

# **DARWIN LEISURE PROPERTY FUND**

Report & Audited Consolidated Financial Statements

For the year ended 30 September 2024

## **TABLE OF CONTENTS**

**For the year ended 30 September 2024**

	Page
GENERAL INFORMATION	2 - 3
MANAGER'S REPORT	4 - 6
INVESTMENT ADVISER'S REPORT	7 - 10
RESPONSIBLE INVESTMENT REPORT	11 - 13
COMPARATIVE TABLE	14 - 21
PORTFOLIO STATEMENT	22
TRUSTEE'S REPORT	23
INDEPENDENT AUDITOR'S REPORT	24 - 29
CONSOLIDATED STATEMENT OF TOTAL RETURN	30
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	31
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	32
CONSOLIDATED STATEMENT OF CASH FLOWS	33 - 34
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	35 - 63

**GENERAL INFORMATION**

TRUSTEE:	Butterfield Bank (Guernsey) Limited PO Box 25 Regency Court Glategny Esplanade St Peter Port Guernsey, GY1 3AP
ADMINISTRATOR, SECRETARY AND REGISTRAR:	Vistra Fund Services (Guernsey) Limited <i>Until 12 May 2024</i> PO Box 91 11 New Street St Peter Port Guernsey, GY1 3EG  <i>With effect from 13 May 2024</i> 4 <sup>th</sup> Floor, Royal Bank Place Glategny Esplanade St Peter Port Guernsey, GY1 2HJ
MANAGER:	Darwin Property Investment Management (Guernsey) Limited <i>Until 12 May 2024</i> 11 New Street St Peter Port Guernsey, GY1 2PF  <i>With effect from 13 May 2024</i> 4 <sup>th</sup> Floor, Royal Bank Place Glategny Esplanade St Peter Port Guernsey, GY1 2HJ
DIRECTORS OF THE MANAGER:	Ian Michael Burns Anthony Geoffrey David Esse Christopher James Affleck Penney Robin Haake Smith Martin Paul Tolcher
INVESTMENT ADVISER:	Darwin Alternative Investment Management Limited Empire House 175 Piccadilly London, W1J 9EN
BANKERS:	Butterfield Bank (Guernsey) Limited Regency Court Glategny Esplanade St Peter Port Guernsey, GY1 3AP

**GENERAL INFORMATION (CONTINUED)**

BANKERS:	<p>Lloyds Banking Group plc 25 Gresham Street London EC2V 7HN</p> <p>Santander UK PLC 2 Triton Square Regent's Place London, NW1 3AN</p>
THE INTERNATIONAL STOCK EXCHANGE SPONSOR ( <i>Until delisting on 30 September 2024</i> ):	<p>Vistra Fund Services (Guernsey) Limited PO Box 91 4<sup>th</sup> Floor, Royal Bank Place Glategny Esplanade St Peter Port Guernsey, GY1 2HJ</p>
INDEPENDENT AUDITOR:	<p>Grant Thornton Limited St James Place St James Street St Peter Port Guernsey, GY1 2NZ</p>
PROPERTY VALUERS:	<p>Knight Frank 1<sup>st</sup> Floor 25 Bothwell Street Glasgow, G2 6NL</p>
BUSINESS VALUERS:	<p>Evelyn Partners 45 Gresham Street London, EC2V 7BG United Kingdom</p>
LEGAL ADVISERS TO THE FUND:	<p><i>In Guernsey:</i></p> <p>Collas Crill Glategny Court PO Box 140 Glategny Esplanade St Peter Port Guernsey, GY1 4EW</p> <p><i>In United Kingdom:</i></p> <p>Burges Salmon LLP One Glass Wharf Bristol, BS2 02X</p>

## **MANAGER'S REPORT**

### **For the year ended 30 September 2024**

Darwin Property Investment Management (Guernsey) Limited (the "Manager") of Darwin Leisure Property Fund (the "Fund") is pleased to submit its Report and Audited Consolidated Financial Statements for the year ended 30 September 2024.

## **THE FUND**

The Fund was established in Guernsey on 5 December 2007 as an open-ended unit trust authorised by the Guernsey Financial Services Commission as an authorised Class B open-ended Collective Investment Scheme.

The following unit classes were listed on the Official List of The International Stock Exchange ("TISE") until their delisting on 30 September 2024.

C Accumulation Units

C Income Units

D Accumulation Units

M Income Units

## **ACTIVITIES**

The Fund's principal activity is to invest primarily in a portfolio of interests in UK and Irish based holiday parks, which includes land, buildings, lodges and static caravans, acquiring and owning such parks with a view to enhancing value through strategic selection and interventionist asset management. Lodges and static caravans are moveable as defined in the Caravan Sites and Control of Developments Act 1960 (United Kingdom).

The Fund may invest in such property, directly or indirectly, through one or more Property Holding Vehicles or other Intermediate Vehicles.

The Fund may also invest in other collective investment schemes, listed and unlisted securities, joint ventures and partnerships, where the Manager considers there is a link with the leisure industry. Due to the nature of the Fund's assets and lead times to complete purchases, there may be short periods where liquidity levels are relatively high. During such periods, uninvested liquidity will be held in cash deposits, public securities, including treasury bills, bonds and other government securities, money market instruments, debt instruments or similar investments, as the Manager determines from time to time.

## **MANAGER'S REPORT (CONTINUED)**

**For the year ended 30 September 2024**

### **DISTRIBUTIONS**

The Manager recommended that distributions be made for the year ended 30 September 2024 of nil (2023: 4.30) pence per unit on the A Accumulation class, nil (2023: 7.38) pence per unit on the C Accumulation class and nil (2023: 3.65) pence per unit on the C Income class, nil (2023: 7.51) pence per unit on the D Accumulation class, nil (2023: 1.99) pence per unit on D income class, nil (2023: 4.40) pence per unit on the E Exit class, nil (2023: 4.69) pence per unit on the E initial class, nil (2023: 3.59) pence per unit on the F Exit class, nil (2023: 1.97) pence per unit on the F initial class, nil (2023: 3.36) pence per unit on the G exit class and nil (2023: 1.72) pence per unit on the G initial class, nil (2023: 2.26) pence per unit on the I exit class, nil (2023: 2.86) pence per unit on the J Income class, nil (2023: 2.12) pence per unit on K Accumulation class, nil (2023: 2.06) on K income, and nil (2023: 3.69) pence per unit on the M Income class (see Note 7).

The distributions allocated to the accumulation units in the prior year were reinvested and accumulated in the capital. In total £nil (2023: £7,277,358) relating to the accumulation units was reinvested during the year and £nil (2023: £5,000,798) has been paid to unitholders.

### **STATEMENT OF MANAGER'S RESPONSIBILITIES**

The Manager is responsible for preparing the Consolidated Financial Statements for each financial year which give a true and fair view, in accordance with applicable Law and United Kingdom Accounting Standards including Financial Reporting Standard 102, the Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland ("FRS 102") and the Statement of Recommended Practice (SORP) "Financial Statements of Authorised Funds" issued by the Investment Management Association, of the state of affairs of the Fund as at the end of the financial year and of the profit or loss of the Fund for that year. In preparing these Consolidated Financial Statements, the Manager is required to:

- select suitable accounting policies then apply them consistently;
- make judgements 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 Consolidated Financial Statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of Consolidated Financial Statements; and
- prepare the Consolidated Financial Statements on a going concern basis unless it is inappropriate to presume that the Fund will continue.

The Manager is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Fund and to enable it to ensure that the Consolidated Financial Statements comply with the terms of the Trust Instrument, The Protection of Investors (Bailiwick of Guernsey) Law, 2020 as amended, The Authorised Collective Investment Scheme (Class B) Rules and Guidance, 2021 and the applicable accounting standards. It is also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**MANAGER'S REPORT (CONTINUED)**

**For the year ended 30 September 2024**

**GOING CONCERN**

The directors of the Manager have assessed the Fund's ability to continue as a going concern and have concluded that it is appropriate to prepare the financial statements on a going concern basis.

In forming this conclusion, the Manager has considered the Fund's financial position as at 30 September 2024, including the latest redemption requests and the facility provided by Santander UK plc, which has a termination date of 8 February 2026. While the Fund has been able to meet redemption payments to date, the Manager acknowledges that the Fund must secure additional funding to sustain the ongoing flow of monthly redemption payments and fulfil its obligations to redeeming investors.

To this end, subsequent to the year end the Manager has secured £13 million of additional funding. £10,000,000 in October 2024 from Together Commercial Finance Limited maturing in October 2025 and a £3,000,000 overdraft in March 2025 as an extension of the existing facility from Santander.

As ever the Manager continues to actively explore various funding options, including securing additional borrowing facilities and raising capital through replacement equity and the possible disposal of parks, to ensure sufficient liquidity is maintained. While there is uncertainty around the timing and success of these efforts, the Manager remains confident in the Fund's ability to secure the required funding, supported by the strength of its underlying asset portfolio and its established relationships with investment institutions.

Based on these considerations, the Manager has concluded that there is a reasonable expectation that the Fund will have adequate resources to continue in operational existence for the foreseeable future and for a period of not less than 12 months from the date of signing these financial statements. The directors are therefore of the view it is appropriate to adopt the going concern basis in preparing the Consolidated Financial Statements.

**INDEPENDENT AUDITOR**

The Independent Auditor, Grant Thornton Limited, has indicated its willingness to continue in office.

Signed for and on behalf of the Manager by:

Ian Burns

**Director**

**31 March 2025**

Robin Smith

**Director**

**31 March 2025**

## **INVESTMENT ADVISER'S REPORT**

### **For the year ended 30 September 2024**

During the year ended September 2024, the C Accumulation units decreased in value by -26.91%.

This was largely as a result of a decision taken by the Board of Darwin Property Investment Management (Guernsey) Limited, the Manager of the Darwin Leisure Property Fund (DLPF), to revise downward its management projections of revenues and costs in the Fund's Discounted Cash Flow valuation inputs, which resulted in a fall in the Net Asset Value (NAV) of the Fund by 23.54% on 30 September 2024.(C Accumulation)

The decision was taken because the holiday parks owned by Darwin Leisure Property Fund have struggled to maintain their previously high levels of profitability since the Covid-19 pandemic and the subsequent UK cost-of-living crisis. Whilst each park continues to generate cash flow and operate at a profit, the Fund's absolute performance has been poor as the difficult economic environment has adversely affected all UK holiday park operators. High levels of inflation led to rising fuel, utility and food costs which have significantly impacted both operators and consumers, driving up operational expenses. Typically, we would manage these costs by passing them on to consumers through higher prices. However consumers have been left with less money in their pockets as RPI has risen significantly higher than wages since the invasion of Ukraine. This means that discretionary spending on holidays has been curtailed, leading to a temporary price war among park operators and this challenging environment has impacted the Fund's margins and increased total costs.

The Fund has also been impacted by higher than expected redemption requests, primarily from Life Company investors due to regulatory changes, which forced the Fund to take out a credit facility to fund redemptions. The Bank of England's decision to aggressively raise interest rates to combat inflation exacerbated the debt servicing cost which constrained free cash flow and the ability to make dividend payments. The Fund is seeking to raise additional capital from investors to satisfy ongoing redemptions and reduce the value of the credit facility.

It had been hoped that the UK was moving out of this difficult economic period, but the economic environment remains unstable and there is uncertainty as to when the cost-of-living crisis will truly be over. UK GDP growth slowed in Q3 2024 to just 0.1% whilst GDP growth expectations for 2025 have seen a more significant downgrade to 1.5%, down from the 2% predicted in the Summer Forecast. Whilst inflation has slowed down, prices still remain significantly higher than pre-2021, and wages have not yet caught up. UK consumers therefore continue to adopt a cautious approach to spending and research from our booking partner Hoseasons confirms that consumer confidence has stalled in recent months and that price remains the key consideration when making purchasing decisions.

Revenues for the 2023/24 financial year were below or in line with 2022/23, with the main inputs of holiday rental and holiday home sales revenue lower than last year. Holiday rental occupancy was ahead of 2022/23 but we had to lower rental rates to secure this, with the Average Net Hire for the year £38 lower than last year and £90 lower than in the 2021/22 year.

After a difficult start to the year, holiday home sales did start to improve, and in the second half of the year were significantly ahead of last year. There was an encouraging increase in lodge sales compared to last year, which have been significantly impacted by the cost of living crisis.



**INVESTMENT ADVISER'S REPORT (CONTINUED)**  
**For the year ended 30 September 2024**

There has been a focus on reducing costs, and whilst staff costs remained static, increases in the national living wage were off-set by a reduction in head count. Cleaning and utilities, which are the other two main cost centres, saw a reduction year-on-year and overall there was a slight reduction in operating costs for the year, but not enough to counter the fall in revenues to increase profits.

**The Portfolio**

**Aberconwy Holiday Home Park (Conwy, North Wales)**

Aberconwy, based at Conwy Morfa beach in North Wales was purchased in May 2015 as a premium addition to our three existing parks in North Wales. It continues to offer bespoke, high value lodges for holiday home ownership.

**Bath Mill Lodge Retreat (Bath, Somerset)**

Bath Mill opened following redevelopment in 2015 and is mid-sized lodge retreat on the outskirts of the popular city of Bath which features a gym, restaurant, bar and events space. It is a popular site for events, and has also proved popular with families visiting students at the nearby university.

**Beach Cove Coastal Retreat (Ilfracombe, Devon)**

Beach Cove is a high-quality lodge retreat in Hele Bay, Ilfracombe offering 26 beach hut style one-bedroom and studio lodges and 3 holiday apartments. The site opened in 2014 following redevelopment and is extremely popular with 'staycationing' couples looking for a more quirky accommodation offering than a traditional lodge. Beach Cove won a Diamond Award at the 2024 Hoseasons Awards for best Small Park in Devon, Somerset and Dorset.

**Canterbury Reach Lodge Retreat (Canterbury, Kent)**

Canterbury Reach is a small lodge retreat featuring 28 lodges located close to the historic tourism town of Canterbury and opened following redevelopment in 2017. Canterbury Reach is particularly popular with those travelling to and from Europe using the Channel Tunnel who often add a short break to the start or end of their trip.

**Cheddar Woods Resort and Spa (Cheddar, Somerset)**

Cheddar Woods was the first site in the portfolio to be redeveloped and opened in 2013. Having undergone two further phases of development the resort now offers over 200 lodges as well as a large central-facilities building including restaurant, bar, swimming pool and gym and a host of outdoor activities. Cheddar Woods offers both holiday rentals and holiday home sales. Cheddar Woods was a finalist at the 2024 Hoseasons Awards.

**Hawkchurch Resort and Spa (Axminster, Devon)**

Located close to the 'Jurassic Coast' in Devon, Hawchurch opened in 2015 following the complete redevelopment of the site. Hawchurch offers luxury lodges for holiday home ownership and holiday rental and features a restaurant, bar and high quality spa. Hawchurch is popular with the more discerning traveller looking for a relaxing break with luxurious facilities.

**Keswick Reach Lodge Retreat (Bassenthwaite, Lake District)**

Keswick Reach is located in the North Lake District and opened following redevelopment in 2016. The site is for holiday rentals and is popular throughout the year with those looking to explore the Lake District National Park. Keswick Reach was a finalist at the 2024 Hoseasons Awards.

## **INVESTMENT ADVISER'S REPORT (CONTINUED)**

**For the year ended 30 September 2024**

### **Mullion Cove Coastal Retreat (Lizard Peninsula, Cornwall)**

Mullion Cove opened in 2013 following redevelopment. The site was a derelict chalet park but now features 28 luxury lodges which are a short walk from Mullion Cove itself, a popular tourist spot on the Lizard Peninsula. Mullion Cove won a Diamond Award for best Lodge Escape in Cornwall at the 2024 Hoseasons Awards.

### **New Pines Holiday Home Park (Rhyl, Denbighshire, North Wales)**

New Pines is one of three parks acquired by the Fund in North Wales in 2011. New Pines is a large site with a wide range of leisure facilities which is purely for holiday home owners.

### **Piran Meadows Resort and Spa (Newquay, Cornwall)**

Piran Meadows opened in 2014 following redevelopment. The resort is a popular family holiday destination near the tourist hotspot of Newquay. Accommodation comprises high quality caravans and lodges for holiday home ownership and holiday rental and the resort features a bar and restaurant, swimming pool and an extensive range of activities for all ages along with a Spa facility. Piran Meadows was named 'Best in Britain' in the Holiday Park category and was also a Diamond Award winner for Large Park in Cornwall at the 2024 Hoseasons Awards.

### **Sandymouth Holiday Home Park (Bude, Cornwall)**

Sandymouth re-opened in 2017 following development work which saw all of the accommodation replaced with luxury caravans and the existing central leisure facilities refurbished. Sandymouth specifically caters for families who are looking for a more traditional caravan park holiday and has been extremely popular since the refurbishment.

### **Seaview Holiday Home Park (Gwespyr, Flintshire, North Wales)**

Seaview is a medium-sized site for holiday home ownership in North Wales which was acquired in 2011. It features stunning views of the local coastline and owners are given access to the leisure facilities at the nearby Talacre Beach Holiday Home Park.

### **Talacre Beach Holiday Home Park (Talacre, Flintshire, North Wales)**

The third location in North Wales acquired in 2011, Talacre Beach is the largest park in the portfolio with over 600 units, around three-quarters of which are for holiday home ownership and one quarter holiday rentals. It offers a range of leisure facilities including an indoor swimming pool, restaurant and bar and entertainment venue. Talacre Beach was a finalist at the 2024 Hoseasons Awards.

### **Thanet Well Lodge Retreat (Lake District, North Cumbria)**

Thanet Well is located on the edge of the Lake District National Park overlooking Greystoke Forest and was acquired in 2014. We added 26 new lodges to the site in 2016 and carried out further work to upgrade 19 bases, allowing the existing units to be replaced with larger lodges. Since acquisition the site has switched from one that is purely for holiday home owners to one that is predominantly for holiday rentals. Thanet Well was a finalist at the 2024 Hoseasons Awards.

### **Tilford Woods Lodge Retreat (Tilford, Surrey)**

Tilford Woods was acquired in 2009 and is a small luxury log cabin park, located in the Surrey countryside. The park is located less than an hour's drive from London making it an extremely popular destination for a weekend or mid-week break and the park performs consistently well in terms of occupancy.

**INVESTMENT ADVISER'S REPORT (CONTINUED)**  
**For the year ended 30 September 2024**

**Wareham Forest Lodge Retreat (Wareham, Dorset)**

Wareham Forest was originally a tenting and touring site but re-opened in 2016 following development work which transformed it into a luxury lodge retreat. Offering 55 holiday rental lodges, Wareham Forest is located in a quiet woodland setting and is popular with those looking for a quiet break in the countryside. Wareham Forest was a finalist at the 2024 Hoseasons Awards.

**Woodside Bay Lodge Retreat (Wootton Bridge, Isle of Wight)**

Woodside Bay opened in 2016 and was built on the site of a derelict former holiday camp. The park offers 130 lodges and features a small bistro and bar which overlook the Solent along with a gym. Woodside Bay also features two bespoke treehouses which are extremely popular with guests. Woodside Bay was a Diamond Award winner at the 2024 Hoseasons Awards for best Large Park in the South of England.

**Woodside Coastal Retreat (Wootton Bridge, Isle of Wight)**

Woodside Coastal Retreat is a small lodge retreat, located on a beach on the north coast of the Isle of Wight. The site was transformed from an ageing static caravan park in 2014 and offers 36 luxury lodges, with guests able to make use of the facilities at the neighbouring Woodside Bay Lodge Retreat. Holiday home sales were introduced at the site in 2023, through the sale of former holiday rental units. Woodside Coastal was a finalist at the 2024 Hoseasons Awards.

**Darwin Alternative Investment Management Limited**

**31 March 2025**

## **RESPONSIBLE INVESTMENT REPORT**

DLPF is committed to making environmental improvements across its portfolio of holiday parks, including improved energy efficiency and a reduction in harmful emissions, and also aims to have a positive material impact on the local communities in which its holiday parks operate. Reporting is provided through a quarterly Impact Report and through The Good Economy's Place Based Impact Investing service where requested by investors.

### **Environment**

A set of Environmental Aims and Targets has been established which guide holiday park operations and developments.

#### **Environmental Aims**

- Create sites which enhance local ecology.
- Create sites which enhance local environments.
- Utilise designs which minimise embodied and operational carbon footprints. Promote 'fabric first' approach to ensure construction thermal performance is optimum.
- Ensure minimisation of embedded carbon costs in Darwin's supply chain.
- Ensure energy usage is as efficient as possible.
- Where practicable, re-use or re-purpose existing construction to minimise embodied carbon and support the circular economy. Seek to minimise construction waste where possible and promote the use of recycled materials.

#### **Lodges**

Darwin has been trialling a new prototype all-electric lodge at Seaview. This combines solar, batteries, air-source heat pump (ASHP) technology and smart controls along with high performance insulation to deliver a low energy, low carbon solution which removes Scope 1 emissions. By utilising solar to power the unit where possible, and using the battery as storage to discharge on demand, electricity grid import is dramatically reduced, along with the corresponding Scope 2 carbon emissions. Excess electricity can also be sold back to the grid. Tests so far show that the lodge produces 0.12 tonnes of CO<sub>2</sub>e per year, around 3.28 tonnes of CO<sub>2</sub>e less than an ultra-highly insulated unit using the latest efficient gas boilers.

#### **Electric vehicles**

Cost cutting measures taken within the portfolio have reduced the total number of fleet vehicles from 160 to 151, 41% of which are electric-powered. As the portfolio vehicles finish their lease terms and as electric vehicle usability for long journeys increases (through longer ranges and faster charging times) the portfolio will continue to replace older petrol models with all-electric solutions.

#### **Electric Vehicle Charging Points**

Most guests at the holiday parks choose to travel by car. The DLPF sites were developed before the recent rise in popularity of electric vehicles, but there are currently 8 electric charging points installed across the portfolio. With the UK Government's push towards encouraging more electric car use, we are looking to increase this further in order to reduce Scope 3 emissions.

## RESPONSIBLE INVESTMENT REPORT (CONTINUED)

### Remote Thermostats

58 remote thermostats have been installed in the lodges at Wareham Forest as part of a trial. These thermostats allow the heating in the lodges to be controlled remotely when they are empty, ensuring that energy usage is minimised.

### Food Waste

Darwin utilises a variety of techniques to ensure that food waste at on-site restaurants is reduced and this year the portfolio had an average food waste of 1.39%.

## Corporate Social Responsibility

### Social Principles

- **Equality:** Darwin is committed to being an equal opportunities employer, offering the same opportunities to all staff, irrespective of race, religion or beliefs.
- **Value:** All stakeholders are valued; our customers, staff, suppliers and investors. They are at the forefront of everything we do.
- **Safety:** Locations will follow the highest standards of Health and Safety. By delivering continuous training and inspections to our staff, we are able to ensure risks to consumers are minimised.
- **Real Impact:** Social responsibility is more than just writing a cheque. Our underlying businesses aim to have a direct impact on local communities.
- **Supply Chain:** Darwin supports international and UK goals to end modern slavery, inequality and social injustice.

### Employment and Human Capital Development

DLPF continues to provide employment opportunities in rural areas, and is committed to offering training and development opportunities to ensure that working for Darwin Escapes is a career opportunity, not just a job.

DLPF employs 622 staff in total, with 527 permanent staff and 95 staff working on a part-time basis, a net increase in 30 permanent staff employed compared to the previous year. During the year Darwin Escapes took over the employment of members of staff of a 3<sup>rd</sup> party cleaning company which went into administration, which was a significant element of this increase. There has been a focus on making the workforce more efficient by cross-skilling many existing staff to ensure that they can work across more than one job function. 313 members of staff undertook training and development which not only helped to facilitate this but also led to 43 members of staff being promoted internally.

The average length of service reduced slightly during the year from 4.15 years to 3.53 years, while the median gender pay gap rose slightly to 2.78%. The mean gender pay gap sits at 7.39%, both are significantly below the national average.

## **RESPONSIBLE INVESTMENT REPORT (CONTINUED)**

### **Community**

DLPF, through Darwin Escapes, has continued to work in close partnership with a number of charitable partners. Darwin Escapes has been a long-term supporter of Chester Zoo and with biodiversity protection a key focus for the Fund's environmental impacts, it is fitting that DLPF sponsored its recent NATIVE exhibition. This featured 360-degree digital displays that showed visitors a journey across the British Isles' dramatic coastlines and through its beautiful woodlands and grasslands. The experience contained stories captured by specialist filmmakers behind hit BBC and ITV wildlife documentaries. The exhibition also housed an interactive discovery area where visitors could view live wildlife footage from the zoo's nature reserve, while learning how to set up their own camera traps and help protect and monitor UK species from their own homes. Visitors were able to explore coastal, grassland, wetland, and woodland environments, encountering up-close footage of a diverse array of animals, from seals and dolphins to squirrels and Scottish wildcats. Due to the success of the exhibit, the sponsorship was extended through to the end of September 2024 and over 1,000,000 people viewed the exhibit.

Darwin Escapes also continued to sponsor Birmingham Hippodrome and supported its Access for All project which creates opportunity for all communities to experience world-class theatre, especially those with disabilities by presenting a greater number of Relaxed & Assisted Performances meeting specific different needs of audiences.

The partnership with the British Heart Foundation also continued. The charity refurbishes furniture and fittings to resell as part of their funding efforts. Darwin Escapes donates furniture which has reached the end of its useful life, rather than sending items to landfill.

**COMPARATIVE TABLE**

	<b>2024</b>	<b>2023</b>
	<b>Pence per unit</b>	<b>Pence per unit</b>
<u>A Accumulation units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	147.5100	214.4000
Return before operating expenses	(37.8324)	(63.7304)
Operating charges	(2.3976)	(3.1596)
return after operating charges	(40.2300)	(66.8900)
Distributions on income units	N/A	N/A
<b>Closing net asset value per unit</b>	107.2800	147.5100
Retained distributions on accumulation units	-	4.3014
<b>Performance</b>		
Return after charges	(27.27%)	(31.20%)
<b>Other information</b>		
Closing net asset value (£,000)	723	1,214
Closing number of units	674,033	822,825
Operating charges	(1.63%)	(1.47%)
<b>Prices</b>		
Highest unit price	147.7500	215.9500
Lowest unit price	107.2800	147.1800
<u>C Accumulation units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	254.0800	367.4700
Return before operating expenses	(65.4695)	(109.6270)
Operating charges	(2.9005)	(3.7630)
return after operating charges	(68.3700)	(113.3900)
Distributions on income units	N/A	N/A
<b>Closing net asset value per unit</b>	185.7100	254.0800
Retained distributions on accumulation units	-	7.3768
<b>Performance</b>		
Return after charges	(26.91%)	(30.86%)
<b>Other information</b>		
Closing net asset value (£,000)	43,569	60,598
Closing number of units	23,460,707	23,850,160
Operating charges	(1.14%)	(1.02%)
<b>Prices</b>		
Highest offer unit price	254.9300	370.8900
Lowest bid unit price	185.7100	253.3100

**COMPARATIVE TABLE (CONTINUED)**

	<b>2024</b>	<b>2023</b>
	<b>Pence per unit</b>	<b>Pence per unit</b>
<u>C Income units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	123.9100	182.8300
Return before operating expenses	(31.9255)	(57.0795)
Operating charges	(1.4145)	(1.8405)
return after operating charges	(33.3400)	(58.9200)
Distributions on income units	-	3.6519
<b>Closing net asset value per unit</b>	90.5700	123.9100
Retained distributions on accumulation units	N/A	N/A
<b>Performance</b>		
Return after charges	(26.91%)	(32.23%)
<b>Other information</b>		
Closing net asset value (£,000)	11,185	15,505
Closing number of units	12,349,510	12,513,098
Operating charges	(1.14%)	(1.01%)
<b>Prices</b>		
Highest offer unit price	124.3200	182.3600
Lowest bid unit price	90.5700	123.5300
<u>D Accumulation units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	259.1400	374.0400
Return before operating expenses	(66.8948)	(111.7360)
Operating charges	(2.4552)	(3.1640)
return after operating charges	(69.3500)	(114.9000)
Distributions on income units	N/A	N/A
<b>Closing net asset value per unit</b>	189.7900	259.1400
Retained distributions on accumulation units	-	7.5105
<b>Performance</b>		
Return after charges	(26.76%)	(30.72%)
<b>Other information</b>		
Closing net asset value (£,000)	54,559	101,813
Closing number of units	28,747,106	39,288,614
Operating charges	(0.95%)	(0.85%)
<b>Prices</b>		
Highest offer unit price	260.1800	377.8200
Lowest bid unit price	189.7900	258.2600



**COMPARATIVE TABLE (CONTINUED)**

	<b>2024</b>	<b>2023</b>
	<b>Pence per unit</b>	<b>Pence per unit</b>
<u>D income units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	67.6100	99.5600
Return before operating expenses	(17.4495)	(31.1243)
Operating charges	(0.6405)	(0.8257)
return after operating charges	(18.0900)	(31.9500)
Distributions on income units	-	(1.9891)
<b>Closing net asset value per unit</b>	49.5200	67.6100
Retained distributions on accumulation units	N/A	N/A
<b>Performance</b>		
Return after charges	(26.76%)	(32.09%)
<b>Other information</b>		
Closing net asset value (£,000)	48,091	38,387
Closing number of units	97,115,142	56,776,394
Operating charges	(0.95%)	(0.83%)
<b>Prices</b>		
Highest offer unit price	67.8800	99.3500
Lowest bid unit price	49.5200	67.3800
<u>E Exit Penalty Accumulation units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	150.5000	219.5900
Return before operating expenses	(38.5618)	(65.3645)
Operating charges	(2.8082)	(3.7255)
return after operating charges	(41.3700)	(69.0900)
Distributions on income units	N/A	N/A
<b>Closing net asset value per unit</b>	109.1300	150.5000
Retained distributions on accumulation units	-	4.4031
<b>Performance</b>		
Return after charges	(27.49%)	(31.46%)
<b>Other information</b>		
Closing net asset value (£,000)	17,118	28,441
Closing number of units	15,686,213	18,897,886
Operating charges	(1.87%)	(1.70%)
<b>Prices</b>		
Highest offer unit price	150.6000	220.8500
Lowest bid unit price	109.1300	150.2600

**COMPARATIVE TABLE (CONTINUED)**

	<b>2024</b>	<b>2023</b>
	<b>Pence per unit</b>	<b>Pence per unit</b>
<u>E Initial Penalty Accumulation units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	160.6500	234.0900
Return before operating expenses	(41.1115)	(69.4656)
Operating charges	(2.9985)	(3.9744)
return after operating charges	(44.1100)	(73.4400)
Distributions on income units	N/A	N/A
<b>Closing net asset value per unit</b>	116.5400	160.6500
Retained distributions on accumulation units	-	4.6949
<b>Performance</b>		
Return after charges	(27.46%)	(31.37%)
<b>Other information</b>		
Closing net asset value (£,000)	6,452	10,178
Closing number of units	5,536,467	6,335,434
Operating charges	(1.87%)	(1.70%)
<b>Prices</b>		
Highest offer unit price	160.7900	235.5600
Lowest bid unit price	116.5400	160.3600
<u>F Exit Penalty Accumulation units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	141.7000	179.1557
Return before operating expenses	(32.4800)	(34.4167)
Operating charges	(2.2900)	(3.0390)
return after operating charges	(34.7700)	(37.4557)
Distributions on income units	N/A	N/A
<b>Closing net asset value per unit</b>	106.9300	141.7000
Retained distributions on accumulation units	-	3.5919
<b>Performance</b>		
Return after charges	(24.54%)	(20.91%)
<b>Other information</b>		
Closing net asset value (£,000)	1,432	2,672
Closing number of units	1,339,314	1,885,407
Operating charges	(1.62%)	(1.70%)
<b>Prices</b>		
Highest offer unit price	143.9700	208.1800
Lowest bid unit price	106.9300	141.7000

**COMPARATIVE TABLE (CONTINUED)**

	<b>2024</b>	<b>2023</b>
	<b>Pence per unit</b>	<b>Pence per unit</b>
<u>F Initial Penalty Accumulation units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	77.8400	111.7600
Return before operating expenses	(17.7509)	(32.2511)
Operating charges	(1.2591)	(1.6689)
return after operating charges	(19.0100)	(33.9200)
Distributions on income units	N/A	N/A
<b>Closing net asset value per unit</b>	58.8300	77.8400
Retained distributions on accumulation units	-	1.9715
<b>Performance</b>		
Return after charges	(24.42%)	(30.35%)
<b>Other information</b>		
Closing net asset value (£,000)	43	56
Closing number of units	72,522	72,522
Operating charges	(1.62%)	(1.49%)
<b>Prices</b>		
Highest offer unit price	79.1400	114.2600
Lowest bid unit price	58.8300	77.8400
<u>G Exit Penalty Accumulation units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	140.2300	186.6200
Return before operating expenses	(26.5372)	(43.5456)
Operating charges	(2.1428)	(2.8444)
return after operating charges	(28.6800)	(46.3900)
Distributions on income units	N/A	N/A
<b>Closing net asset value per unit</b>	111.5500	140.2300
Retained distributions on accumulation units	-	3.3621
<b>Performance</b>		
Return after charges	(20.45%)	(24.86%)
<b>Other information</b>		
Closing net asset value (£,000)	8,898	13,814
Closing number of units	7,976,517	9,851,188
Operating charges	(1.53%)	(1.52%)
<b>Prices</b>		
Highest offer unit price	146.7000	207.8400
Lowest bid unit price	111.5500	140.2300

**COMPARATIVE TABLE (CONTINUED)**

	<b>2024</b>	<b>2023</b>
	<b>Pence per unit</b>	<b>Pence per unit</b>
<u>G Initial Penalty Accumulation units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	71.6700	95.2200
Return before operating expenses	(70.7335)	(22.0974)
Operating charges	(0.9365)	(1.4526)
return after operating charges	(71.6700)	(23.5500)
Distributions on income units	N/A	N/A
<b>Closing net asset value per unit</b>	-	71.6700
Retained distributions on accumulation units	-	1.7158
<b>Performance</b>		
Return after charges	(100%)	(24.73%)
<b>Other information</b>		
Closing net asset value (£,000)	-	74
Closing number of units	-	103,503
Operating charges	(1.31%)	(1.53%)
<b>Prices</b>		
Highest offer unit price	75.0000	106.1100
Lowest bid unit price	0.0000	71.6700
<u>I Exit Penalty Accumulation units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	128.9800	180.1500
Return before operating expenses	(31.0461)	(49.2558)
Operating charges	(1.4439)	(1.9142)
return after operating charges	(32.4900)	(51.1700)
Distributions on income units	N/A	N/A
<b>Closing net asset value per unit</b>	96.4900	128.9800
Retained distributions on accumulation units	-	2.2614
<b>Performance</b>		
Return after charges	(25.19%)	(28.40%)
<b>Other information</b>		
Closing net asset value (£,000)	2,925	4,705
Closing number of units	3,031,462	3,648,121
Operating charges	(1.12%)	(1.06%)
<b>Prices</b>		
Highest offer unit price	131.7500	185.0700
Lowest bid unit price	96.4900	128.9800

**COMPARATIVE TABLE (CONTINUED)**

	<b>2024</b>	<b>2023</b>
	<b>Pence per unit</b>	<b>Pence per unit</b>
<u>J Income units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	97.1700	143.3800
Return before operating expenses	(25.0407)	-44.7666
Operating charges	(1.1093)	(1.4434)
return after operating charges	(26.1500)	(46.2100)
Distributions on income units	-	(2.8639)
<b>Closing net asset value per unit</b>	<b>71.0200</b>	<b>97.1700</b>
Retained distributions on accumulation units	N/A	N/A
<b>Performance</b>		
Return after charges	(26.91%)	(32.23%)
<b>Other information</b>		
Closing net asset value (£,000)	5	7
Closing number of units	7,343	7,343
Operating charges	(1.14%)	(1.01%)
<b>Prices</b>		
Highest offer unit price	97.5000	143.0100
Lowest bid unit price	71.0200	96.8700
<u>K Accumulation units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	73.5400	105.3900
Return before operating expenses	(19.1065)	(31.6452)
Operating charges	(0.1735)	(0.2048)
return after operating charges	(19.2800)	(31.8500)
Distributions on income units	N/A	N/A
<b>Closing net asset value per unit</b>	<b>54.2600</b>	<b>73.5400</b>
Retained distributions on accumulation units	-	2.1180
<b>Performance</b>		
Return after charges	(26.22%)	(30.22%)
<b>Other information</b>		
Closing net asset value (£,000)	18,955	25,690
Closing number of units	34,933,446	34,933,446
Operating charges	(0.24%)	(0.19%)
<b>Prices</b>		
Highest offer unit price	74.0200	106.7700
Lowest bid unit price	54.2600	73.2100

**COMPARATIVE TABLE (CONTINUED)**

	<b>2024</b>	<b>2023</b>
	<b>Pence per unit</b>	<b>Pence per unit</b>
<u>K Income units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	70.4700	103.0200
Return before operating expenses	(18.3137)	(32.3644)
Operating charges	(0.1663)	(0.1856)
return after operating charges	(18.4800)	(32.5500)
Distributions on income units	-	(2.0602)
<b>Closing net asset value per unit</b>	51.9900	70.4700
Retained distributions on accumulation units	N/A	N/A
<b>Performance</b>		
Return after charges	(26.22%)	(31.60%)
<b>Other information</b>		
Closing net asset value (£,000)	35,765	48,478
Closing number of units	68,793,001	68,793,001
Operating charges	(0.24%)	(0.18%)
<b>Prices</b>		
Highest offer unit price	70.9300	103.0000
Lowest bid unit price	51.9900	70.1500
<u>M Income units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	125.4500	184.8300
Return before operating expenses	(32.3705)	(57.7651)
Operating charges	(1.2495)	(1.6149)
return after operating charges	(33.6200)	(59.3800)
Distributions on income units	-	(3.6925)
<b>Closing net asset value per unit</b>	91.8300	125.4500
Retained distributions on accumulation units	N/A	N/A
<b>Performance</b>		
Return after charges	(26.80%)	(32.13%)
<b>Other information</b>		
Closing net asset value (£,000)	46,500	63,524
Closing number of units	50,637,094	50,637,094
Operating charges	(1.00%)	(0.87%)
<b>Prices</b>		
Highest offer unit price	125.9400	184.4200
Lowest bid unit price	91.8300	125.4500

**COMPARATIVE TABLE (CONTINUED)**

	<b>2024</b>	<b>2023</b>
	<b>Pence per unit</b>	<b>Pence per unit</b>
<u>T Income units</u>		
<b>Change in net assets per unit</b>		
Opening net asset value per unit	-	-
Return before operating expenses	73.5723	-
Operating charges	(0.1323)	-
return after operating charges	73.4400	-
Distributions on income units	N/A	N/A
<b>Closing net asset value per unit</b>	73.4400	-
Retained distributions on accumulation units	N/A	N/A
<b>Performance</b>		
Return after charges	-	-
<b>Other information</b>		
Closing net asset value (£,000)	3,672	-
Closing number of units	5,000,000	-
Operating charges	-	-
<b>Prices</b>		
Highest offer unit price	100.1500	-
Lowest bid unit price	-	-

**PORTFOLIO STATEMENT**

**As at 30 September 2024**

	<b>Fair Value £</b>	<b>Percent of net assets %</b>
<b>Operating assets held at valuation (note 9)</b>	313,684,057	107.90
<b>Tangible fixed assets (note 10)</b>	34,508,827	11.87
<b>Cash and cash equivalents</b>	2,210,336	0.76
<b>Net other liabilities</b>	(59,685,277)	(20.53)
<b>Total net assets</b>	<u>290,717,943</u>	<u>100.00</u>

**As at 30 September 2023**

	<b>Fair Value £</b>	<b>Percent of net assets %</b>
<b>Operating assets held at valuation (note 9)</b>	418,204,625	103.02
<b>Tangible fixed assets (note 10)</b>	38,731,581	9.54
<b>Cash and cash equivalents</b>	4,851,574	1.20
<b>Net other liabilities</b>	(55,855,364)	(13.76)
<b>Total net assets</b>	<u>405,932,416</u>	<u>100.00</u>



**TRUSTEE’S REPORT TO THE UNITHOLDERS OF DARWIN LEISURE PROPERTY FUND**

For the year ended 30 September 2024

In our opinion the Manager has managed the Fund during the year in accordance with the provisions of its Principal Documents and Scheme Particulars, and The Authorised Collective Investment Scheme (Class B) Rules and Guidance, 2021 (the “Class B Rules 2021”) made under The Protection of Investors (Bailiwick of Guernsey) Law, 2020 (as amended).

Andrew Thompson

Butterfield Bank (Guernsey) Limited  
Regency Court  
Glategny Esplanade  
St Peter Port  
Guernsey  
GY1 3AP

**Date: 31 March 2025**

## **Independent auditor's report**

### **To the unitholders of Darwin Leisure Property Fund**

We have audited the consolidated financial statements of Darwin Leisure Property Fund ('DLPF' or the 'Fund') and its subsidiaries (together, the 'Group') for the year ended 30 September 2024 which comprise the Consolidated Statement of Total Return, the Consolidated Statement in Changes in Net Assets Attributable to Unitholders, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements:

- give a true and fair view of the financial position of the Group as at 30 September 2024, and of its financial performance and its cashflows for the year then ended;
- are in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', (FRS 102); and
- have been prepared in accordance with the requirements of the Trust Instrument.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) 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 Fund and of its subsidiaries in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Guernsey, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other information**

The Manager is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

## **Independent auditor's report**

### **To the unitholders of Darwin Leisure Property Fund (continued)**

#### **Other information (continued)**

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Manager for the financial consolidated statements**

The Manager is responsible for the preparation of the consolidated financial statements which give a true and fair view in accordance with FRS 102, and for such internal control as the Manager determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Manager is responsible for assessing the Group'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 Manager either intend to liquidate the Fund (or any of its subsidiaries) or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

## **Independent auditor's report**

### **To the unitholders of Darwin Leisure Property Fund (continued)**

#### **Auditor's responsibilities for the audit of the consolidated financial statements (continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Use of our report**

This report is made solely to the Fund's unitholders, as a body. Our audit work has been undertaken so that we might state to the Fund's unitholders 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 Fund and the Fund's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Grant Thornton Limited**

Chartered Accountants  
St Peter Port, Guernsey  
Date: 31 March 2025

## CONSOLIDATED STATEMENT OF TOTAL RETURN

For the year ended 30 September 2024

	Notes	2024 £	2023 £
<b>Income</b>			
<b>Net capital losses</b>			
Unrealised loss on operating assets held at valuation	9	(101,358,041)	(170,122,760)
Foreign exchange gain/(loss)		43,260	(61,916)
		<u>(101,314,781)</u>	<u>(170,184,676)</u>
Revenue	5	52,665,592	52,538,917
Expenses:			
Expenses	6	(57,607,881)	(58,575,979)
Management fees	17	(3,328,334)	(4,665,963)
Performance fees	17	-	(7,965)
<b>Net expenses</b>		<u>(8,270,623)</u>	<u>(10,710,990)</u>
<b>Total loss before taxation</b>		<u><b>(109,585,404)</b></u>	<u><b>(180,895,666)</b></u>
<b>Taxation</b>	8	-	-
<b>Total loss before distributions</b>		<u><b>(109,585,404)</b></u>	<u><b>(180,895,666)</b></u>
Finance costs: distributions	7	-	(12,278,156)
<b>Decrease in net assets attributable to unitholders</b>		<u><b>(109,585,404)</b></u>	<u><b>(193,173,822)</b></u>

The results of the year relate to continuing operations. There are no recognised gains or losses for the year other than the total return.

The accompanying notes on pages 35 to 63 form an integral part of these Consolidated Financial Statements.

# **CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS**

For the year ended 30 September 2024

		2024 £	2023 £
	<i>Notes</i>		
<b>Opening net assets attributable to unitholders</b>		<b>405,932,416</b>	<b>611,074,701</b>
Movement due to issues and redemptions of units		(5,629,069)	(19,245,821)
Reinvested accumulation distribution	7	-	7,277,358
		<u>400,303,347</u>	<u>599,106,238</u>
Decrease in net assets attributable to unitholders		(109,585,404)	(193,173,822)
<b>Closing net assets attributable to unitholders</b>		<b><u>290,717,943</u></b>	<b><u>405,932,416</u></b>

The accompanying notes on pages 35 to 63 form an integral part of these Consolidated Financial Statements.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

	Notes	2024 £	2023 £
<b>Assets</b>			
<b>Non-Current Assets</b>			
Operating assets held at valuation	9	313,684,057	418,204,625
Tangible fixed assets	10	34,508,827	38,731,581
		<b>348,192,884</b>	<b>456,936,206</b>
<b>Current assets</b>			
Inventories		3,510,595	4,672,409
Debtors and prepayments	12	2,357,570	1,855,370
Cash and cash equivalents		2,210,336	4,851,574
		<b>8,078,501</b>	<b>11,379,353</b>
<b>Total assets</b>		<b>356,271,385</b>	<b>468,315,559</b>
<b>Current Liabilities</b>			
Amounts falling due within one year			
Loans payable and other borrowings	14	49,976,279	49,552,779
Creditors	13	15,284,719	12,163,921
		<b>65,260,998</b>	<b>61,716,700</b>
<b>Non-current liabilities</b>			
Loans payable and other borrowings	14	292,444	666,443
<b>Total liabilities excluding net assets attributable to unitholders</b>		<b>65,553,442</b>	<b>62,383,143</b>
<b>Net assets attributable to unitholders</b>		<b>290,717,943</b>	<b>405,932,416</b>
<b>Number of units in issue</b>	16	<b>355,359,876</b>	<b>328,416,036</b>
<b>Fund net asset value per unit</b>		<b>0.8181</b>	<b>1.2360</b>

The Consolidated Financial Statements on pages 30 to 63 were approved and authorised for issue by the Board of Directors of the Manager on 31 March 2025 and are signed on its behalf by

Ian Burns

Robin Smith

**Director**

**Director**

The accompanying notes on pages 35 to 63 form an integral part of these Consolidated Financial Statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 September 2024

	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Total loss before distributions and taxation		(109,585,404)	(180,895,666)
Unrealised loss on operating assets held at valuation	9	101,358,041	170,122,760
Depreciation	6	7,732,733	8,661,640
Bank charges expense	6	40,959	57,090
Loan interest expense	6	4,461,874	2,746,173
Decrease/(increase) in inventories		1,161,814	(728,665)
(Increase)/decrease in debtors		(502,199)	484,678
Increase in creditors		3,120,278	1,778,313
Foreign exchange (gain)/loss		(43,260)	61,916
<b>Net cash flows generated from operating activities</b>		<b>7,745,356</b>	<b>2,288,239</b>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(324,377)	(1,334,668)
Proceeds from disposal of tangible assets		27,327	170,251
Purchase of operating assets held at valuation	9	(50,403)	(247,004)
<b>Net cash flows used in investing activities</b>		<b>(347,453)</b>	<b>(1,411,421)</b>

The accompanying notes on pages 35 to 63 form an integral part of these Consolidated Financial Statements.



## CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended 30 September 2024

	Notes	2024 £	2023 £
<b>Cash flows from financing activities</b>			
Net payments from redemption of units		(5,629,069)	(19,245,821)
Park finance leases		(373,999)	(22,906)
Bank loan drawn	14	423,500	49,219,445
Bank overdraft repaid	14	-	(29,952,173)
Bank charges paid		(40,959)	(57,090)
Loan interest paid	6	(4,461,874)	(2,746,173)
Distributions paid	7	-	(5,000,798)
<b>Net cash flows used in financing activities</b>		<b>(10,082,401)</b>	<b>(7,805,516)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(2,684,498)</b>	<b>(6,928,698)</b>
Net cash and cash equivalents at the beginning of the year		4,851,574	11,842,188
Foreign exchange cash movements		43,260	(61,916)
<b>Net cash and cash equivalents as the end of the year</b>		<b>2,210,336</b>	<b>4,851,574</b>

The accompanying notes on pages 35 to 63 form an integral part of these Consolidated Financial Statements.

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**For the year ended 30 September 2024**

### **1. GENERAL INFORMATION**

The Fund was established in Guernsey on 5 December 2007 as an open-ended unit trust authorised by the Guernsey Financial Services Commission as an authorised Class B open-ended Collective Investment Scheme. The address of the registered office of its Manager, Darwin Property Investment Management (Guernsey) Limited, is 4<sup>th</sup> Floor, Royal Bank Place, Glatigny Esplanade, St Peter Port, Guernsey, GY1 2HJ.

The Fund delisted from the Official List of The International Stock Exchange ("TISE") on 30 September 2024.

The Fund's principal activity is to invest primarily in a portfolio of interests in UK and Irish based holiday parks, which includes land, buildings, lodges and static caravans, acquiring and owning such parks with a view to enhancing value through strategic selection and interventionist asset management. Lodges and static caravans are moveable as defined in the Caravan Sites and Control of Developments Act 1960 (United Kingdom).

The Fund may invest in such property, directly or indirectly, through one or more Property Holding Vehicles or other Intermediate Vehicles.

The Fund may also invest in other collective investment schemes, listed and unlisted securities, joint ventures and partnerships, where the Manager considers there is a link with the leisure industry. Due to the nature of the Fund's assets and lead times to complete purchases, there may be short periods where liquidity levels are relatively high. During such periods, uninvested liquidity will be held in cash deposits, public securities, including treasury bills, bonds and other government securities, money market instruments, debt instruments or similar investments, as the Manager determines from time to time.

### **2. STATEMENT OF COMPLIANCE**

The Consolidated Financial Statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102").

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 30 September 2024**

### **3. PRINCIPAL ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Consolidated Financial Statements of the Fund and its subsidiaries.

#### ***Basis of preparation***

The Consolidated Financial Statements have been prepared under the historical cost convention, modified by the fair value of operating assets held at valuation, and in accordance with FRS 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" and the Statement of Recommended Practice "Financial Statements of Authorised Funds" issued by the Association of Investment Companies.

The preparation of Consolidated Financial Statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Consolidated Financial Statements are disclosed in Note 4.

#### ***Basis of consolidation***

The Consolidated Financial Statements include the results of the Fund drawn up to 30 September each year. The subsidiaries have been included in the Consolidated Financial Statements using the acquisition method of accounting. Accordingly, the Consolidated Statement of Total Return, Consolidated Statement of Financial Position, Consolidated Changes in Net Assets Attributable to Unitholders, Consolidated Statement of Cash Flows and associated notes include the results of the subsidiaries from the effective date on which control has been acquired and cease to be consolidated from the date that control has been passed.

All of the subsidiary companies have 30 September as their year end and are all entities that are controlled by the parent. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Fund.

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 30 September 2024**

### **3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)**

#### ***Basis of consolidation (continued)***

Intercompany transactions, balances and unrealised gains on transactions between subsidiary companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

#### ***Going Concern***

The directors of the Manager have assessed the Fund's ability to continue as a going concern and have concluded that it is appropriate to prepare the financial statements on a going concern basis. More information on this judgement is set out in Note 4.

#### ***Revenue***

Revenue consists of sales revenue on Lodges and caravans, fees received for hire fleet rental, private owner site fees and sales at the on-site facilities (ancillary income), and is recognised net of VAT.

Sale revenue on lodges and caravans is recognised when the Fund has fulfilled all of its obligations in respect of the sale which is when all the proceeds have been received and the keys are handed over.

Hire fleet rental is recognised on guest departure.

Site fees are recognised evenly over the period of the season.

Ancillary income is recognised once the service has been provided or the goods have been supplied.

Other park revenue consists of other income.

#### ***Expenses***

Expenses are accounted for on an accrual basis. Transaction costs directly applicable to the purchase of operating assets held at valuation are included within the initial cost of the asset.

#### ***Operating assets held at valuation***

Operating assets are carried in the Consolidated Statement of Financial Position on the basis of a valuation based upon their market value.

Operating assets are initially measured at cost, being the fair value for the consideration given, including related transaction costs. After initial recognition, operating assets are carried at fair value at the date of the valuation, less any subsequent accumulated depreciation (Note 9). Freehold land is not depreciated. Gains and losses arising from changes in fair value are included in the Consolidated Statement of Total Return.

The fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. The estimation of fair value does not assume that either the underlying business is saleable at the reporting date or that their owners have the intention to sell in the near future.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### *Operating assets held at valuation (continued)*

The objective is to estimate the exchange price at which hypothetical market participants would agree to transact.

The fair value of the land and buildings is largely based on estimates using property appraisal techniques and other valuation methods as outlined in Note 4. Such estimates are inherently subjective and actual values can only be determined in a sales transaction.

Operating Assets held at valuation are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Consolidated Statement of Total Return.

#### *Tangible fixed assets*

Tangible fixed assets held for use in the operation of the holiday parks are stated at historical cost less accumulated depreciation and any impairment losses. Cost includes the original purchase price and costs directly attributable to bringing the asset to its working condition for its intended use. Tangible fixed assets are depreciated on a straight line basis as follows:

Plant and machinery	4 years straight line
Office equipment	4 years straight line
Furniture and fittings	4 years straight line
Computer hardware	4 years straight line
Lodges	20 years straight line
Static caravans	7 years straight line
Motor vehicles	4 years straight line
Building improvements	25 years straight line

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Group and the cost can be measured reliably. Repairs, maintenance and minor inspection costs are expensed as incurred.

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Consolidated Statement of Total Return and included in 'Other expenses' within 'Expenses'.

#### *Impairment*

At each reporting date, the Group reviews the carrying amounts of its Tangible fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### *Financial instruments*

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

#### Financial assets

Basic financial assets, including debtors and cash and cash equivalents 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 market rate of interest.

Such assets are subsequently carried at amortised cost less any impairment using the effective interest method, unless the assets are due within one year, then are measured at the undiscounted amount of cash or other consideration expected to be received.

Provision is made when there is objective evidence that the Group will not be able to recover balances in full. Outstanding rental income balances are written off when the probability of recovery is assessed as being remote.

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 the Consolidated Statement of Total Return. An impairment loss is reversed if the financial asset's recoverable amount exceeds its carrying amount and is recognised in the Consolidated Statement of Total Return.

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 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.

#### Financial liabilities

Basic financial liabilities, including creditors, loans payable and other borrowings are initially recognised at transaction price.

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Creditors are subsequently measured at amortised cost using the effective interest method, unless payment is due within one year or less, then are measured at the undiscounted amount of cash or other consideration expected to be paid. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### *Financial instruments (continued)*

##### Financial liabilities (continued)

All loans are initially recognised at fair value less directly attributable transaction costs. After initial recognition interest bearing loans are subsequently measured at amortised cost using the effective interest method. Non-interest bearing loans continue to be measured at the fair value, which is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

Loans are classified as current unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date.

Finance costs incurred from loans are recognised in the Consolidated Statement of Total Return.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Total Return.

#### *Cash and cash equivalents*

Cash and cash equivalents, includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with maturities of three months from the date of acquisition. Bank overdrafts are shown within borrowings in current liabilities and they are not included within cash and cash equivalents.

#### *Inventories*

Inventories are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is calculated using the first in, first out method. At each reporting date inventories are assessed for impairment.

#### *Net assets attributable to unitholders*

All unit of shares issued are redeemable and provide the investors with the right to require redemption for cash at the value proportionate to the investor's share in the Fund's net assets, at each redemption date. In accordance with FRS 102 Section 22- Financial Instruments, such instruments give rise to a financial liability for the present value of the redemption amount.

#### *Distributions*

The net distributable income of the Fund will be available to allocate at the end of each calendar quarter ending on 31 December, 31 March, 30 June and 30 September based on the returns of the Fund. In the case of Income Units, the income allocated will be distributed within 50 Business Days of the relevant quarter date. Distributions for Accumulation Units are reinvested in the Fund. All units have equal rights to distributions.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### *Functional and presentational currency*

The Fund's functional and reporting currency is Pound Sterling, and all of the Fund's assets are located in the United Kingdom. However, at the year end, in addition to Sterling unit classes, there are also in issue units in the following foreign currencies: Euros, US Dollars and Singapore Dollars. The Fund computes its Net Asset Value in Sterling and the NAV of Unit Classes other than Sterling Unit Classes are notionally converted to the relevant currency of the Unit Class at the exchange rate prevailing on the Valuation Date. As a consequence, the Fund is exposed to the risk of movements in the exchange rates of the currencies in which the foreign currency units are based which may affect the value of the units and of any income arising from them. All reported amounts in the statements have been rounded to zero decimal places.

#### *Deferred Tax*

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future or a right to pay less tax in the future, have occurred by the reporting date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the reporting date. Deferred tax balances are not discounted.

#### *Income taxes*

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the Manager is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects both current and future periods.

The most significant estimates and judgements made in preparing these financial statements, under FRS 102, are as follows:



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

#### Operating assets held at valuation

In accordance with the Group's accounting policies, operating assets held at valuation are stated at fair value as at the reporting date. This is determined by the Manager, on the recommendation of the Investment Adviser, and independent valuation experts using recognised valuation techniques.

#### *- Land and buildings used for operating activities*

These are stated at fair value as determined by the Investment Manager, on the recommendation of the Investment Advisor, using the Discounted Cash Flow ("DCF") method. Caravan parks are commercial businesses and, from time to time, the Manager will be purchasing non-transferable securities. The Manager has determined that it is appropriate and prudent to have the operating assets reviewed by independent business valuers. Evelyn Partners, who have been appointed as the independent business valuer, is the UK's leading integrated wealth management and professional services group. Evelyn Partners has 32 principal offices in the UK and Ireland.

Management accounts, which are the basis of the parks' audited annual financial statements, are the inputs for the ten-year DCF models for each park which incorporate management projections based on these accounts. The forecast projections are discussed with the independent business valuer. The independent business valuer provides the key technical components for setting the Weighted Average Cost of Capital ("WACC") and in quarterly reviews of the DCFs together with the Manager helps ensure that the WACC and the terminal growth rates are commensurate with investment and industry norms.

The WACC is reviewed by the Board of the Manager (the "Board") on a quarterly basis and both the Board and the Independent Valuer have always considered the long-term nature of the Fund, so have avoided changing the WACC during short-term periods of market volatility. In 2023 it was the view of both the Board and the Independent Valuer that the Risk Free Rate was expected to stay at a heightened level for an extended period and they therefore made an adjustment to increase the WACC to 10.15%.

As at 30 September 2024 the WACC has remained at 10.15% following an independent review during the year. In selecting the WACC the Board use their judgement in respect of a number of inputs including the Risk Free Rate. The Board discuss these inputs and consider views of the Independent Valuer, who provide a range of WACC percentages, in order to arrive at a WACC that both consider to be reasonable and appropriate. The Board considers that a WACC of 10.15% (2023: 10.15%) remains appropriate.

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 30 September 2024**

### **4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)**

#### **Operating assets held at valuation (continued)**

The decrease seen in the operating assets held at valuation in the year is due to a reduction in the forecast projections used in the DCF valuations. The Board of the Manager decided to adopt a more cautious approach in the forecasts to reflect that the economic situation has not yet improved in a way that had previously been anticipated. The decision was influenced by the challenging market conditions which have persisted since the Covid-19 pandemic and the subsequent cost-of-living pressures and high levels of inflation.

The Directors of the Manager are confident that the valuation included in the Consolidated Financial Statements has been incorporated on a consistent basis using sensible and supportable assumptions.

#### **Going concern**

The directors of the Manager have assessed the Fund's ability to continue as a going concern and have concluded that it is appropriate to prepare the financial statements on a going concern basis.

In forming this conclusion, the Manager has considered the Fund's financial position as at 30 September 2024, including the latest redemption requests and the facility provided by Santander UK plc, which has a termination date of 8 February 2026. While the Fund has been able to meet redemption payments to date, the Manager acknowledges that the Fund must secure additional funding to sustain the ongoing flow of monthly redemption payments and fulfil its obligations to redeeming investors.

To this end, subsequent to the year end the Manager has secured £13 million of additional funding. £10,000,000 in October 2024 from Together Commercial Finance Limited maturing in October 2025 and a £3,000,000 overdraft in March 2025 as an extension of the existing facility from Santander.

As ever the Manager continues to actively explore various funding options, including securing additional borrowing facilities and raising capital through replacement equity and the possible disposal of parks, to ensure sufficient liquidity is maintained. While there is uncertainty around the timing and success of these efforts, the Manager remains confident in the Fund's ability to secure the required funding, supported by the strength of its underlying asset portfolio and its established relationships with investment institutions.

Based on these considerations, the Manager has concluded that there is a reasonable expectation that the Fund will have adequate resources to continue in operational existence for the foreseeable future and for a period of not less than 12 months from the date of signing these financial statements. The directors are therefore of the view it is appropriate to adopt the going concern basis in preparing the Consolidated Financial Statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

#### Impairment of fixed assets

Fixed assets are depreciated over their useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

### 5. REVENUE

	2024	2023
	£	£
Sales revenue on caravans	8,403,478	7,610,370
Hire fleet rental	30,255,030	31,077,034
Ancillary income	8,026,225	7,899,458
Private owner revenue	5,927,145	5,854,710
Other income	50,070	77,823
Bank interest income	3,644	19,522
<b>Total Income</b>	<b>52,665,592</b>	<b>52,538,917</b>

### 6. EXPENSES

	2024	2023
	£	£
Park wages and salaries	13,453,148	13,396,659
Park cost of sales	7,808,703	7,589,568
Park general and administrative expenses	8,238,642	9,168,824
Park marketing expenses	971,674	816,181
Other park operating expenses	13,350,841	14,449,953
Depreciation	7,732,733	8,661,640
Administrator's fees	550,371	550,000
Deferred marketing charge	28,104	138,684
Loan interest	4,461,874	2,972,806
Legal and professional	491,306	325,073
Trustee's fees	138,749	164,129
Audit fees of the Fund	57,498	54,401
Audit and accounting fees of the subsidiaries	283,279	230,971
Bank charges	40,959	57,090
<b>Total Expenses</b>	<b>57,607,881</b>	<b>58,575,979</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 7. FINANCE COSTS: DISTRIBUTIONS

The Manager recommended that distributions be made for the year ended 30 September 2024 of nil (2023: 4.30) pence per unit on the A Accumulation class, nil (2023: 7.38) pence per unit on the C Accumulation class and nil (2023: 3.65) pence per unit on the C Income class, nil (2023: 7.51) pence per unit on the D Accumulation class, nil (2023: 1.99) pence per unit on D income class, nil (2023: 4.40) pence per unit on the E Exit class, nil (2023: 4.69) pence per unit on the E initial class, nil (2023: 3.59) pence per unit on the F Exit class, nil (2023: 1.97) pence per unit on the F initial class, nil (2023: 3.36) pence per unit on the G exit class and nil (2023: 1.72) pence per unit on the G initial class, nil (2023: 2.26) pence per unit on the I exit class, nil (2023: 2.86) pence per unit on the J Income class, nil (2023: 2.12) pence per unit on K Accumulation class, nil (2023: 2.06) on K income, and nil (2023: 3.69) pence per unit on the M Income class.

The distributions in the prior year allocated to the accumulation units were reinvested and accumulated in the capital. In total £nil (2023: £7,277,358) relating to the accumulation units was reinvested during the year and £nil (2023: £5,000,798) has been paid to unitholders.

### 8. TAXATION

The Fund is exempt from Income Tax in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989. The Fund pays an annual fee to the States of Guernsey Income Tax Office, presently set at £1,600 (2023: £1,200).

The Fund's subsidiary Darwin West Country (Guernsey) Limited is liable to UK Corporation Tax (25% from 1 April 2023, 19% to 1 April 2023) on rental income from UK property holdings. Darwin West Country (Guernsey) Limited forms part of the UK tax group along with the UK operating subsidiaries and is subject to UK Corporation Tax on profits derived in the UK.

The Fund took professional guidance on these changes and continues to monitor the situation to mitigate the UK tax within the fund structure.

<b>Tax expense included in profit or loss</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Current income tax:	-	-
Current income tax charge	-	-
<b>Reconciliation of tax charge</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Loss before tax	(109,585,404)	(180,895,666)
Income tax at a rate of 0%	-	-
Effects of		
Income subject to UK tax	-	-
Tax charge for the year	-	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 30 September 2024**

**9. OPERATING ASSETS HELD AT VALUATION**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>		
At start of year	443,625,000	613,500,756
Additions	50,403	247,004
Unrealised loss on operating assets held at valuation	(101,358,041)	(170,122,760)
<b>At end of year</b>	<b>342,317,362</b>	<b>443,625,000</b>
 <b>Depreciation and impairment</b>		
At start of year	25,420,375	22,211,485
Provided during the year	3,212,930	3,208,890
<b>At end of year</b>	<b>28,633,305</b>	<b>25,420,375</b>
 <b>Carrying amount at end of year</b>	 <b>313,684,057</b>	 <b>418,204,625</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 30 September 2024**

**9. OPERATING ASSETS HELD AT VALUATION (CONTINUED)**

	<b>2024</b>	<b>Percent of net assets</b>	<b>2023</b>	<b>Percent of net assets</b>
<b>Operating assets</b>	<b>£</b>	<b>%</b>	<b>£</b>	<b>%</b>
Aberconwy Resort & Spa	29,899,684	10.28	31,053,804	7.65
Bath Mill Lodge Retreat	14,055,525	4.83	13,111,480	3.23
Beach Cove Coastal Retreat	6,399,783	2.20	8,510,261	2.10
Canterbury Fields Holiday Park	3,700,372	1.27	5,522,156	1.36
Cheddar Woods Resort & Spa	50,280,120	17.29	63,128,813	15.55
Hawkchurch Resort & Spa	24,335,018	8.37	30,866,057	7.60
Keswick Reach Caravan Park	36,532,990	12.57	56,022,522	13.80
Mullion Cove Coastal Retreat	5,160,431	1.77	6,665,108	1.64
Piran Meadows Resort & Spa	27,088,101	9.32	39,636,751	9.76
Sandymouth Holiday Home Park	25,674,597	8.83	34,513,563	8.50
Talacre Beach Holiday Home Park and Leisure Park, The New Pines Holiday Home Park and Seaview Holiday Home Park	35,223,987	12.12	43,593,301	10.74
Thanet Well Country Park	6,540,558	2.25	12,951,159	3.19
Tilford Woods Lodge Retreat	7,069,415	2.43	9,211,792	2.27
Wareham Forest Lodge Retreat	16,816,901	5.78	20,767,453	5.12
Woodside Bay Holiday Home Park	15,436,299	5.31	28,706,263	7.07
Woodside Coastal Retreat	9,020,276	3.10	13,494,142	3.32
	<b>313,234,057</b>	<b>107.72</b>	<b>417,754,625</b>	<b>102.90</b>
<b>Non-operating asset</b>				
Darwin Parks Group	450,000	0.15	450,000	0.11
	<b>313,684,057</b>	<b>107.87</b>	<b>418,204,625</b>	<b>103.01</b>

Valuation methods used to value operating assets held at valuation are included in Note 4.

The Darwin Parks Group investment consists of non-operating assets which are located within the parks and are valued separately.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 10. TANGIBLE FIXED ASSETS

	Static caravans and lodges £	Plant and machinery £	Office Equipment £	Furniture and fittings £	Motor vehicles £	Total £
At 30 September 2023	<b>76,910,454</b>	<b>939,684</b>	<b>2,016,079</b>	<b>20,622,625</b>	<b>1,550,975</b>	<b>102,039,817</b>
Disposals	(27,309)	(2,960)	-	(2,621)	(56,237)	(89,126)
Additions	57,262	8,860	60,738	157,906	39,611	324,377
At 30 September 2024	<b>76,940,407</b>	<b>945,584</b>	<b>2,076,817</b>	<b>20,777,910</b>	<b>1,534,349</b>	<b>102,275,068</b>
<b>Depreciation</b>						
At 30 September 2023	<b>40,956,656</b>	<b>858,453</b>	<b>1,501,656</b>	<b>18,885,992</b>	<b>1,105,479</b>	<b>63,308,236</b>
Disposal	(2,604)	(339)	-	(2,621)	(56,236)	(61,800)
Charge	3,277,602	40,138	163,266	862,565	176,233	4,519,804
At 30 September 2024	<b>44,231,654</b>	<b>898,252</b>	<b>1,664,922</b>	<b>19,745,936</b>	<b>1,225,476</b>	<b>67,766,240</b>
At 30 September 2024	<b>35,708,753</b>	<b>47,332</b>	<b>411,895</b>	<b>1,031,974</b>	<b>308,873</b>	<b>34,508,827</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Darwin Leisure Property Fund  
For the year ended 30 September 2024

**10. TANGIBLE FIXED ASSETS**

	Static caravans and lodges £	Plant and machinery £	Office Equipment £	Furniture and fittings £	Motor vehicles £	Total £
At 30 September 2022	<b>76,964,348</b>	<b>922,456</b>	<b>1,770,489</b>	<b>20,051,412</b>	<b>1,416,719</b>	<b>101,125,424</b>
Disposals	(288,570)	-	-	-	(115,640)	(404,210)
Additions	234,676	17,228	245,590	571,213	249,896	1,318,603
At 30 September 2023	<b>76,910,454</b>	<b>939,684</b>	<b>2,016,079</b>	<b>20,622,625</b>	<b>1,550,975</b>	<b>102,039,817</b>
<b>Depreciation</b>						
At 30 September 2022	<b>37,084,482</b>	<b>812,927</b>	<b>1,356,082</b>	<b>17,861,459</b>	<b>990,561</b>	<b>58,105,511</b>
Disposal	(171,361)	-	-	-	(78,663)	(250,024)
Charge	4,043,535	45,526	145,574	1,024,533	193,581	5,452,749
At 30 September 2023	<b>40,956,656</b>	<b>858,453</b>	<b>1,501,656</b>	<b>18,885,992</b>	<b>1,225,476</b>	<b>63,308,236</b>
<b>Carrying amount</b>						
At 30 September 2023	<b>35,953,798</b>	<b>81,231</b>	<b>514,423</b>	<b>1,736,633</b>	<b>445,496</b>	<b>38,731,581</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 11. INVESTMENT IN SUBSIDIARIES (Fund Only)

The Fund holds and operates its property portfolio through subsidiary companies. The Consolidated Financial Statements consolidate the results of the Fund and its subsidiaries drawn up to 30 September each year. The subsidiaries have been included in the Fund's Consolidated Financial Statements using the acquisition method of accounting. The Consolidated Statement of Total Return and Consolidated Statement of Cash Flows include the results of the subsidiaries from the effective date on which control has been acquired and cease to be consolidated from the date that control has been passed.

Name	Place of registration	Fund % ownership	Principal activity
<b>Immediate parent - Darwin Leisure Property Fund</b>			
Darwin West Country (Guernsey) Limited	Guernsey	100%	Property holding
Darwin Finance (Guernsey) Limited	Guernsey	100%	Property finance
<b>Immediate parent - Darwin West Country (Guernsey) Limited</b>			
Aberconwy Limited	UK	100%	Park operation
Darwin (Bath Mill) Limited	UK	100%	Park operation
Darwin (Beach Cove) Limited	UK	100%	Park operation
Darwin (Canterbury Fields) Limited	UK	100%	Park operation
Darwin (Cheddar Woods) Limited	UK	100%	Park operation
Darwin Contract Management Limited	UK	100%	Park operation
Darwin (Hawkchurch Country Park) Ltd	UK	100%	Park operation
Darwin (Mullion Cove) Limited	UK	100%	Park operation
Darwin (Keswick Reach) Limited (formerly Darwin (North Lakes) Limited)	UK	100%	Park operation
Darwin (North West) Limited	UK	100%	Park operation
Darwin (Wareham Forest) Limited (formerly Darwin (Pear Tree Park) Limited)	UK	100%	Park operation
Darwin (Piran Meadow) Limited	UK	100%	Park operation
Darwin (Sandymouth) Limited	UK	100%	Park operation
Darwin (Seaview Gwespyr) Limited	UK	100%	Dormant
Darwin (Swanage Bay View) Limited	UK	100%	Dormant
Darwin (Thanet Well) Limited	UK	100%	Park operation
Darwin (Tilford Woods) Limited	UK	100%	Park operation
Darwin (Woodside Bay) Limited	UK	100%	Park operation
Darwin (Woodside Costal Retreat) Limited	UK	100%	Park operation

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 12. DEBTORS AND PREPAYMENTS

	2024	2023
	£	£
Deferred arrangement and marketing costs	7,639	35,743
Other debtors and prepayments	2,106,326	1,819,627
Trade debtors	243,605	-
	<b>2,357,570</b>	<b>1,855,370</b>

### 13. CREDITORS

	2024	2023
	£	£
Trade creditors	4,376,251	5,458,330
VAT payable	1,708,159	2,042,985
Other creditors	6,872,869	2,631,771
Management fees payable	1,782,567	1,479,233
Administration fees payable	44,672	45,205
Trustee fees payable	9,226	11,272
Accrued expenses	490,975	495,125
	<b>15,284,719</b>	<b>12,163,921</b>

### 14. LOANS PAYABLE AND OTHER BORROWINGS

	2024	2023
	£	£
<b>Current</b>		
Loan interest payable	533,055	468,470
Revolving credit facility	49,443,224	49,084,309
	<b>49,976,279</b>	<b>49,552,779</b>
<b>Non current</b>		
Park finance leases	292,444	666,443
	<b>292,444</b>	<b>666,443</b>
	<b>50,268,723</b>	<b>50,219,222</b>

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 30 September 2024**

### **14. LOANS AND OTHER BORROWINGS (CONTINUED)**

The Fund has a Revolving Credit Facility ("facility") with Santander UK plc to support with liquidity management. The facility, which has a maximum amount of £50,000,000 was made available to in February 2023 and has a term of 3 years. As at 30 September 2024, £50,000,000 was drawn on the facility (2023: £50,000,000).

As at 30 September 2024, the amortised loan amount is £49,443,223 (2023: £49,084,309).

The loan interest is calculated using the effective interest rate method and has incurred £4,475,116 of interest expense as at 30 September 2024 (2023: £2,443,685).

The facility with Santander UK plc is secured by way of a fixed charge over the property at Aberconwy, Cheddar Woods, Keswick Reach, Hawkchurch, Sandymouth, Talacre Beach and New Pines. Santander also have a fixed charge over the shares in the UK subsidiary companies and a first floating charge over all the other assets of the fund.

The loan is subject to specific covenants and during the reporting period, these conditions were not met in full, resulting in a breach of certain terms. The Manager has been in active discussions with Santander regarding this breach, and both parties are working collaboratively.

On 21 March 2025 the Fund's existing facility with Santander was extended with an overdraft of £3,000,000, there were no changes to the terms of the facility.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 15. FINANCIAL INSTRUMENTS

The Fund has the following financial instruments:

	2024	2023
	£	£
<b>Financial assets</b>		
<b>Measured at amortised cost</b>		
Debtors	2,349,931	1,819,627
Cash at bank and in hand	2,210,336	4,851,574
<b>Total financial assets</b>	<b>4,560,267</b>	<b>6,671,201</b>
<b>Financial liabilities</b>		
<b>Measured at undiscounted amount</b>		
Amounts due to unitholders	(290,717,943)	(405,932,416)
Creditors	(13,576,560)	(10,120,936)
Loans and other borrowings	(50,268,723)	(50,219,222)
	<b>(354,563,226)</b>	<b>(466,272,574)</b>

### 16. UNITHOLDERS' CAPITAL

In accordance with the Trust Instrument, distributions may be made to the unitholders of the Fund. Distributions are made rateably in accordance with the number of units held or deemed to be held on the relevant distribution date. The unitholders are only entitled to vote at meetings of the unitholders on specific resolutions as detailed in the trust instrument. At meetings of the unitholders, on a poll, every holder is entitled to one vote in respect of each unit held.

The subscriptions and redemptions occur on the first business day of each month.

In a winding-up the unitholders have the right to receive all surplus assets available for distribution after settlement of the Class units' liabilities.

There is no upper or lower number of units that may be issued in the Fund.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 30 September 2024**

**16. UNITHOLDERS' CAPITAL (CONTINUED)**

	<b>2024</b>	<b>2023</b>
	<b>Units</b>	<b>Units</b>
<u>A Accumulation units</u>		
Opening balance	822,825	1,032,462
Issued	-	-
Redeemed	(148,793)	(209,637)
Closing balance	<u>674,032</u>	<u>822,825</u>
<u>C Accumulation units</u>		
Opening balance	23,850,160	21,819,326
Issued	-	2,865,321
Redeemed	(389,454)	(834,487)
Closing balance	<u>23,460,706</u>	<u>23,850,160</u>
<u>C Income units</u>		
Opening balance	12,513,099	12,808,999
Issued	-	-
Redeemed	(163,589)	(295,900)
Closing balance	<u>12,349,510</u>	<u>12,513,099</u>
<u>D Accumulation units</u>		
Opening balance	39,288,614	39,297,318
Issued	-	-
Redeemed	(10,541,508)	(8,704)
Closing balance	<u>28,747,106</u>	<u>39,288,614</u>
<u>D Income units</u>		
Opening balance	56,776,394	56,776,394
Issued	40,338,748	-
Redeemed	-	-
Closing balance	<u>97,115,142</u>	<u>56,776,394</u>
<u>E Exit Penalty Accumulation units</u>		
Opening balance	18,897,885	22,886,391
Issued	754,350	18,789
Redeemed	(3,966,023)	(4,007,295)
Closing balance	<u>15,686,212</u>	<u>18,897,885</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 30 September 2024**

**16. UNITHOLDERS' CAPITAL (CONTINUED)**

	<b>2024</b>	<b>2023</b>
	<b>Units</b>	<b>Units</b>
<u>E Initial Penalty Accumulation units</u>		
Opening balance	6,335,435	7,067,447
Issued	4,711	100,280
Redeemed	(803,678)	(832,292)
Closing balance	5,536,468	6,335,435
<u>F Exit Penalty Accumulation units</u>		
Opening balance	1,885,407	2,366,029
Issued	321,502	-
Redeemed	(867,596)	(480,622)
Closing balance	1,339,314	1,885,407
<u>F Initial Penalty Accumulation units</u>		
Opening balance	72,522	72,522
Issued	-	-
Redeemed	-	-
Closing balance	72,522	72,522
<u>G Exit Penalty Accumulation units</u>		
Opening balance	9,851,188	13,958,037
Issued	396,656	7,014
Redeemed	(2,271,327)	(4,113,863)
Closing balance	7,976,517	9,851,188
<u>G Initial Penalty Accumulation units</u>		
Opening balance	103,503	103,503
Issued	-	-
Redeemed	(103,503)	-
Closing balance	-	103,503
<u>I Exit Penalty Accumulation units</u>		
Opening balance	3,648,120	4,318,958
Issued	40,077	-
Redeemed	(656,737)	(670,838)
Closing balance	3,031,461	3,648,120

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 30 September 2024**

**16. UNITHOLDERS' CAPITAL (CONTINUED)**

	<b>2024</b>	<b>2023</b>
	<b>Units</b>	<b>Units</b>
<u>J Income units</u>		
Opening balance	7,343	7,343
Issued	-	-
Redeemed	-	-
Closing balance	<u>7,343</u>	<u>7,343</u>
<u>K Accumulation units</u>		
Opening balance	34,933,446	34,933,446
Issued	-	-
Redeemed	-	-
Closing balance	<u>34,933,446</u>	<u>34,933,446</u>
<u>K Income units</u>		
Opening balance	68,793,001	68,793,001
Issued	-	-
Redeemed	-	-
Closing balance	<u>68,793,001</u>	<u>68,793,001</u>
<u>M Income units</u>		
Opening balance	50,637,094	54,603,427
Issued	-	-
Redeemed	-	(3,966,333)
Closing balance	<u>50,637,094</u>	<u>50,637,094</u>
<u>T Income units</u>		
Opening balance	-	-
Issued	5,000,000	-
Redeemed	-	-
Closing balance	<u>5,000,000</u>	<u>-</u>
<b>Total shares in issue</b>	<b><u>355,359,876</u></b>	<b><u>328,416,036</u></b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 17. RELATED PARTY TRANSACTIONS AND MATERIAL CONTRACTS

#### Fees Payable to the Manager

The Management fee is charged at 1.5% p.a. of the NAV of the Fund for the Class "A" units, 1% p.a. of the NAV of the Fund for the Class "C" and Class "J" units, 0.8% p.a. of the NAV of the Fund for the Class "D" units, 0.07% p.a. of the NAV of the Fund for the Class "K" units, 0.85% p.a. of the NAV of the Fund for the Class "M" units and 0.01% p.a. of the NAV of the Fund for the Class "T" units.

These fees are calculated by reference to the Gross Asset Value of the Fund attributable to the relevant Units and shall be calculated and accrued at each Valuation Date.

For Class "E", "F", "G", and "I" there is a Charge on units at a rate of 1.75% per annum.

This fee is payable monthly in arrears. In the case of this charge 28.57% of the 1.75% Management fee may be used to pay trail commissions to intermediaries.

Management fees charged during the year by the Manager were £3,328,334 (2023: £4,665,963) of which £1,782,567 (2023: £1,479,233) remained unpaid at 30 September 2024.

In addition, the Manager shall be entitled to receive a performance fee set at 15% of the outperformance of the Fund when measured against a benchmark set at 1 month GBP LIBOR + 1%.

Performance fees charged during the year by the Manager were £nil (2023: £7,965) of which £nil (2023: £ Nil) remained unpaid at 30 September 2024.

#### Fees payable to the Trustee

The Trustee shall receive an annual fee to cover core activities of £10,000 and an annual Trustee fee of 0.05% p.a. of the NAV of the Fund for the first £50 million, 0.03% p.a. of the NAV between £50 million and £350 million and 0.02% p.a. of the NAV thereafter, subject to a minimum annual fee of £25,000.

Fees charged by the Trustee during the year were £138,749 (2023: £164,129), of which £9,226 (2023: £11,272) remains unpaid at 30 September 2024.

#### Fees payable to the Administrator

The Administration fee is charged at £550,000 per annum as from 01 January 2022. Prior to this, the Administration fee was charged at 0.20% p.a. of the NAV of the Fund up to £50 million, 0.15% p.a. of the NAV between £50 million and £350 million and 0.05% p.a. of the NAV thereafter, subject to a minimum fee of £15,000 per annum.

Fees charged by the Administrator during the year were £550,371 (2023: £550,000), of which £44,672 (2023: £45,205) remained unpaid at 30 September 2024.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 17. RELATED PARTY TRANSACTIONS AND MATERIAL CONTRACTS (CONTINUED)

#### Directors

I Burns, A Esse, J Penney, R Smith and M Tolcher are Directors of Darwin Property Investment Management (Guernsey) Limited, Darwin West Country (Guernsey) Limited and Darwin Finance (Guernsey) Limited.

The Directors of the Manager were remunerated by Darwin Property Investment Management (Guernsey) Limited except for A Esse and J Penney who waived their fee.

At 30 September 2024 A Esse owned 249,108.3412 (2023: 249,108.3412) and J Penney 177,007.187 (2023: 177,007.187) units of C Accumulation class, both via a self-invested pension plan, 17,571.1632 units of C Accumulation class are held by close family members of A Esse R Smith had an interest in 17,654.588 (2023: 17,654.588) C Accumulation units via a retirement annuity trust. Smoke Rise Holdings Limited, a company controlled by I Burns held 6,578.913 (2023: 6,578.913) Class C Accumulation units of the Fund.

### 18. FINANCIAL RISK MANAGEMENT AND TREASURY POLICIES

#### Market risk: Interest rate risk

The Fund is exposed to risk associated with the effects of fluctuation in the prevailing levels of market interest rates on its cash position.

The interest rate profile of the financial assets and liabilities as at the Consolidated Statement of Financial Position is as follows:

As at 30 September 2024	Floating rate £	Non-interest bearing £	Total £
Assets			
Cash and cash equivalents	2,210,336	-	2,210,336
Debtors	-	2,349,931	2,349,931
<b>Total Assets</b>	<b>2,210,336</b>	<b>2,349,931</b>	<b>4,560,267</b>
Liabilities			
Loans and other borrowings	(50,268,723)	-	(50,268,723)
Creditors	-	(15,284,719)	(15,284,719)
Net assets attributable to unitholders	-	(290,717,943)	(290,717,943)
<b>Total Liabilities</b>	<b>(50,268,723)</b>	<b>(306,002,662)</b>	<b>(356,736,985)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 18. FINANCIAL RISK MANAGEMENT AND TREASURY POLICIES (CONTINUED)

#### Market risk: Interest rate risk (continued)

As at 30 September 2023

	Floating rate £	Non-interest bearing £	Total £
<b>Assets</b>			
Cash and cash equivalents	4,851,574	-	4,851,574
Debtors	-	1,819,627	1,819,627
<b>Total Assets</b>	<b>4,851,574</b>	<b>1,819,627</b>	<b>6,671,201</b>
<b>Liabilities</b>			
Loans and other borrowings	(50,219,222)	-	(50,219,222)
Creditors	-	(10,120,936)	(10,120,936)
Net assets attributable to unitholders	-	(405,932,416)	(405,932,416)
<b>Total Liabilities</b>	<b>(50,219,222)</b>	<b>(416,053,352)</b>	<b>(466,272,574)</b>

If interest rates on bank Loan had been 200 basis points higher/lower and all other variables were held constant, an assumption unlikely to occur due to interest rate correlations with other variables, the Fund's total return and net assets would have been decreased/ increased by £44,207 (2023: £97,031). Considering the effect on cash balances, an increase/decrease in 200 basis points in interest rates as at reporting date would have increased/decreased net assets and income for the year by £1,022,698 (2023: £1,022,698). The calculations are based on the balances at the reporting date and are not representative of the year as a whole. A 200 basis point increase/decrease represents the Manager's assessment of the possible changes in interest rates within the next 12 months.

#### Market risk: Currency risk

The Fund computes its NAV in Sterling and the NAV of Unit Classes other than Sterling Unit Classes are notionally converted to the relevant currency of the Unit Class at the exchange rate prevailing on the Valuation Date. There is, therefore, a currency exchange risk, which may affect the value of the Units and of any income arising from them. This currency risk is borne by the unit holders. At the year end, in addition to Sterling unit classes, units were also available in Euros, US Dollars and Singapore Dollars.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 18. FINANCIAL RISK MANAGEMENT AND TREASURY POLICIES (CONTINUED)

#### Market risk: Currency risk (continued)

As at 30 September 2024	Currency	£
F Exit Penalty Accumulation Units – EUR	1,432,123	1,191,351
F Initial Penalty Accumulation Units – EUR	42,664	35,491
G Exit Penalty Accumulation Units – USD	8,897,926	6,639,252
I Exit Penalty Accumulation Units – SGD	2,925,190	1,701,285
		<b>9,567,380</b>
As at 30 September 2023	Currency	£
F Exit Penalty Accumulation Units – EUR	2,671,664	2,315,334
F Initial Penalty Accumulation Units – EUR	56,454	48,924
G Exit Penalty Accumulation Units – USD	13,813,988	11,317,375
G Initial Penalty Accumulation Units – USD	74,178	60,772
I Exit Penalty Accumulation Units – SGD	4,705,241	2,822,411
		<b>16,564,816</b>

#### Operational risks

Rental income and the market value for properties are generally affected by overall conditions in the economy, such as changes in gross domestic product, employment trends, inflation, the availability of banking finance and changes in interest rates, which in turn may impact the demand for caravan rental.

Both rental income and property values may also be affected by other factors specific to the real estate and leisure markets, such as competition from other property owners, the perceptions of prospective tenants of the attractiveness, convenience and safety of properties, the periodic need to renovate, repair and release space and the costs thereof, the costs of maintenance and insurance, and increased operating costs.

The Directors of the Manager monitor the operating assets monthly using the DCF model received from the Manager. The Directors of the Manager have engaged Evelyn and Partners, Business Valuers, to review the DCF model on a quarterly basis.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

### 18. FINANCIAL RISK MANAGEMENT AND TREASURY POLICIES (CONTINUED)

#### Liquidity risk

The Fund's constitution provides for the monthly creation and cancellation of units and it is therefore exposed to the liquidity risk of meeting unitholder redemptions at any time and the repayment of the loan. The Fund's main assets are property assets which are traded in an environment where deal timescales can take place over months. As a result, the Fund may not be able to liquidate quickly some of its properties at an amount close to its fair value in order to meet liquidity requirements.

Cash balances are maintained to ensure that the Fund is able to meet expenses, distributions and requests for redemption of units. Where redemption requests exceed cash available to the Fund, the Manager is entitled to suspend the redemption process until the Fund has been able to realise sufficient funds from the orderly disposal of property.

The Fund has a Revolving Credit Facility with Santander UK PLC for a maximum of £50,000,000 through its subsidiary Darwin West Country (Guernsey) Limited. This facility is to support liquidity management.

Subsequent to the year end the Manager has secured £13 million of additional funding. £10,000,000 in October 2024 from Together Commercial Finance Limited and £3,000,000 in March 2025 as an extension of the existing facility from Santander.

#### As at 30 September 2024

	Due within 30 days £	Due between 30 days and 60 days £	Due between 60 days and 1 year £	Due after 1 year £	Total £
Debtors	2,349,931	-	-	-	2,349,931
Cash and cash equivalents	2,210,336	-	-	-	2,210,336
	<b>4,560,267</b>	-	-	-	<b>4,560,267</b>
Net assets due to unitholders	(14,535,897)	(13,809,102)	(105,280,570)	(157,092,373)	(290,717,942)
Loans and other borrowings	-	-	(49,976,279)	(292,444)	(50,268,723)
Creditors	(13,576,560)	-	-	-	(13,576,560)
	<b>(28,112,457)</b>	<b>(13,809,102)</b>	<b>(155,256,849)</b>	<b>(157,384,817)</b>	<b>(354,563,225)</b>
<b>Total liquidity sensitivity gap</b>	<b>(23,552,190)</b>	<b>(13,809,102)</b>	<b>(155,256,849)</b>	<b>(157,384,817)</b>	<b>(350,002,958)</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**For the year ended 30 September 2024**

**18. FINANCIAL RISK MANAGEMENT AND TREASURY POLICIES (CONTINUED)**

**Liquidity risk (continued)**

**As at 30 September 2023**

	Due within 30 days £	Due between 30 days and 60 days £	Due between 60 days and 1 year £	Due after 1 year £	Total £
Debtors	1,819,627	-	-	-	1,819,627
Cash and cash equivalents	4,851,574	-	-	-	4,851,574
	<b>6,671,201</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,671,201</b>
Net assets due to unitholders	(17,649,443)	(16,766,971)	(116,185,283)	(255,330,720)	(405,932,417)
Loans and other borrowings	-	-	(49,552,779)	(666,443)	(50,219,222)
Creditors	(10,120,936)	-	-	-	(10,120,936)
	<b>(27,770,379)</b>	<b>(16,766,971)</b>	<b>(165,738,062)</b>	<b>(255,997,163)</b>	<b>(466,272,575)</b>
<b>Total liquidity sensitivity gap</b>	<b>(21,099,178)</b>	<b>(16,766,971)</b>	<b>(165,738,062)</b>	<b>(269,100,428)</b>	<b>(459,601,374)</b>

**Credit risk**

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Fund. In the event of a default by a tenant, the Fund will suffer a rental income shortfall and incur additional costs, including legal expenses, in maintaining, insuring and re-letting the property. Appropriate due diligence is undertaken prior to letting a unit to a tenant. There are no significant concentrations of credit risk within the Fund other than the concentration of balances held with Butterfield Bank and Lloyds Bank. Credit risk in respect of other financial assets and is reflected in the carrying value of these assets being set to their fair value, as they represent cash and financial instruments held with the Fund's bankers. The Manager regularly reviews the credit ratings of the Fund's bankers. Credit risk in relation to the banking is managed by the Board monitoring the risk ratings of the counter party. Butterfield Bank's current rating is Moody's A1 and Lloyds is A3.

**Capital management**

The capital of the Group is represented by the redeemable shares. The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide adequate returns for the unitholders and to maintain strong capital base to support the operations of the operating assets. In order to maintain or adjust the capital structure, the Group's policy is to:

- Monitor level of subscriptions and redemptions relative to the liquid assets and adjust the amount of distributions the Group pays to unitholders.
- Redeem and issue new shares in accordance with the Prospectus of the Group, which include the ability to restrict redemptions and require certain minimum holdings and subscriptions.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 30 September 2024**

**19. NET ASSET VALUE PER UNIT**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fund net asset value per September valuation	296,161,130	410,404,654
Adjustment to asset Valuation on consolidation	(5,443,188)	(4,472,238)
<b>Net asset value per Financial Statements</b>	<b>290,717,942</b>	<b>405,932,416</b>
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Units in issue	355,359,876	328,416,036
Net asset value per unit (valuation)	0.8334	1.2496
Net asset value per unit (financial statements)	0.8181	1.2360
<u>Individual Fund class value per unit</u>		
A accumulation value per unit (Valuation)	1.0728	1.4751
A accumulation value per unit (Financial Statements)	1.0531	1.4590
C accumulation value per unit (Valuation)	1.8571	2.5408
C accumulation value per unit (Financial Statements)	1.8230	2.5132
C income value per unit (Valuation)	0.9057	1.2391
C income value per unit (Financial Statements)	0.8890	1.2256
D accumulation value per unit (Valuation)	1.8979	2.5914
D accumulation value per unit (Financial Statements)	1.8630	2.5632
D income value per unit (Valuation)	0.4952	0.6761
D income value per unit (Financial Statements)	0.4861	0.6687
E exit accumulation value per unit (Valuation)	1.0913	1.5050
E exit accumulation value per unit (Financial Statements)	1.0713	1.4886
E initial accumulation value per unit (Valuation)	1.1654	1.6065
E initial accumulation value per unit (Financial Statements)	1.1440	1.5890
F exit accumulation value per unit (Valuation)	0.8895	1.2280
F exit accumulation value per unit (Financial Statements)	0.8732	1.2146
F initial accumulation value per unit (Valuation)	0.4894	0.6746
F initial accumulation value per unit (Financial Statements)	0.4804	0.6673
G exit accumulation value per unit (Valuation)	0.8322	1.1487
G exit accumulation value per unit (Financial Statements)	0.8171	1.1363
G initial accumulation value per unit (Valuation)	-	0.5872
G initial accumulation value per unit (Financial Statements)	-	0.5808
I exit accumulation value per unit (Valuation)	0.5612	0.7737
I exit accumulation value per unit (Financial Statements)	0.5509	0.7652
J income value per unit (Valuation)	0.7102	0.9717
J income value per unit (Financial Statements)	0.6972	0.9611

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2024

## 19. NET ASSET VALUE PER UNIT (CONTINUED)

	2024	2023
	£	£
K accumulation value per unit (Valuation)	0.5426	0.7354
K accumulation value per unit (Financial Statements)	0.5326	0.7274
K income value per unit (Valuation)	0.5199	0.7047
K income value per unit (Financial Statements)	0.5104	0.6970
M income value per unit (Valuation)	0.9183	1.2545
M income value per unit (Financial Statements)	0.9015	1.2409
T income value per unit (Valuation)	0.7344	-
T income value per unit (Financial Statements)	0.7209	-

## 20. CONTROLLING PARTIES

Darwin Property Investment Management (Guernsey) Limited (the “Manager”) together with Butterfield Bank (Guernsey) Limited (the “Trustee”) are regarded as the controlling parties of the Fund by virtue of them acting in concert under the terms of the Trust Instrument.

## 21. POST BALANCE SHEET EVENTS

On 16 October 2024, the Darwin Leisure Property Fund entered into a borrowing agreement with Together Commercial Finance Limited. The facility of £10,000,000 is being used to support redemption payments to investors, ensuring the Fund maintains sufficient liquidity to meet its obligations.

The loan is structured with a fixed monthly interest rate of 1%, repayable after 12 months, and is secured by way of a fixed charge over the property at Woodside Bay, Woodside Coastal Resort and Bath Mill.

On 21 March 2025 the Fund’s existing facility with Santander was extended by £3,000,000, there were no changes to the terms of the facility.