance on the well-being of its team members and has taken steps to ensure that they feel supported at all times particularly in relation to promoting and maintaining good mental and physical health. Various support services are in place which team members can call upon, on a strictly confidential basis, with a new health support partner introduced in 2023. There are also well-established fire, health, safety and welfare policies in place.

- Social, community and human rights matters

The Group is firmly committed to the principle of Corporate Social Responsibility. The Group supports both local and national organisations, including national charities such as Macmillan Cancer Support and the RNLI.

The Group respects and supports human rights and is committed to the highest level of ethical standards and sound governance arrangements. We aim to act ethically and with integrity in all our business dealings. As part of this commitment and in accordance with global Modern Slavery legislation the Group has produced a Modern Slavery Statement.

- Environmental matters

The Directors recognise that, as a responsible business, it has an obligation to operate in a manner that minimises the Group's impact on the environment. We follow relevant environmental legislation in carrying out our business and Group policy is to seek to minimise our contribution to environmental damage and maximise our contribution to safe recycling and reprocessing of waste materials.
We have an Energy and Sustainability Team which has been very successful in minimising the Group's levels of energy and water usage and CO_2 emissions, with initiatives such as the replacement of lighting with low energy units and the roll out of 18,000 solar panels, smart electricity and gas meters.

Our Streamlined Energy and Carbon Reporting (SECR) is within the Directors' Report below.

- Business relationships

The Group closely monitors all of its business relationships in order to allow it to provide its guests with an excellent and consistent level of service. It assesses, on an ongoing basis, the risks of adverse impact on its customers, people and the environment in which the Group operates as a result of these relationships, or as a result of its policies.

Relationships with key suppliers are closely monitored to ensure services are being provided in line with the terms of documented agreements. Performance of key suppliers, along with associated risks to the Group are regularly assessed with options for improvement considered where available. Regular reviews of adherence to key policies, such as Modern Slavery and GDPR, are undertaken.

Directors and Senior Managers are engaged when negotiating terms with key suppliers. The Group actively engages with its guests at key points during their holiday experience and makes extensive use of feedback, in particular net promoter scores ("NPS") and gathers feedback on a timely and detailed basis.

- Decision making

The Directors have structured monthly meetings but will also meet on an ad-hoc flexible basis, to aid effective decision making which promotes the success of the Group and its stakeholders. Proposals are discussed in detail, approved and documented by the Directors which ensures key decisions are taken considering the Group's risk management framework.

By order of the Board

I S MacMillan
Director
29 May 2024

Registered No. 13081881

DIRECTORS' REPORT

The Directors present their report and audited financial statements for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The principal activity of the Group is the operation of holiday parks and hotels. The Company raises finance for the Group's investment activities and acts as the UK holding Company for the Group.

OWNERSHIP

The immediate controlling party is Bard Topco Limited, a company owned by the Blackstone Group, a private equity management firm. Blackstone is one of the world's leading investment firms that seeks to create positive economic impact and long-term value for investors, the companies in which it invests, and the communities in which it works.

DIRECTORS

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

L Y Assant (Blackstone)
L Caruso (Blackstone)
P C Flaum (Bourne Leisure)
I S MacMillan (Bourne Leisure)
S Palethorpe (Bourne Leisure)
A K M Shah (Blackstone)
A N Walsh (Blackstone)

The day-to-day operations of the Group are managed by Bourne Leisure.

P C Flaum

Paul, who has a wealth of experience in the hospitality and leisure sector, joined Bourne Leisure in 2017 as Chief Executive Officer. Prior to this Paul was Managing Director of Whitbread Hotels and Restaurants.

I S MacMillan

Iain is an experienced CFO who has held various senior finance roles at Cadbury, Waitrose and Sainsbury's before joining Bourne Leisure in 2018 as Chief Financial Officer.

S Palethorpe

Simon joined as Haven managing Director in 2021. Prior to this Simon was President of Carnival UK and held other senior roles at Avis Europe Plc, John Lewis and within Private Equity.

DIVIDENDS

No dividend was proposed post period end in respect of the year ended 31 December 2023 (2022 - £nil).

GOING CONCERN

The Group's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and its exposure to interest rate, credit, liquidity and cash flow risk are set out in the Strategic Report above.

The Group has considerable financial resources from its established operations. The Group also has substantial long-term committed financing arrangements. Following the year end, Bard Topco Limited (the Company's parent company) provided additional loans to the Group of £120m. Taking this and all other factors into account, the Directors believe that the Group is well placed to manage its business risks successfully.

A severe but plausible downside scenario has modelled a profit (EBITDA) decline of 11% vs. the year ended 31 December 2023 across the assessment period. This aims to capture the potential slowdown in consumer spending influenced by the current cost of living crisis. Throughout this scenario we have assumed maintenance capital expenditure levels will continue at historical levels, no operating cost mitigation actions or structural changes will be made and there would be no government support. In this scenario the group would not require any additional sources of finance.

The financial statements are prepared under the going concern basis. The Directors believe this is appropriate as the Group is expected to deliver increased profitability and cash generation in 2024 whilst also being able to meet its debts as they fall due for the period to 29 June 2025, being the going concern assessment period.

The Group has a senior facilities agreement of £1,760 million which is not fully repayable until 26 February 2026 and a £200 million super senior revolving facility (repayable 26 August 2025) to fund the activities of the Group. Following the year end, the repayment dates of the senior facilities and revolving facilities were subsequently extended by two years (see Note 27). A letter of support from Bard Topco Limited has been provided with the unconditional right to support any debts that fall due up until 29 June 2025. Taking this and all other factors into account, the Directors believe that the Group is able to manage its business risks successfully.

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the period to 29 June 2025, being the going concern assessment period. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

EMPLOYEES

Employees are kept informed of the performance and objectives of the Group through established methods of briefing and consultations. We conduct team surveys at least annually to provide insight into the views of employees.

The Group gives disabled people full and fair consideration for all job vacancies for which they offer themselves as suitable candidates having regard to their particular aptitudes and abilities. Training and career development opportunities are available to all employees.

The Group continues the employment of and arranges training for employees who have become disabled persons while employed and otherwise promotes the training, career development and promotion of disabled persons.

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

This section includes our mandatory reporting of greenhouse gas emissions and covers the year ended 31 December 2023 and is pursuant to the Companies Act 2006 (Strategic Report and Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 which came in force on 1 April 2019.

The table below shows total energy consumption and global greenhouse gas emissions for the year ended 31 December 2023, and the previous year including Butlin's in 2022 until disposal, together with an intensity metric.

	Year ended 31 December 2023	
	kWh	***CO_2e tonnes***
Fuel types:		
Natural gas	38,918,276	7,119
Electricity Grid and Renewable	109,903,471	22,758
Other fuels	129,296,982	28,733
Petrol and Diesel	3,961,013	913
Waste, water, transmission losses etc	-	4,871
	282,079,742	64,394
Greenhouse Gas Emissions Intensity Ratio		
Tonnes of CO_2e per £1m of revenue		61.3

	Year ended 31 December 2022	
	kWh	***CO_2e tonnes***
Fuel types:		
Natural gas	43,929,485	8,020
Electricity Grid and Renewable	109,007,178	21,074
Other fuels	161,036,012	35,607
Petrol and Diesel	5,228,288	1,233
Waste, water, transmission losses etc	-	5,476
	319,200,963	71,410
Greenhouse Gas Emissions Intensity Ratio		
Tonnes of CO_2e per £1m of revenue		59.9

Data has been collected in respect of the year ended 31 December 2023 and reported in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. The Group has implemented a number of energy efficiency actions to limit emissions, including the following:

- Annual Group wide targets for energy reduction, waste recycling and water use efficiency.
- Continuing to drive energy efficiency initiatives across the business and ensuring best practice is adopted at all locations.
- Installation of energy efficient products such as EV chargers, LED lighting, solar panels, solar street lighting and timers.
- Ongoing development of our long-term sustainability strategy.

CORPORATE GOVERNANCE

The corporate governance statement, as required by the Companies (Miscellaneous Reporting Regulations) 2018 ("The Regulations"), is included in the Directors' Report by cross reference and can be found on page 9.

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Directors and the Group's auditor, each Director has taken all the steps that they are obliged to take as a Director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

DIRECTORS' LIABILITIES

The Company has granted an indemnity to one or more of its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third-party indemnity provision remains in force as at the date of approving the Directors' report.

FINANCIAL DERIVATIVES

To partly mitigate the interest risk relating to adverse movements in the interest rate on the senior facility agreement, in August 2022 the Group paid a premium on a notional amount of £1,350 million to cap the interest rate on the floating element at 3%, with a maturity date of 15 August 2023. In February 2023, the Group extended the interest rate cap of 3% to 26 February 2024. In February 2024 this was further extended to February 2025 with an interest rate cap rate of 3.5% covering a notional amount of £1,320 million, reducing to £1,270 million on 15 November 2024.

EVENTS AFTER THE REPORTING PERIOD

Following the year end, on 24 May 2024 the Senior Term Facility repayment date was extended by two years from 26 February 2026 to 26 February 2028. The Revolving Credit Facility repayment date was also extended by two years from 26 August 2025 to 26 August 2027. At 31 December 2023, the Senior Term facility was £1,760 million and was fully drawn and the Revolving Credit Facility was £200 million, of which £135 million was drawn.

Following the year end, the Group received additional loans of £120 million from Bard Topco Limited (see Note 17).

AUDITOR

Ernst and Young LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor.

By order of the Board

I S MacMillan
Director
29 May 2024

CORPORATE GOVERNANCE STATEMENT

For the year ended 31 December 2023, under The Companies (Miscellaneous Reporting) Regulations 2018, the Company has applied the Wates Corporate Governance Principles for Large Private Companies. We set out below how we have applied the Principles during the period to run the business.

Principle 1 – Purpose and Leadership

The Board focuses on the delivery of the Group Mission Statement “to give our guests a great time with memories that last a lifetime”, and the development and execution of the 5 Year Plans for each of the brands. This work ensures that the values, culture and strategy are all aligned.

The community of senior leaders in the business is comprised of leaders across brands and functions and we recognise the importance of regular, high quality communication with this group who meet at least annually and who have virtual gatherings during the year.

Our aspiration is to achieve a team member base reflective of society at all levels, providing opportunity for all, regardless of background, gender, sexual orientation, disability or age. The gender split in our business changes significantly during the year as we recruit to build our team for peak periods in the business. Our gender split across the business at the end of December would be 50% female and 50% male but grows to 52% female and 48% male in April. Within this population, Directors are 100% male and within the Senior Leadership team, 61% are male and 39% are female, both of which are not reflective of the recruitment policy across the Group. This has become more balanced within the last year, driven by our focus on Diversity and Inclusion.

Communication across the business is multi layered with a variety of channels and include the annual Town Hall meetings and the brand and functional conferences.

Principle 2 – Board Composition

The Board includes the Chief Executive Officer, the Chief Financial Officer and the Haven Managing Director who are supported by four other Directors nominated by Blackstone Group. The size and composition of the Board is considered to be appropriate for the nature and scale of the business.

Principle 3 – Director Responsibilities

The Board has a programme of monthly meetings and governance of the Group is reviewed on a regular basis.

The Board reviews trading performance, ensuring adequate funding, setting and monitoring strategy, examining major acquisition possibilities and reporting to shareholders. To enable the Board to discharge its duties, all Directors receive appropriate and timely information. Briefing papers are distributed to all Directors in advance of Board meetings.

The Board receives regular and timely information on all key aspects of the business including health and safety, risks and opportunities, the financial performance of the business, strategy, executive forecasts, operational matters, market conditions and sustainability, all supported by Key Performance Indicators (KPIs) and a Balanced Score card for each brand and functional area.

The work of the Board and its Committees is underpinned by delegations of authority.

Principle 4 – Opportunity and Risk

The Board promotes the long-term sustainable success of the company by identifying opportunities to create and preserve value. Review of operational and financial risks is delegated to the Risk Board and strategic and tactical decision-making is reserved for the Board.

The Board also considers all major projects (as defined by their value and risk profile) and approves them before any work is authorised. The Risk Board also considers further risks as part of the day to day management of the business.

The principal risks and uncertainties are described on page 3 of this report.

The Audit Committee is scheduled to meet twice per annum. It is responsible for reviewing a wide range of matters including the annual financial statements before their submission to the Board and monitoring the controls which are in force to ensure the integrity of the information reported to the shareholders. The Audit and Risk Committee advises the Board on the appointment of external auditors and on their remuneration both for audit and non-audit work, and discusses the nature, scope and results of the audit with the external auditors. The audit committee keeps under review the cost effectiveness and the independence and objectivity of the external auditors.

Principle 5 – Remuneration

The Remuneration Committee's (RemCo) primary objective is to set remuneration at a level that will enhance the company's resources by securing and retaining quality senior management who can deliver the strategic ambitions in a manner consistent with both its purpose and the interests of its shareholders.

The committee meets at least twice per annum. Specifically, the RemCo considers gender pay-gap, executive pay and bonus structures and conducts regular benchmarking of salary and compensation packages throughout our business.

Principle 6 – Stakeholders

The Board is clear that good governance and effective communication are essential on a day-to-day basis to deliver our purpose and to protect the company's brands, reputation and relationships with all our stakeholder community including shareholders, guests and holiday home owners, employees, suppliers and the local communities in which we work.

Regular team engagement surveys are performed to highlight improvements in the Group's strategic direction, optimism in the future and career opportunities.

Each brand in the group undertakes extensive, independent guest satisfaction polling and all Brands have high levels of guest NPS. The findings are used to improve guest and owner advocacy in line with our mission to be the UK's most loved holiday and holiday home ownership business.

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

COMPLIANCE STATEMENT

The Climate related Financial Disclosure Regulations have been introduced in the UK to report on material climate related matters. For the year ended 31st December 2023, the Group has complied with the UK Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 (Regulations) and sets out below how climate related disclosures are governed by the Group and how it impacts on its strategy. It also sets out the climate related risks and opportunities and the performance targets monitored to manage these.

SUMMARY OVERVIEW OF PROGRESS IN 2023

- Climate change and sustainability strategy programme commenced using external support to drive the pace of change required.
- Impact from Climate and ESG embedded and part of the boards meeting agenda.
- Engagement of Audit and Risk Board including clarity of accountability on climate related reporting with this group.
- Better understanding of how climate related activities could impact the company.

AGREED AREAS OF FOCUS IN 2024

- Further refine and develop climate-related metrics and targets.
- Communication of full ESG strategy which will include further validation and planning of targets and commitments.
- Focus on integration of targets and plans into day-to-day activities.
- Consider the feasibility of adopting a carbon budget process to support further carbon reductions from 2025.
- Increase external stakeholder engagement and communications.
- Investment plan created to deliver committed targets.
- Engagement with our team members to drive a culture change.

GOVERNANCE

Board's governance of climate-related risks and opportunities

The Board takes responsibility for the group's climate change strategy which is supported by robust policies and our dedication to drive positive change within our industry. The Group's commitment to climate action is set at Board level which is collectively responsible for overseeing the Group's strategy and ensuring the development of robust risk management and internal control systems to manage climate impact and other principal risks and opportunities. This board meets at least 12 times per year.

The Audit Committee is responsible for the review and oversight of our internal control and risk management systems, including our approach to principal risks, which considers climate change, as well as the procedures in place to identify, manage and mitigate them. The Audit Committee is also responsible for reviewing, prior to signing by the Directors, the integrity of the Group's financial reporting and the potential impact on our financial statements of our principal risks, which include climate change.

Management's governance of climate-related risks and opportunities

The management of climate-related risks and opportunities at the operational level is the responsibility of our operating Brand Boards and senior management. Their responsibilities include recommending individual brand strategy to the Board, creating our brand ESG strategic approach including identifying and analysing climate risks and shaping the values and culture of the business.

RISK MANAGEMENT

We consider the impact of climate change as a major risk, reflecting this as a principal risk and also recognising that it may affect other core areas of our business including guest and owner satisfaction in our brands. The Board review our principal risks as part of our planning and decision-making during the year. With reference to the UK Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 (Regulations), we also monitor and evolve our risk management and internal control processes. Additionally, the Audit Committee provides ongoing oversight of the effectiveness of these processes.

Operationally, management are responsible for discussions with our parks and hotels regarding risk and control oversight. This has enabled us to consider climate-related factors in order to mitigate potential exposures.

In addition to the Audit Committee, we have a Risk board that meets every month with a focus on the risks being faced by the business and how to mitigate those risks. Climate change and the risks and opportunities associated with its impacts are regularly discussed by this board, and it is firmly on the Committees agenda including the monitoring of any agreed actions to mitigate those risks.

Please see the tables below within 'Strategy' for our climate-related risks and opportunities identified.

STRATEGY

As part of our business processes, we continually identify physical and transition risks, quantifying their potential financial impacts and time horizon.

The transition risks are defined by risks related to shifts in the policy, technology, social and economic landscape that are likely to occur in the transition to a low carbon economy. Typically, these consist of policy and legal, technology, market and reputation risks.

Depending on the nature and particularly the speed of the transition, varying levels of financial and reputational risks exist including:

- Reduced revenues as guests demands change.
- Increased costs of doing business.
- Impacts on asset values.

Risks relating to physical impacts of climate change consist of the following:

- Acute event-driven extreme weather such as heatwaves, freeze events, drought, storms, extreme rainfall and flooding.
- Chronic longer-term climate shifts such as sustained higher temperatures and rise of sea levels.

The potential impacts of these risks would be direct asset damage as well as indirect impacts affecting operations of the parks and hotels.

Further details of the risks and opportunities assessed can be seen in the table below.
As part of our assessment the time horizons we used were as follows:

- Short term – less than five years
- Medium term – five to ten years
- Long term – greater than ten years

Twice a year the Risk board conducts a full review of its Principal risks and Operational risks and highlights those risks which are emerging or are elevated and those that we no longer believe are essential for discussion and have been mitigated by controls in the business. This process is used to formally review the below climate related risks and opportunities, but we endeavour to build the culture change in the organisation to discuss these items operationally on a day-to-day basis across our leadership teams.

Key Climate-Related Risks

RISK TYPE	RISK DESCRIPTION	TIME HORIZON	FINANCIAL IMPACT	2023 RESPONSE
Transition	Increase in Supply Chain costs, directly or indirectly from changes in energy (gas and electricity) pricing.	Medium term	Increased costs are unlikely to be 100% passed across to our customers as we aim to remain price competitive in the market. Therefore, could lead to potentially lower profits if efficiencies cannot be implemented.	In 2023 we have reviewed our energy usage, making efficiencies improvements where possible and introduced alternative energies such as deploying over 18,000 solar panels in some of our Holiday parks, generating approx. 6M kwh of energy.
	Increased taxation is likely to occur from Carbon taxes or as an income to offset the costs of net zero activities or initiatives.	Medium term	Increased taxes are likely to lead to lower net profits. This may result in our customers having less disposal income as companies pass some or all of these increased taxes back in price.	No specific actions have been taken in 2023 but we are consistently looking for better and more efficient ways to operate our business.
	Increased insurance costs are likely to materialise as we continue to experience volatile weather leading to increased insurance claims.	Medium term	Increased costs from insurance leading to lower profits.	We are working with our insurers to understand how we mitigate these potential cost increases. This includes installing sea defence barriers and water pumps to minimise the damage from climate change incidents in our higher risk rated areas.
	Increased requirements in building regulations as standards require higher carbon standards leading to increase costs on refurbishment and developments.	Medium term	Higher costs for our renovation and development projects through direct costs and also increased timelines due to increased processes to meet regulations and reporting.	Continuing to build relationships with key suppliers to procure as efficiency as possible. Will also become more efficient in building design to mitigate these higher costs.

RISK TYPE	DESCRIPTION	TIME HORIZON	FINANCIAL IMPACT	2023 RESPONSE
Physical	Extreme weather causing damage to parks and forcing the parks to close. This extreme weather could be in the form of prolonged heatwaves and drought or storms and flooding.	Short term	Lower profits due to park closes and lost and repaid revenue. Operating costs in these sites to support trading in these volatile conditions is also likely to lead to higher costs and lower profits.	Many of our locations are coastal or near rivers/estuaries which could increase risk, so in 2023 we have reviewed and improved our existing sea defences and installed water pumps on our sites that are at most risk from flooding. Efficiency and operational excellence programs are part of the business culture and will be essential in ensuring these additional operating costs are minimised.
	Higher temperatures causing higher sea levels leading to the need for increased sea defences and protective measures.	Long term	Increased costs from minimising the impact of these increased sea levels.	Increased sea defences as described above.

Key Climate-Related Opportunities

RISK TYPE	DESCRIPTION	TIME HORIZON	FINANCIAL IMPACT
Physical	Increased sunshine and higher wind levels could permit greater use of lower-emission sources of energy.	Medium term	This could significantly reduce the use of fossil fuel energy sources and potentially lead to lower operational costs and therefore higher profits.
	Increased awareness in carbon use from the aviation industry could lead to more passengers consciously choosing to holiday in the UK where air travel is not required.	Long term	Higher volumes of customer choosing a holiday in the UK would generate higher revenue and higher profit.
	Milder weather could lead to more UK vacations, either from UK residents or from overseas residents who see the UK as a warmer place to visit and holiday. This climate change could also extend the current holiday season in our holiday parks which typically runs from March to October.	Long term	Higher volumes of customer choosing a holiday in the UK would generate higher revenue and higher profit.

Climate scenarios

To evaluate the likelihood of the risk materialising above, we have modelled three specific risks, Park Closure; Carbon taxes and Expenditure on sea defences and linked them to the following climate scenarios. These scenarios have been produced to assess the possible outcomes of climate change.

These climate scenarios were selected because they:

- Align with the CFD recommendations to assess business resilience under different climate-related scenarios including a <2°C scenario.
- Consider up to a 2050 timeframe which aligns to the Paris Agreement and other governmental Net Zero 2050 targets.
- Broadly align with scenarios commonly used in TCFD reporting, facilitating better comparison between disclosures.
- Include reputable and broadly used date and assumptions.

Warming Trajectory By 2100	**Transition scenarios (IEA[1])**	**Physical scenarios (IPCC[2])**
1.5°C	Net Zero Emissions (NZE)	
<2°C	Announced Pledges Scenario (APS)	SSP1[4]-2.6[3] (low challenges to mitigation and adaptation)
2-3°C	Stated Policies Scenario (STEPS)	SSP2-4.5 (medium challenges to mitigation and adaptation)
>3°C		SSP5 -8.5 (high challenges to mitigation, low challenges to adaptation)

1 IEA – the International Energy Agency has constructed scenarios to assess different transition pathways based on varying assumptions of how the energy system may evolve.

2 IPCC – The Intergovernmental Panel on Climate Change RCPs are the market accepted reference scenarios which outline the possible consequences of climate change.

3 RCP – Representative Concentration Pathways are commonly used by climate scientists to assess physical climate risk. Each pathway represents a different greenhouse gas concentration trajectory, each of which is associated with varying levels of impact. Under RCP 2.6, Physical climate impacts are expected to be the lowest and greatest impacts under RCP 2.6 and RCF 8.5 respectively.

4 SSPs – Shared Socio-economic Pathways illustrate different socio-economic contexts or baselines, in the absence of further climate policy, (i.e. technological, economic and demographic context).

The following table shows the impact on Bourne leisure under the scenarios described above:

Climate risk/opportunity	Scenario	Assumptions	Short (< 5 years)	Medium (2035)	Long (2050)	Results
Site closures	SSP1-2.6 (<2°C)	The frequency and magnitude of heavy rainfall, flooding, wind and drought events is likely to increase.				The risk of park closures increases from SSP1-2.6 (<2°C) to SSP5-8.5 (>3°C). Financial impacts are expected to be greatest under the SSP5-8.5 scenario and may include: - Increased cost in the medium to long term due to damage and disruption from extreme weather conditions. - Lost revenue due to closure of parks under all scenarios.
	SSP2-4.5 (2-3°C)	Similar to the assumptions seen above with increased frequency and volume of extreme weather events.				
	SSP5-8.5 (>3°C)	Compared to SSP1-2.6 heavy rainfall and drought events are likely to double in frequency.				
Carbon taxes	NZE (1.5°C) Early Action	Early implementation of a carbon pricing mechanism to achieve commitment of net zero.				The impacts are predicted to be potentially significant in the medium and long term under both the NZE and APS scenarios. Carbon taxes are expected to increase in line with the Government's commitment to decarbonise which could result in the following potential financial implications: - Increased expenditure due to the cost of carbon taxes and indirect costs passed through our supply chain. - We may have to absorb this cost leading to reduced profits. Or, alternatively we may need to
	APS (<2°C) Late Action	Pricing mechanisms are introduced across longer lead times and at lower rates.				
	STEPS (>3°C) BAU	Only existing or announced carbon pricing schemes are applied under lower rates than in both NZE and APS scenarios.				

						increase our prices impacting our competitiveness within the market and resulting in reduced revenue.
Expenditure on sea defences	SSP1-2.6 (<2°C)	Higher temperatures are likely to cause higher sea levels although this is to a lower extent compared to higher emission scenarios.				The potential severity of higher sea levels increases from SSP1-2.6 to SSP5-8.5. As the sea levels increase the financial cost to the Company is expected to increase in the medium to long term as the need for improved sea defences is required.
	SSP2-4.5 (2-3°C)	Similar to the trends seen above although higher sea levels expected.				
	SSP5-8.5 (>3°C)	Sea levels are expected to double in severity in comparison to SSP1-2.6.				

Key

	Low Risk		Medium Risk		High Risk

METRICS AND TARGETS

The Group aspiration to reduce our energy and carbon emission has been an inherent part of the strategy for multiple years and our targets are concurrent with the UK Government's commitment to achieving Net Zero in Carbon by 2050.

At Bourne, we have introduced measures and processes to provide visibility of utility usage at each of our sites. This has given us the opportunity to target specific reductions in across all of our locations but also within each location. We also continue to monitor the market and track for more efficient means of energy provision that could support a reduction program.

We have chosen the metrics below because they directly address our material climate risks and opportunities and because they are where we can make the biggest potential impact on climate change. In setting our metrics and targets we have ensured that they are in line with the Paris Agreement and aligned to a 1.5°C pathway and the UL's commitment in the Climate Change Act 2008 (2050 Target Amendment) Order 2019 and other relevant legislation.

In 2021 we challenged ourselves to reduce our carbon emissions by 15% by end of 2024 using our 2019 carbon emissions as our baseline. We understood that a large element of our carbon usage came from our accommodation and leisure activities, so we put in place an action plan and the required capital investment, with the necessary cultural change within the business to start making these significant changes. At the end of 2023 we have made great progress and are on track to deliver this commitment.

We regularly monitor progress towards our targets and share these internally every 6 months and remain committed to sharing our progress in our annual report. However. this is a new process that will evolve and develop over the course of the next 12 months where the targets below will be refined and updated to appropriately reflect the strategic focus and targets of the business and ensure the targets are a direct mitigation to the risk and opportunities faced from the impacts of climate change.

STRATEGIC TARGET	DEADLINE	PROGRESS AT 31 DECEMBER 2023	MEASURES
Reduce 2019 baseline carbon emissions by 15% by end of 2024.	Dec-2024	We have implemented various initiatives to reduce our carbon emission and have a culture of reviewing energy efficiency at each of our sites. In 2023 we introduced solar panels on our sites and focused each site on using energy efficiently. These programmes have been embedded at a team level and are included in our on-site scorecards to operationally drive better efficiency and energy reduction. This target is also included in our corporate incentive targets to ensure that the whole business is aligned on our target delivery.	Carbon reduction using agreed baseline with measurement from eternal provider.

Opinion

We have audited the financial statements of Bard Midco Limited ('the Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2023 which comprise the Group Statement of Comprehensive Income, the Statement of Changes in Equity for the Group and Parent Company, the Group and Parent Company Statement of Financial Position, the Group Statement of Cash Flows and the related notes 1 to 28, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Group's and of the Parent Company's affairs as at 31 December 2023 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. The group relies on support from its parent Bard Topco Limited ("the parent") which covers a period up to 29 June 2025. Our evaluation of the directors' assessment of the group's ability to continue to adopt the going concern basis of accounting included:

- Obtaining the going concern assessment for the group and assessed the ability of the business to respond to changes in key assumptions. Audited the reasonableness of the key assumptions, namely revenue, gross margin, inflation, capital expenditure through reconciliation to the budgets approved by the board and comparison with recent actual results achieved, as well as their consistency with external third-party information and other areas of the audit;
- Obtaining an understanding and evidence of the external funding and liquidity available to the Group over the forecast period by reading external funding agreements;
- Assessing and challenging management's reverse stress test to understand the sensitivities within the Group's cash flow forecast when compared to historical performance and mitigating actions management could undertake;
- Reading board meeting minutes to assess the cash needs for future planned business activities and to determine whether there was any information contradictory to the directors' use of the going concern basis of accounting; and
- Assessing the appropriateness of the disclosures included in the annual report and accounts with respect to the use of the going concern assertion.
- Ensuring the letter of support obtained from the parent is unconditional and the parent has funds available.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Parent Company's ability to continue as a going concern for the period ending 29 June 2025.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group or Parent Company's ability to continue as a going concern.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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 parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 11 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.
Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom. In addition, the Company has to comply with laws and regulations relating to its domestic operations, including health and safety, employment, data protection and anti-bribery and corruption.
- We understood how Bard Midco Limited is complying with those frameworks by making enquiries of management to understand how the Company maintains and communicates its policies and procedures in these areas and corroborated this by reviewing supporting documentation, such as Board minutes and correspondence with authorities.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by assessing revenue to be a fraud risk.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved:
    - We performed testing of journal entries by specific risk criteria and our testing of revenue recognition using data analytics. We tested specific transaction back to source documentation or independent confirmation, ensuring appropriate authorisation of the transactions. We evaluated the business rationale of significant transactions outside the normal course of business;
    - We read minutes of meetings of those charged with governance where available; and
    - We read financial statements disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Ernst & Young LLP

Rachel Savage (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
29 May 2024

GROUP STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2023

	Notes	*Year ended 31 December 2023*	*Year ended 31 December 2022 Continuing operations*	*Year ended 31 December 2022 Discontinued operations*	*Year ended 31 December 2022 Total*
		£000	*£000*	*£000*	*£000*
TURNOVER	2	1,051,656	960,133	232,984	1,193,117
Cost of sales		(776,382)	(702,107)	(172,665)	(874,772)
GROSS PROFIT		275,274	258,026	60,319	318,345
Administrative expenses		(244,150)	(221,555)	(44,997)	(266,552)
Exceptional administrative expenses	4	(5,720)	(4,697)	-	(4,697)
GROUP OPERATING PROFIT	3	25,404	31,774	15,322	47,096
(Loss) / profit on disposal of operations	5	(5,000)	173,142	-	173,142
Interest receivable	8	414	752	-	752
Interest payable	8	(187,384)	(151,582)	(4,421)	(156,003)
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(166,566)	54,086	10,901	64,987
Tax credit / (charge) on (loss) / profit on ordinary activities	9	26,883	7,615	(4,372)	3,243
(LOSS) / PROFIT FOR THE FINANCIAL YEAR		(139,683)	61,701	6,529	68,230

There were no recognised gains or losses in either year other than those recognised in the income statement.

The notes on pages 28 to 45 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE GROUP
for the year ended 31 December 2023

	Share capital £000	*Share premium £000*	*Profit and loss account £000*	*Capital contribution reserve £000*	*Total shareholders' funds £000*
At 1 January 2022	8,666	857,977	(54,679)	5,900	817,864
Profit for the year	–	–	68,230	–	68,230
Transfer from share premium	–	(857,977)	857,977	–	–
Share based payment transactions	–	–	–	5,900	5,900
At 1 January 2023	8,666	–	871,528	11,800	891,994
Loss for the year	–	–	(139,683)	–	(139,683)
Share based payment transactions	–	–	–	5,900	5,900
At 31 December 2023	8,666	–	731,845	17,700	758,211

STATEMENT OF CHANGES IN EQUITY FOR THE COMPANY
for the year ended 31 December 2023

	Share capital £000	*Share premium £000*	*Profit and loss account £000*	*Total shareholders' funds £000*
At 1 January 2022	8,666	857,977	–	866,643
Result for the year	–	–	–	–
Transfer from share premium	–	(857,977)	857,977	–
At 1 January 2023	8,666	–	857,977	866,643
Result for the year	–	–	–	–
At 31 December 2023	8,666	–	857,977	866,643

The notes on pages 28 to 45 form part of these financial statements.

GROUP STATEMENT OF FINANCIAL POSITION
At 31 December 2023

	Notes	2023 £000	2022 £000
ASSETS			
NON - CURRENT ASSETS			
Intangible assets and goodwill	11	841,094	907,667
Tangible assets	12	2,408,166	2,338,746
		3,249,260	3,246,413
CURRENT ASSETS			
Stocks	15	37,422	43,389
Debtors: amounts falling due within one year	16	166,331	170,733
Debtors: amounts falling due after one year	16	20,992	20,398
Cash at bank and in hand		15,965	43,973
		240,710	278,493
CREDITORS: amounts falling due within one year	17	(234,749)	(213,826)
NET CURRENT ASSETS		5,961	64,667
TOTAL ASSETS LESS CURRENT LIABILITIES		3,255,221	3,311,080
CREDITORS: amounts falling due after more than one year			
Revolving credit facility	18	(135,000)	-
Secured senior loans	18	(1,695,347)	(1,738,584)
Other creditors	18	(207)	(213)
		(1,830,554)	(1,738,797)
PROVISIONS FOR LIABILITIES	19	(429,109)	(451,103)
DEFERRED INCOME	20	(237,347)	(229,186)
NET ASSETS		758,211	891,994
CAPITAL AND RESERVES			
Called up share capital	22	8,666	8,666
Capital contribution reserve		17,700	11,800
Profit and loss account		731,845	871,528
EQUITY SHAREHOLDERS' FUNDS		758,211	891,994

The notes on pages 28 to 45 form part of these financial statements.

Approved by the Board and signed on its behalf by

I S MacMillan
Director

P C Flaum
Director

29 May 2024

PARENT COMPANY STATEMENT OF FINANCIAL POSITION
At 31 December 2023

	Notes	2023 £000	2022 £000
FIXED ASSETS			
Investment in subsidiaries	14	866,543	866,543
CURRENT ASSETS			
Debtors: amounts falling due within one year	16	12,498	11,791
CREDITORS: amounts falling due within one year	17	(12,398)	(11,691)
NET CURRENT ASSETS		100	100
TOTAL ASSETS LESS CURRENT LIABILITIES		866,643	866,643
CAPITAL AND RESERVES			
Called up share capital	22	8,666	8,666
Profit and loss account		857,977	857,977
EQUITY SHAREHOLDERS' FUNDS		866,643	866,643

The Company has elected to take exemption under section 408 of the Companies act 2006 not to present the Company Income Statement. The Company did not generate any profit or loss during the year ended 31 December 2023 (2022: £nil).

The notes on pages 28 to 45 form part of these financial statements.

Approved by the Board and signed on its behalf by

I S MacMillan
Director

P C Flaum
Director

29 May 2024

GROUP STATEMENT OF CASH FLOWS
for the year ended 31 December 2023

	Notes	2023	2022
		£000	£000
CASH FLOW FROM OPERATING ACTIVITIES			
Operating profit		25,404	47,096
Amortisation of intangible assets and goodwill	11	81,470	96,480
Depreciation of property, plant and equipment	12	121,195	121,837
Share based payment (equity settled)		5,900	5,900
Net book value of hire fleet disposed of		12,399	-
Working capital movements:			
Decrease / (increase) in stocks		5,967	(28,718)
Decrease / (increase) in debtors		7,169	(43,872)
Increase in creditors		10,510	24,378
Increase in deferred income		8,161	20,631
Taxation received / (paid)		1,598	(5,229)
NET CASH INFLOW FROM OPERATING ACTIVITIES		279,773	238,503
INVESTING ACTIVITIES			
Interest received		414	752
Payments to acquire intangible fixed assets		(14,897)	(10,574)
Payments to acquire tangible assets		(213,738)	(208,930)
Receipts from sales of tangible assets		-	7,867
Purchase of subsidiary undertaking, net of cash acquired	13	(1,487)	(18,931)
Purchase of Runnymede assets and liabilities, net of cash acquired	13	-	(50,619)
Sale of subsidiary undertaking, net of cash released		-	246,803
Net cash flow from investing activities		(229,708)	(33,632)
FINANCING ACTIVITIES			
Interest paid on Senior Loans and other facilities		(173,073)	(126,217)
Interest paid to Bard Topco		-	(51,332)
Loan principal repayment to Bard Topco		-	(497,818)
Net proceeds from Butlin's Ground Rent		-	300,000
Increase in revolving credit facility	18	135,000	-
Long-term loan repayment	18	(40,000)	-
Net cash flow from financing activities		(78,073)	(375,367)
DECREASE IN CASH AND CASH EQUIVALENTS		(28,008)	(170,496)
OPENING CASH AND CASH EQUIVALENTS		43,973	214,469
CLOSING CASH AND CASH EQUIVALENTS		15,965	43,973

The notes on pages 28 to 45 form part of these financial statements.

1. ACCOUNTING POLICIES

Bard Midco Limited (the "Company) is a company incorporated by shares and domiciled in England and Wales, registration number 13081881. The registered office is 1 Bartholomew Lane, London, EC2N 2AX.

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group") for the year ended 31 December 2023. The parent company financial statements present information about the Company as a separate entity and not about its group for the year ended 31 December 2023. The presentation currency of these financial statements is sterling and rounded to the nearest £000.

Both the parent Company financial statements and the Group financial statements have been prepared and approved by the directors in accordance with Financial Reporting Standard 102 ("FRS 102"). On publishing the parent company financial statements here together with the group financial statements, the Company is taking advantage of s408 of the Companies Act 2006 not to present its individual income statement and related notes that form part of these approved financial statements.

Measurement convention
The financial statements are prepared on the historical cost basis with the exception of derivative financial instruments which are measured at fair value.

Basis of consolidation
The consolidated financial statement includes the financial statements of the Company and its subsidiary undertakings made up to 31 December 2023. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the period are included in the consolidated income statement from the date of acquisition or up to the date of disposal.

Going concern
The Group's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and its exposure to interest rate, credit, liquidity and cash flow risk are set out in the Strategic Report above.

The Group has considerable financial resources from its established operations. The Group also has substantial long-term committed financing arrangements. Following the year end, Bard Topco Limited (the Company's parent company) provided additional loans to the Group of £120m. Taking this and all other factors into account, the Directors believe that the Group is well placed to manage its business risks successfully.

A severe but plausible downside scenario has modelled a profit (EBITDA) decline of 11% vs. the year ended 31 December 2023 across the assessment period. This aims to capture the potential slowdown in consumer spending influenced by the current cost of living crisis. Throughout this scenario we have assumed maintenance capital expenditure levels will continue at historical levels, no operating cost mitigation actions or structural changes will be made and there would be no government support. In this scenario the group would not require any additional sources of finance.

The financial statements are prepared under the going concern basis. The Directors believe this is appropriate as the Group is expected to deliver increased profitability and cash generation in 2024 whilst also being able to meet its debts as they fall due for the period to 29 June 2025, being the going concern testing assessment period.

The Group has a senior facilities agreement of £1,760 million which is not fully repayable until 26 February 2026 and a £200 million super senior revolving facility to fund the activities of the Group. Following the year end, the repayment dates of the senior facilities and revolving facilities were subsequently extended by two years (see Note 27). A letter of support from Bard Topco Limited has been provided with the unconditional right to support any debts that fall due up until 29 June 2025. Taking this and all other factors into account, the Directors believe that the Group is able to manage its business risks successfully.

Exceptional items
The Group classifies certain one-off charges or credits that have a material impact on the Group's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the Group.

Stocks
Stocks of caravans and other goods for resale are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition.
Net realisable value is based on the estimated selling price less any further costs expected to be incurred to completion and disposal.

1. ACCOUNTING POLICIES (CONTINUED)

Property, Plant and Equipment
Property, Plant and Equipment are stated at cost less accumulated depreciation. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life as follows:

Freehold and long leasehold buildings	– Between 20 years and 125 years
Short leasehold buildings	– Over the term of the lease
Long life plant and machinery	– 10 years
Vehicles	– 4 years
Fixtures and fittings	– 6 years
Computer equipment	– 3 to 4 years

Land is not depreciated.

Caravans for hire are depreciated on a straight-line basis to their estimated value at the date on which they are due for replacement.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Intangible assets and goodwill

Goodwill
Goodwill recognised represents the excess of the fair value of the purchase consideration over the fair values of the Group's interest in the identifiable assets, liabilities and contingent liabilities acquired. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Group Income Statement over its useful economic life of 10 years.

Impairment of fixed assets and goodwill
Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or the cash generating unit to which the asset has been allocated) is tested for impairment. Any impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less cost to sell and value in use.

Other intangible assets
Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight-line basis over their estimated useful lives. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The useful economic lives of intangible assets are as follows:

Brand valuations – 25 years

Development costs – 4 years

If there are indicators that the residual value or useful life of an intangible asset has changed since the most recent annual reporting period previous estimates shall be reviewed and, if current expectations differ the residual value, amortisation method or useful life shall be amended. Changes in the expected useful life or the expected pattern of consumption of benefit shall be accounted for as a change in accounting estimate.

Deferred income
Income invoiced or cash received for site fees, holidays and other goods and services relating to future periods is included within deferred income.

Pension costs
Pension contributions are made to defined contribution schemes for certain employees. These contributions are charged to the profit and loss account as they are incurred.

1. ACCOUNTING POLICIES (CONTINUED)

Revenue recognition
Revenue is recognised to the extent that the Group obtains the right to consideration in exchange for its performance. Revenue represents the amounts derived from the provision of goods and services which fall within the Group's ordinary activities, stated net of VAT. Revenue is measured at the fair value of the consideration received, net of discounts, rebates and value added tax. Revenue comprises:

Holiday sales
Revenue received for holiday sales is initially deferred and subsequently recognised when the holiday commences.

Caravan sales and owner services
Sales of caravans are recognised when risks and rewards have been transferred to the purchaser. Owner services include site fees which are paid annually. The fees are deferred and released across the period to which they relate.

Retail sales
Sales of goods through our onsite facilities are shown net of returns and discounts. Retail sales are generally recognised at the point of cash receipt.

Advertising and promotional activities
Expenditure is recognised as an expense when the Group receives the service.

Leasing commitments
Rentals paid under operating leases are charged to income on a straight-line basis over the term of the lease.

Hire purchase contracts
Amounts receivable under hire purchase contracts are included within debtors and represent the total amount outstanding under hire purchase agreements less earned income. Hire purchase income, having been allocated to accounting periods to give a constant periodic rate of return on the net cash investment, is included within turnover.

Deferred tax
Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that:

- where there are differences between amounts that can be deducted for tax for assets (other than goodwill) and liabilities compared with the amounts that are recognised for those assets and liabilities in a business combination a deferred tax liability / (asset) shall be recognised. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised; and
- unrelieved tax losses and other deferred tax assets are recognised only to the extent that the Directors consider that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Cash and cash equivalents
Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity date of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

1. ACCOUNTING POLICIES (CONTINUED)

Financial instruments

The group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled; or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party; or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derivative financial instruments, including interest rate swaps, are not basic financial instruments and the Group does not apply hedge accounting. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

1. ACCOUNTING POLICIES (CONTINUED)

Share - based payment awards

Equity-settled transactions

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments granted at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined by an external valuer using an appropriate pricing model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the company (market conditions) and non-vesting conditions. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance conditions are satisfied.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions and of the number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity.

Where the terms of an equity-settled award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any cost not yet recognised in the profit and loss account for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value expensed in the profit and loss account.

The financial effect of awards by the parent company of equity-settled awards to the employees of subsidiary undertakings are recognised by the parent company in its individual financial statements. In particular, the parent company records an increase in its investment in subsidiaries with a credit to equity equivalent to the expense for the equity-settled award recognised in the group for such awards. There are no recharges to the subsidiary undertakings for such awards.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the income statement on a systemic basis over the periods in which the Group recognises as expenses the related operating costs for which the grants are intended to compensate.

1. ACCOUNTING POLICIES (CONTINUED)

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates.

Key accounting judgements

The following are the key judgements, apart from those involving estimates, dealt with separately below, that management have made in the process of applying the Company's accounting policies and which have the most significant effect on the amounts recognised in the financial statements.

Going concern

The directors exercise judgement when concluding on going concern as the basis of preparation of the financial statements. For further details see Going Concern on page 28.

Goodwill and intangible assets

The Group establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

Development expenditure

Development expenditure is capitalised in accordance with the accounting policy given above. Initial capitalisation of costs is based on management's judgement that technical and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

Deferred tax

The Group recognises expected liabilities for tax based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual liability arising from these items differs from these estimates, such differences will have an impact on corporation tax and deferred tax provisions in the period when such determination is made. Details of the tax charge and deferred tax are set out in Note 9.

Key accounting estimates

The following are the key areas of estimation uncertainty that may have the most significant effect on the amounts recognised in the financial statements.

Public liability claims

The Group recognises a provision for public liability claims relating to accidents that have occurred at its sites. Management make an estimate of the potential claim value based on guidance from lawyers, in house specialists and previous experience. The public liability provision is a liability of £15,260,000 (2022: £14,788,000) held within accruals. Expected insurance recoveries amount to £7,475,000 (2022: £7,475,000), giving a net liability of £7,785,000 (2022: £7,313,000).

2. TURNOVER

Turnover represents the amounts derived from the provision of goods and services, net of discounts, VAT and similar taxes. It includes £437.4m (2022: £504.1m) for the sale of goods and £614.2m (2022: £689.0m) for the sale of services. The Group operates in one principal area of activity, being the operation of holiday centres within the United Kingdom only. All operations were continuing.

3. GROUP OPERATING PROFIT

This is stated after charging:		*2023*	*2022*
		£000	*£000*
Amortisation of brand intangibles		19,492	22,414
Amortisation of goodwill		54,020	68,907
Amortisation of intangible fixed assets		7,958	5,159
Depreciation of tangible fixed assets		121,195	121,837
Fees payable to the Company's auditor and its associates for the audit of the parent company and the Group's financial statements		145	384
Fees payable to the Company's auditor and its associates for other services	- audit of the Company's subsidiaries	502	405
	- audit-related assurance services	8	8
Operating lease rentals	- land and buildings	2,433	2,995
	- plant and machinery	2,908	2,491

4. EXCEPTIONAL ITEMS

The following item has been presented separately on the face of the Income Statement due to its size or because it relates to an isolated and non-recurring event:

	2023	*2022*
	£000	*£000*
Restructuring costs	5,720	4,697

During 2022, the Group performed a one-off review of operating structures for which it incurred consultancy costs and the costs of redundancies. Following the sale of Butlin's, this provided the Group and remaining Brands with a more efficient operating structure.
During 2023 the Group incurred further costs following the 2022 review and incurred one-off costs relating to the separation of Butlin's from the Group.

5. (LOSS) / PROFIT ON DISPOSAL OF OPERATIONS

On 19 October 2022, the Group sold Butlins Skyline Limited and its subsidiaries for a cash consideration of £287.1 million, less costs of disposal of £14.9 million.
The carrying value of net assets at the date of disposal was £99.1 million leading to a profit of £173.1 million being recognised on disposal.
The net cash flow effect of the disposal was £272.2 million less cash retained by Butlin's of £25.4 million.
Butlins Skyline Limited concluded a Ground Rent transaction on its properties on 6 July 2022 resulting in the receipt of £300 million and the creation of a financial liability of the same amount.

In February 2024, the Group made a payment of £5 million to a Shareholder of Bard Topco Limited which is classed as a reduction to the cash consideration received on the sale of Butlins Skyline Limited.

6. STAFF COSTS

	2023	2022
	£000	£000
Wages and salaries	267,120	295,386
Social security costs	20,118	22,240
Other pension costs	3,920	4,096
Total staff costs	291,158	321,722

The average monthly number of employees was made up as follows:

	2023	2022
	No.	No.
Operations	12,617	15,962
Administration	148	145
	12,765	16,107

The Company did not have any employees or staff costs during the year (2022: £nil).

7. DIRECTORS' REMUNERATION

	2023	2022
	£000	£000
Aggregate remuneration in respect of qualifying services	2,456	1,807

The amounts in respect of the highest paid Director were as follows:

Aggregate remuneration	1,079	911

The remuneration of the key executive management, including Directors, was £2,456,000 (2022: £2,271,000).

8. INTEREST

	2023	2022
	£000	£000
Interest receivable:		
Short-term deposits	414	752
Interest payable:		
Bank loans and overdrafts	183,868	123,026
Financial derivatives (see Note 21)	(3,954)	(3,902)
Other loans	-	4,383
Interest payable to parent company	707	25,733
Amortisation of loan refinancing costs	6,763	6,763
	187,384	156,003

9. TAX

(a) Tax on (loss) / profit on ordinary activities. The tax credit is made up as follows:

	Group	
	2023	*2022*
	£000	*£000*
Current tax		
Corporation tax (credit) / charge at 23.5% (2022: 19%) on the (loss) / profit for the year	(11)	4,951
Adjustment in respect of previous years	(4,880)	5,733
Current tax	(4,891)	10,684
Deferred tax		
Current year movement	(21,731)	(15,816)
Adjustment in respect of previous years	(261)	1,889
Origination and reversal of timing differences (Note 19)	(21,992)	(13,927)
Tax credit on (loss)/profit on ordinary activities	(26,883)	(3,243)

(b) Factors affecting the total tax charge

The tax assessed on the (loss) / profit on ordinary activities for the year is different from the standard rate of corporation tax in the UK of 23.5% (2022: 19%). The differences are reconciled below:

	2023	*2022*
	£000	*£000*
(Loss) / profit before taxation	(166,566)	64,987
(Loss) / profit before tax multiplied by standard rate of corporation tax in the UK of 23.5% (2022: 19%)	(39,143)	12,347
Expenses not deductible for tax purposes	18,504	(19,472)
Adjustments to tax charge in respect of previous periods – current tax	(4,880)	5,733
Gains rolled over	(37)	-
Adjustments to tax charge in respect of previous periods – deferred tax	(261)	1,889
Effect in changes of tax rate	(1,332)	(3,740)
Movement in deferred tax not recognised	-	-
Other permanent differences	266	-
Tax credit on (loss)/profit on ordinary activities	(26,883)	(3,243)

(c) Factors that may affect future tax charges

On 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021. Deferred tax has been calculated at 25% which was the tax rate substantively enacted at 31 December 2023.

The BEPS Pillar Two Minimum Tax legislation has been enacted or substantively enacted in jurisdictions in which the Group operates. The legislation will be effective for the Group's financial year beginning 1 January 2024. The Group has applied the temporary exception under IAS 12 in relation to the accounting for deferred taxes arising from the implementation of the Pillar Two rules.

The Group is in scope of the enacted or substantively enacted legislation and is the process of assessing the Group's potential exposure to Pillar Two income taxes. The initial assessment of the potential exposure to Pillar Two income taxes is based on the most recent tax filings, country-by-country reporting and financial statements for the constituent entities in the Group.

Based on the initial assessment, the Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions.

10. COMPANY PROFIT

As permitted by section 408 of the Companies act 2006, the Company's income statement has not been included in these financial statements. The Company did not generate any profit or loss during the year (2022: £nil).

11. INTANGIBLE ASSETS AND GOODWILL

Group	***Brand*** ***£000***	***Goodwill*** ***£000***	***Development costs*** ***£000***	***Total*** ***£000***
Cost:				
At 1 January 2023	487,300	542,777	19,878	1,049,955
Additions	-	-	14,897	14,897
At 31 December 2023	487,300	542,777	34,775	1,064,852
Amortisation:				
At 1 January 2023	35,735	99,036	7,517	142,288
Provided during the year	19,492	54,020	7,958	81,470
At 31 December 2023	55,227	153,056	15,475	223,758
Net book value:				
At 31 December 2023	432,073	389,721	19,300	841,094
At 31 December 2022	451,565	443,741	12,361	907,667

The Brand intangibles arise following the acquisition of the Bourne Leisure Holdings Limited Group. They included the Haven and Warner Brands at the start of 2023, following the sale of Butlin's during 2022. The value is being amortised evenly over the Directors' estimate of the useful lives of 25 years.

Goodwill acquired through business combinations represents the excess of the fair value of the purchase consideration over the fair values to the Group's interest in the identifiable net assets and liabilities acquired.

Goodwill arising on the acquisition of Bourne Leisure Holdings Limited is being amortised evenly over the Directors' estimate of its useful life of 10 years.

Development costs are amortised evenly over a period of 4 years.

The company has no intangible assets or goodwill.

12. TANGIBLE FIXED ASSETS

	Land and buildings				
	Freehold	***Long leasehold***	***Short leasehold***	***Plant and equipment***	***Total***
Group	***£000***	***£000***	***£000***	***£000***	***£000***
Cost:					
At 1 January 2023	2,007,847	194,013	33,442	276,910	2,512,212
Additions	77,085	10,432	1,931	113,572	203,020
Disposals	(11,642)	(678)	(470)	(39,592)	(52,382)
At 31 December 2023	2,073,290	203,767	34,903	350,890	2,662,850
Depreciation:					
At 1 January 2023	85,555	9,399	5,212	73,300	173,466
Provided during the year	54,776	5,832	3,075	57,512	121,195
Disposals	(11,642)	(679)	(464)	(27,192)	(39,977)
At 31 December 2023	128,689	14,552	7,823	103,620	254,684
Net book value:					
At 31 December 2023	1,944,601	189,215	27,080	247,270	2,408,166
At 31 December 2022	1,922,292	184,614	28,230	203,610	2,338,746

The Group’s senior loans were secured jointly on the Group’s assets.

13. ACQUISITIONS AND DISPOSALS

Previous year acquisitions

Walter John Cook and Sons Limited

On 18 February 2022 the Group acquired a caravan park operator, Walter John Cook and Sons Limited. Total consideration was £21.4m. The book value of the net assets acquired was £11.1m. The difference between the book value and fair value of £10.3m was classed as land and buildings. The Group included the post-acquisition results and balance sheet of Walter John Cook and Sons Limited using the acquisition method of accounting.

The cash flow impact of the purchase of the subsidiary undertaking, net of cash acquired was £18,931,000, consisting of the cash paid of £19,791,000 less cash acquired of £860,000. The final consideration of £1,487,000 was paid in 2023. On 31 March 2023, Walter John Cook and Sons Limited was hived up into Haven Leisure Limited using the merger method of accounting.

The Runnymede on Thames

On 28 March 2022 the Group acquired the trade and assets of the Runnymede on Thames hotel. Total consideration was £50.6m. The book value and fair value of the net assets acquired was £16.3m. The difference between the book value and fair value of £34.3m was classed as land and buildings. The Group included the post-acquisition results and balance sheet of the Runnymede on Thames hotel using the acquisition method of accounting.

The cash flow impact of the purchase of Runnymede's assets and liabilities, net of cash acquired was £50,619,000, consisting of the cash paid of £50,625,000 less cash acquired of £6,000.

Previous year disposal of subsidiary

Butlins Skyline Limited

On 19 October 2022, the Group completed the sale of Butlins Skyline Limited and its subsidiaries for a consideration of £287,100,000 in cash less costs of disposal of £14,887,000.

The Group's carrying value of the net assets at the date of disposal was £99,071,000 leading to a profit of £173,142,000 being recognised on disposal.

The net cash flow effect of the disposal was £246,803,000 consisting of the cash consideration of £287,100,000, less costs of disposal of £14,887,000, less cash retained by Butlin's of £25,410,000.

14. INVESTMENTS IN SUBSIDIARIES

Company	***2023***	***2022***
	£000	***£000***
Bard Bidco Limited	866,543	866,543

The subsidiary undertakings, all of which are wholly owned and registered at 1 Park Lane, Hemel Hempstead, HP2 4YL (except where indicated below), comprise the following:

Owned directly	*Activities*
Bard Bidco Limited	Holding company
Owned indirectly	*Activities*
Bourne Leisure Holdings Limited	Holding company
Foray 989 Limited	Holding company
Bourne Leisure Limited	Holding company
Colaingrove Limited	Holding company
Evergreen Finance Limited	Finance company
Guardian Shield Insurance Limited*	Insurance company
Bridge Street (Nominees) Limited ^	Nominee company
Melesey Limited	Administrative services
Bourne Holidays Transport Services Limited	Transportation services
Leisure Employment Services Limited ^	Employment services
Haven Leisure Limited	Caravan park operator
Palmhall Limited ^	Caravan park operator
Astril Limited ^	Caravan park operator
Walter John Cook and Sons Limited^	Caravan park operator
Celtic Haven Limited ^	Operation of holiday park
Bourne Holidays Limited	Hotel operator
Heythrop Park Limited ^	Hotel operator
BL Park Lane Limited (incorporated in the Isle of Man)**	Property rental company
Amtree Farm Development Limited #	Dormant
B. L. (British Holidays) Limited #	Dormant
Berwick Holiday Centre Limited #	Dormant
Bourne Leisure (Hopton) Limited #	Dormant
Bourne Leisure Group Limited ^	Dormant
Far Grange Park and Golf Club Limited #	Dormant
Flamborough Holidays Limited #	Dormant
Greenacres Holiday Park Limited #	Dormant
Haggerston Castle Limited #	Dormant
JPB Leisure Limited #	Dormant
Kiln Park Estates Limited #	Dormant
Lakeland Holiday Park Limited #	Dormant
Leisure Services Agency Limited #	Dormant
Rockley Sands (Estates) Limited #	Dormant
SLC (Bourne) Limited #	Dormant
Seton Sands Holiday Centre Limited ***#	Dormant
Warner Holidays Limited #	Dormant

* Company denoted here is incorporated in Guernsey and has a registered address of PO Box 33, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 4AT.

** Company denoted here has a registered address of First Names House, Victoria Road, Douglas, Isle of Man IM2 4DF.

*** Company denoted here has a registered address of Seton Sands, Longniddry, East Lothian EH32 0QF.

^ Companies denoted here have taken a parental guarantee and are not audited. The parent company, Bard Midco Limited, has guaranteed the liabilities of the subsidiaries denoted above in order that they qualify for the exemption from individual audit under Section 479A of the Companies Act 2006 in respect of the year ended 31 December 2023.

Companies denoted here are dormant subsidiaries which are exempt from the requirements relating to the audit of the accounts under Section 394 of the Companies Act 2006.

15. STOCKS

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Stock	37,422	43,389	–	–

There is no significant difference between the current replacement cost of stocks and the amounts at which they are stated in the balance sheet.

The value of stock written off in the year was £19,000 (2022 - £694,000). The value of stock purchased and expensed to the profit and loss account was £176,952,000 (2022 - £196,226,000).

16. DEBTORS

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Trade debtors	104,383	101,285	-	-
Amounts due from parent undertaking	4,247	3,616	100	100
Loan due from subsidiary	-	-	12,398	11,691
Net investment in hire purchase contracts	26,155	25,415	-	-
Corporation tax	-	2,083	-	-
Derivative financial instruments (see Note 21)	8,390	9,602	-	-
Other debtors	14,928	12,674	-	-
Prepayments	29,220	36,456	-	-
	187,323	191,131	12,498	11,791

Included in net investment in hire purchase contracts are amounts falling due after more than one year of £20,992,000 (2022 - £20,398,000). Most of the contracts are for a period of seven years. Unearned interest on the hire purchase contracts (excluded from the figures above) is £6,373,000 (2022 - £5,153,000).

The intercompany loan receivable of £12,398,000 (2022 - £11,691,000) is due from Bard Bidco Limited, a subsidiary undertaking. This relates to a loan provided on 1 March 2021 which is repayable on demand and incurs annual interest of 6%, compounded annually on 31 March. Interest of £707,000 was accrued during 2023.

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Loan due to parent undertaking	12,398	11,691	12,398	11,691
Secured senior loans (see Note 18)	50,000	40,000	-	-
Trade creditors	28,062	35,251	-	-
Corporation tax	102	-	-	-
Other taxes and social security	37,154	25,610	-	-
Other creditors	5,144	6,157	-	-
Accruals	101,889	95,117	-	-
	234,749	213,826	12,398	11,691

The intercompany loan payable of £12,398,000 (2022 - £11,691,000) is due to Bard Topco Limited, the immediate parent company, a company incorporated in Jersey. This relates to a loan provided on 1 March 2021 which is repayable on demand and incurs annual interest of 6% which is compounded annually on 31 March. Interest of £707,000 was accrued during 2023.

Following the year end, the loan payable to Bard Topco Limited increased by £120 million, under the same terms as the previous loan.

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2023 £000	*Group 2022 £000*
Secured senior loans	1,710,000	1,760,000
Amortised value of loan issue costs	(14,653)	(21,416)
Secured senior loans, net of issue costs	1,695,347	1,738,584
Revolving credit facility	135,000	-
Other creditors	207	213
	1,830,554	1,738,797
Analysis of loans by maturity		
Repayable as follows:		
Between one and two years	135,000	-
Between two and five years	1,710,000	1,760,000
	1,845,000	1,760,000

	Group 2023 £000	*Group 2022 £000*
Details of loans at the year end:		
Revolving credit facility		
Repayable on 26 August 2025, interest is charged at 3.25% above SONIA	135,000	-
Secured senior loans		
Senior Term Facility repayable on 26 February 2026 Interest is charged at 5.35% above SONIA	1,760,000	1,800,000
Amount due within one year (see Note 17)	(50,000)	(40,000)
Amount due after more than one year	1,845,000	1,760,000

Analysis of changes in net debt

	At 1 January 2023 £000	*Cash flow £000*	*At 31 December 2023 £000*
Cash at bank and in hand	43,973	(28,008)	15,965
Revolving credit facility	-	(135,000)	(135,000)
Secured senior loans	(1,800,000)	40,000	(1,760,000)
Net debt due to third parties	(1,756,027)	(123,008)	(1,879,035)

On 19 February 2021, Bard Bidco Limited, a subsidiary of the Company, entered into a senior facilities agreement of £1,800 million repayable on 26 February 2026 which incurs annual interest of 5.35% plus SONIA.

On 19 February 2021, the Company also entered into a £200 million super senior revolving facility repayable on 26 August 2025 which incurs interest at 3.25% plus SONIA. £135 million (2022: £nil) of the £200 million super revolving facility was drawn at the year end.

On 6 September 2022, the Group agreed an amendment of the Senior Term Facility to amend the repayment terms following the disposal of the Butlin's Group. This amendment requires £232m of the facility to be repaid over five annual instalments commencing November 2023. The first instalment of £40m was made on 15 November 2023. The second instalment of £50m is due on 15 November 2024.

The loan issue costs were £33,814,000. The amortised value at 31 December 2023 was £14,653,000 (2022 - £21,416,000) and the total senior debt net of issue costs was £1,745,347,000 (2022 - £1,778,584,000).

The above senior loans were secured against the Group's assets.

19. PROVISIONS FOR LIABILITIES

	Group Deferred tax 2023 £000	*Group Deferred tax 2022 £000*
At beginning of period	451,103	533,277
Deferred tax recognised on business combination	-	4,297
Deferred tax on disposal of subsidiary undertaking	-	(72,544)
Recognised on Brand valuation and property, plant and equipment uplift	-	-
(Credited)/charged to profit and loss account – current year	(21,731)	(13,927)
– in respect of previous years	(263)	-
At end of period	429,109	451,103

The deferred tax provided at 25% (2022: 25%) is as follows:

	Group 2023 £000	*Group 2022 £000*
Accelerated capital allowances	78,768	66,763
Fair value of property, plant and equipment	253,587	256,930
Intangible fixed assets	108,018	112,892
Gains rolled over into replacement assets	44,309	40,700
Other short-term timing differences	(16,622)	(178)
Losses	(38,951)	(26,004)
	429,109	451,103

The net amount of deferred tax that is expected to reverse in the next accounting period is £30,421,000.

Factors that may affect future tax charges:

The Group has tax losses arising in the UK of £155,805,000 (2022: £104,017,000) that are available indefinitely for offset against future taxable profits of those companies in which the losses arose. Deferred tax assets have been recognised in respect of the tax losses.

20. DEFERRED INCOME

Deferred income comprises income invoiced or cash received for site fees, holidays and other goods and services relating to future periods. At the balance sheet date, all deferred income is due within one year.

21. FINANCIAL DERIVATIVES

To partly mitigate the interest risk relating to adverse movements in the interest rate on the senior facility agreement, the Group paid a premium on a notional amount of £1,350 million to cap the interest rate on the floating element at 1% for one year, with a maturity date of 25 February 2022. In August 2022 the Group paid a premium on a notional amount of £1,350 million to cap the interest rate on the floating element at 3% for one year, with a maturity date of 15 August 2023. On 24 February 2023, the Group entered into another interest rate cap at 3% for a notional amount of £1,350 million covering the period 15 August 2023 to 26 February 2024. In February 2024 this was further extended to February 2025 with an interest rate cap rate of 3.5% covering a notional amount of £1,320 million, reducing to £1,270 million on 15 November 2024.

The fair value of the interest rate cap at 31 December 2023 was an asset of £8,390,000 (2022 - £9,602,000) and is included within debtors. Quoted prices are not available for the interest rate cap and therefore the fair value has been calculated using a valuation technique. The valuation technique uses an option pricing model to discount the expected future cash flows at prevailing observable interest rates. The most significant assumption is the discount rate; a risk-free rate based on UK government bonds.

22. SHARE CAPITAL

	2023	*2022*
	£000	*£000*
Called up, allotted and fully paid:		
866,643,377 ordinary shares of £0.01 each	8,666	8,666

The Company was incorporated on 15 December 2020 with one share with a nominal value of £0.01.

In relation to the acquisition of Bourne Leisure Holdings Limited on 26 February 2021, Bard Midco Limited issued 859,896,607 ordinary shares of £0.01 each at an aggregate subscription price of £859,896,607 to its immediate parent company, Bard Topco Limited.

Furthermore, on 3 March 2021, the Company issued 2,500,000 ordinary shares at an aggregate subscription price of £2,500,000 with a nominal value of £25,000. The Company also issued 4,246,769 ordinary shares on 24 March 2021 at an aggregate subscription price of £4,246,769 with a nominal value of £42,468.

23. CAPITAL COMMITMENTS

	Group	*Group*	*Company*	*Company*
	2023	*2022*	*2023*	*2022*
	£000	*£000*	*£000*	*£000*
Amounts contracted but not incurred at year end	21,301	28,787	-	-

24. PENSION COMMITMENTS

The Group operates a defined contribution pension scheme for certain employees and in addition has made available to all employees a stakeholder defined contributions scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. At the year end the Group had contributions payable to the scheme of £853,000 (2022: £764,000).

25. OTHER FINANCIAL COMMITMENTS

Group
The Group leases various land and buildings and plant and equipment under non-cancellable operating leases. At 31 December 2023 the Group had future minimum payments under non-cancellable operating leases as set out below:

	2023	2022
	£000	£000
Amounts payable:		
Not later than one year	3,651	3,511
Later than one year and not later than five years	11,804	10,504
Later than five years and not later than ten years	12,022	11,792
Due after ten years	99,872	102,224
	127,349	128,031

Company
The Company had no operating lease commitments in the year ended 31 December 2023 or the year ended 31 December 2022.

On 31 December 2023, the Group had commitments under forward contracts to purchase electricity and gas in 2024 and 2025 for the Group's own use at a contracted value of £15,050,000 (2022: £13,651,000).

26. RELATED PARTY TRANSACTIONS

The Group paid support service fees to Revantage Europe, a company which is part of the Blackstone Group Inc (which manages and advises the funds of which the company is a subsidiary), of £757,000 during the year (2022: £506,000).

The Group charged fees of £7,051,000 (2022: £1,664,000) to Butlins Skyline Limited under a Transitional Services Agreement following the sale of that company.

27. EVENTS AFTER THE REPORTING PERIOD

Following the year end, on 24 May 2024 the Senior Term Facility repayment date was extended by two years from 26 February 2026 to 26 February 2028. The Revolving Credit Facility repayment date was also extended by two years from 26 August 2025 to 26 August 2027. At 31 December 2023, the Senior Term facility was £1,760 million and was fully drawn and the Revolving Credit Facility was £200 million, of which £135 million was drawn.

Following the year end, the Group received additional loans of £120 million from Bard Topco Limited (see Note 17).

28. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Bard Topco Limited is the Company's immediate parent undertaking, a Company incorporated in Jersey. The controlling parties are funds advised by the Blackstone Group, a private equity management firm.