DARWIN LEISURE PROPERTY FUND

Report & Audited Consolidated Financial Statements

For the year ended 30 September 2020

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For the year ended 30 September 2020

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 PO Box 91 11 New Street St Peter Port Guernsey GY1 3EG
MANAGER:	Darwin Property Investment Management (Guernsey) Limited 11 New Street St Peter Port Guernsey GY1 2PF
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 (From 1 April 2020) Darwin Property Investment Management Limited Empire House 175 Piccadilly London W1J 9EN (To 31 March 2020)
THE INTERNATIONAL STOCK EXCHANGE SPONSOR:	Vistra Fund Services (Guernsey) Limited PO Box 91 11 New Street St Peter Port Guernsey GY1 3EG

GENERAL INFORMATION (CONTINUED)

INDEPENDENT AUDITOR:	Grant Thornton Limited PO Box 313 Lefebvre House Lefebvre Street St Peter Port Guernsey GY1 3TF
PROPERTY VALUERS:	Jones Lang LaSalle LLP 30 Warwick Street London W1B 5NH
BUSINESS VALUERS:	Smith and Williamson Ltd 25 Moorgate London EC2R 6AY
LEGAL ADVISERS TO THE FUND:	*In Guernsey:* Collas Crill Glategny Court PO Box 140 Glategny Esplanade St Peter Port Guernsey GY1 4EW *In United Kingdom:* Field Fisher Waterhouse LLP 35 Vine Street London EC3N 2AA

MANAGER'S REPORT
For the year ended 30 September 2020

The Manager of the Darwin Leisure Property Fund (the "Fund") is pleased to submit its Report and Audited Consolidated Financial Statements for the year ended 30 September 2020.

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 are listed on the Official List of The International Stock Exchange Authority Limited:

C Accumulation Units
C Income Units
D Accumulation Units
M Income Units

A Accumulation Units were delisted from the Official List of The International Stock Exchange Authority Limited on 23 June 2020.

ACTIVITIES

The Fund's principal activity is to invest primarily in a portfolio of interests in UK and Irish based holiday caravan parks, which includes land, buildings and static caravans, acquiring and owning such parks with a view to enhancing value through strategic selection and interventionist asset management. 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 2020

DISTRIBUTIONS

The Manager recommended that distributions be made for the year ended 30 September 2020 of 5.93 pence per unit on the A Accumulation class, 10.05 pence per unit on the C Accumulation class and 5.37 pence per unit on the C Income class, 10.18 pence per unit on the D Accumulation class, 6.18 pence per unit on the E Exit class, 6.52 pence per unit on the E initial class, 5.07 pence per unit on the F Exit class, 2.76 pence per unit on the F initial class, 4.77 pence per unit on the G exit class and 2.41 pence per unit on the G initial class, 3.18 pence per unit on the I exit class, 4.21 pence per unit on the J Income class, 3.34 pence per unit on the M Accumulation class and 5.41 pence per unit on the M Income class (see Note 7).

The distributions allocated to the accumulation units were reinvested and accumulated in the capital. In total £13,265,861 (2019: £28,496,575) relating to the accumulation units was reinvested during the year and £4,406,898 (2019: £6,514,508) has been paid to unit holders.

STATEMENT OF MANAGER'S RESPONSIBILITIES

The Manager is responsible for preparing 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 Association of Investment Companies, 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 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, 1987 as amended, The Authorised Collective Investment Schemes (Class B) Rules, 2013 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 2020

GOING CONCERN

The Manager has, at the time of approving the audited consolidated financial statements, a reasonable expectation that the Fund together with its subsidiaries have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these consolidated financial statements.

COVID-19

During the year and to the date that the Financial Statements were approved, the coronavirus ("COVID-19") outbreak emerged and has continued to cause extensive disruptions to businesses and economic activities. The Fund has experienced a reduction in the increase of the value of operating assets held at valuation and a reduction in operating cashflows.

As the pandemic continues, the quantum of the effect is difficult to determine and could be material, However the Manager is monitoring the situation and considering the effect it may have on the valuation of the assets of the Fund and the potential impact on operating cashflows. The operating parks continue to operate when permitted to do so and the Manager is encouraged by the Government's promotion of holidaying within the United Kingdom.

DEFERRAL OF REDEMPTIONS

Due to the high volume of redemption requests from investors within some unit classes during March 2020, combined with the impact of the pandemic on the cash generating activities of the parks, the Manager took the decision to instigate the redemption deferral provisions outlined in the Fund prospectus from 1 May 2020. It is the intention of the Manager to return to paying redemptions in full as soon possible. (see note 21)

AUDITOR

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

Signed for and on behalf of the Manager by:

Martin Tolcher **Ian Burns**

28 January 2021

INVESTMENT ADVISER'S REPORT
For the year ended 30 September 2020

During the year ended 30 September 2020, the C Accumulation units increased in value by 4.04%. The performance of the Fund has of course been impacted by the COVID-19 pandemic, but we are pleased to be able to report a positive return despite the holiday parks being closed for more than 3 months.

All of the holiday parks in the portfolio were closed on 23 March 2020 due to lockdown restrictions imposed by the UK Government in relation to the COVID-19 pandemic. On 23 June 2020 the UK Government announced that holiday parks in England, along with other hospitality businesses including restaurants and bars, could re-open from 4 July 2020. It had previously been announced by the Welsh Government that holiday parks in Wales could re-open from 13 July 2020.

The UK Government has introduced a number of measures to support businesses during the pandemic. The measures the Fund has benefitted from include:

The Coronavirus Job Retention Scheme
During the closure period, 85% of Darwin Escapes' staff were furloughed under the UK Government Coronavirus Job Retention Scheme. For those staff, this meant that 80% of their wages were paid by the Government, up to a maximum of £2,500 a month. We chose to top up their remaining wage to ensure that they were not financially penalised during the pandemic. We believed that this was the right thing to do for our team members and demonstrated our commitment to them. This was particularly important because when the parks were able to re-open, we needed a motivated and experienced team ready to return to action. Whilst furloughed, staff was unable to carry out any work functions. The staff who weren't furloughed were carrying out either head office functions or essential security and maintenance roles.

The Business Rates Relief
The UK and Welsh Governments introduced a business rates relief for retail, hospitality and leisure businesses in England and Wales for the 2020/21 tax year. All of the holiday parks were able to take advantage of this, so it will save the overall business around £1m during this period.

The VAT Reduction
The UK Government has introduced a temporary reduction in VAT for hospitality, hotel and holiday accommodation. In effect from 15 July 2020 to 31 March 2021, the VAT rate has been cut from the standard rate of 20% to 5%. In order to help lessen the impact of the loss of income when the parks were closed, and also to avoid having to raise prices when the schemes end, the reduction in VAT rate has not been passed onto Darwin Escapes guests.

Holiday Rentals
For holiday rental customers who were impacted by closures, our holiday booking agent, Hoseasons, initially provided vouchers rather than refunds, with 70% of people rebooking for later in 2020 and into 2021. Hoseasons advised that they saw a good number of customers who had originally booked with competitors moving their bookings to Darwin Escapes, generating additional revenue.

To help build customer confidence, Hoseasons went on to introduce a "Book with Confidence" policy for holiday rental bookings. This meant that payment has not been taken until 3 weeks before a stay, and if guests need to cancel because of Government restrictions or if accommodation is not being provided for any reason, then they are able to choose to take a full refund, transfer to a later date or to a different resort, or choose an e-voucher to rebook.

INVESTMENT ADVISER'S REPORT (CONTINUED)
For the year ended 30 September 2020

Holiday Rentals (continued)
The lunchtime statement by Boris Johnson on 23 June 2020 announcing the end of lockdown on 4 July 2020 ended up having a profound effect on holiday rental bookings. By the end of the day, year-on-year sales were up 270% for Hoseasons, and they were taking a booking every 11 seconds. On this day, Darwin Escapes parks made up 4 out of the top 5 best performing sites for Hoseasons, and 9 out of the top 15. A record 15,000 visits were made to the Darwin Escapes website on 23 June 2020, three times the previous highest number.

We went on to see that the volume of holiday bookings for the peak summer period, and for September, was above that for the same period in 2019. The strong levels of demand meant that there was no need to reduce prices and in many cases we were able to raise them. For example, at Keswick Reach the average net hire value per unit for the peak summer period was 20% higher than the budgeted target, and at Piran Meadows it was 15% higher.

Holiday Home Sales
Some of the holiday home sales team worked remotely whilst the parks were closed. They completed a small number of sales during this time and established a strong sales pipeline. After the parks re-opened, we recorded some of the busiest weeks on record for holiday home sales, with sales made at all price levels across parks in the portfolio. The majority of these sales were to new owners, helping to secure not only a short-term boost from sales revenue but also long-term income from site fees going forward.

By the end of the Fund's financial year, we had almost met the pre-Covid annual budget target for holiday home sales, despite the 3-month shutdown of the parks. Sales were so strong at New Pines and Sea View in North Wales that we switched some of the pitches there from holiday rental to holiday ownership.

Operational Changes
As soon as the parks were closed, the Darwin Escapes team were planning for their re-opening. Based on the 'Health & Safety Executive' guidance and medical advice at the time, operational rules were put in place for staff to follow which included measures such as safe distancing and when to wear PPE such as gloves and face masks. Guests were expected to follow rules relating to social distancing and health and safety measures such as using hand sanitiser in order to protect both them and our staff.

In order to minimise the number of people within our facilities buildings, we implemented new check in procedures which saw guests being directed straight to their lodge on arrival and being checked in using a paperless and contactless procedure by a team member from a safe distance. Check-in times were staggered to facilitate this. We also made changes to our usual provisions in our lodges and removed non-essential items such as board games, PlayStations, tea & coffee trays and toiletries to reduce the touch points within each lodge. Check-out was also moved an hour earlier to allow additional time for cleaning between guests, and a seal was placed on each lodge door after cleaning to demonstrate that no-one had entered since, offering additional comfort for guests.

In order to reduce customer interaction, restaurants and bars remained closed and instead we offered take-away and delivery services. This proved to be extremely popular with guests, and we will look to expand this offering once business returns to normal.

All of these measures, including the closure of central facilities where relevant, were communicated to guests in advance of their arrival.

INVESTMENT ADVISER'S REPORT (CONTINUED)
For the year ended 30 September 2020

Darwin Leisure Property Fund
The Fund is very well poised to benefit from the expected increase in demand for UK holidays. The COVID-19 pandemic has meant that people are less inclined and less able to travel abroad at present and we expect this to continue for some time. It has also meant that a new breed of holiday maker, who would usually holiday abroad, has discovered the benefits of holidaying in the UK and are likely to continue to do this, even after the pandemic. Increased consumer awareness about the environmental impact of air travel could also lead to a focus on domestic holidays.

Prior to the pandemic, we were already seeing an increase in "holiday snacking", with people making shorter and more frequent trips. This trend is set to continue. 75% of all holiday rental bookings are for 2, 3 or 4 nights with people taking three, four or more holidays each year, rather than the traditional two week break.

Holiday home sales are also likely to benefit from the uncertainty over international travel, with people seeing the benefits of having a holiday home that is easily accessible. The UK's withdrawal from the EU should also be a boost for UK holiday home ownership, given the potential restrictions on the amount of time UK citizens can spend in EU countries, which at present is expected to be only 90 days within a 180 day period.

Within the Investment Adviser's report we usually report on the success of the holiday parks at the Hoseasons Annual Awards, at which Darwin parks usually dominate. The awards provide a strong indication of how well the holiday parks are performing on an operational basis as they are based on customer feedback. Unfortunately, as with many things this year, the awards were cancelled.

Holiday Parks

Aberconwy Holiday Home Park (Conwy, North Wales)
Aberconwy, based at Conwy Morfa beach in North Wales was purchased in May 2015 as a premium edition to our three existing parks in North Wales. The park continues to trade exceptionally well, enabling us to achieve excellent selling prices for our lodges. A record price of £375,000 was recently achieved at the park.

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. Bath Mill continues to be popular with visitors to Bath and we are able to achieve high rental tariffs due to the lack of quality accommodation in the city. The events space has been used extensively by local residents hosting numerous weddings, business events and wakes.

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 with sublime views around the coastline. 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.

INVESTMENT ADVISER'S REPORT (CONTINUED)
For the year ended 30 September 2020

Canterbury Reach Lodge Retreat (Canterbury, Kent)
Canterbury Reach is 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. We have begun a programme of refurbishment of some of the original lodges to ensure that all of the accommodation meets the high standards for which Darwin is now known. This includes re-decorating and replacing furniture where necessary.

Hawkchurch Resort and Spa (Axminster, Devon)
Located close to the 'Jurassic Coast' in Devon, Hawkchurch opened in 2015 following the complete redevelopment of the site. Hawkchurch offers luxury lodges for holiday home ownership and holiday rental and features a restaurant, bar and high-quality spa. Hawkchurch 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. Keswick Reach is extremely popular throughout the year and quickly became one of the strongest performing parks in the portfolio in terms of occupancy. The high demand means that we are able to maintain strong tariff rates throughout the year.

Kilnwick Percy
Kilnwick Percy in East Yorkshire was sold by the Fund in March 2020 for £27.5m, having been acquired in April 2017 for £9.02m.

When we purchased Kilnwick Percy it was a relatively tired asset but in an excellent location. Our capital expenditure involved updating the central facilities, modernising the lodge accommodation and significantly improving the gym and spa offering as well as the wedding function capabilities. We were informed by the vendor that there was significant local resistance to further development of the site.

We established that the Local Authority would welcome a sympathetically designed additional development phase at Kilnwick Percy. The rationale being that it would provide a substantial boost to the local economy through long-term job creation and additional sustained spend in the market town of Pocklington. We estimate that the expenditure to deliver subsequent development of the site is in the region of £40m; such a large scale transformation would have a material impact on the income yield of the fund for at least two years and possibly for a third. The Darwin Leisure Property Fund is now an income fund and does not engage in major redevelopment projects and it was sold to the Darwin Leisure Development Fund . Further details are available within note 18 of the financial statements

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. Despite its remote location, Mullion Cove performs well in terms of occupancy.

INVESTMENT ADVISER'S REPORT (CONTINUED)
For the year ended 30 September 2020

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 and having originally just been a location for holiday home owners, holiday rentals were introduced in 2016. Holiday home sales have been strong throughout the year and we switched some of the holiday rental pitches to holiday home ownership in order to meet with demand

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 of high quality caravans and lodges for holiday home ownership and holiday rental. The resort features a bar and restaurant, swimming pool and an extensive range of activities for all ages..

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 the 2nd North Wales park acquired in 2011 and is a small site featuring stunning views of the local coastline with guests given access to the leisure facilities at Talacre Beach. Whilst we had introduced a small number of holiday rental units in 2018, demand for holiday home sales has been so strong this year that we have now converted them back to holiday home ownership, with all bases at the park now occupied by owners.

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. We carried out a refurbishment of the central facilities in early 2019 and the park has been particularly popular since then, with sales particularly strong during the past year and some sales being completed even during the extensive first lockdown.

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.

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. Tilford Woods is also popular with local residents looking for alternative accommodation whilst they are carrying out building work at home and the park is consistently amongst the best performing sites in the portfolio in terms of occupancy.

INVESTMENT ADVISER'S REPORT (CONTINUED)
For the year ended 30 September 2020

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.

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 for holiday rental, with guests able to make use of the facilities at the neighbouring Woodside Bay Lodge Retreat.

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 for holiday rental and features a small bistro restaurant and bar which overlook the Solent along with a gym. Woodside Bay also features two bespoke treehouses which are extremely popular with guests.

Darwin Alternative Investment Management Limited
28 January 2021

COMPARATIVE TABLE

	2020 Pence per unit	2019 Pence per unit
A Accumulation units		
Change in net assets per unit		
Opening net asset value per unit	196.2300	183.5900
Return before operating expenses	11.0931	23.2217
Operating charges	-4.0531	-10.5817
return after operating charges	7.0400	12.6400
Distributions on income units	N/A	N/A
Closing net asset value per unit	203.2700	196.2300
Retained distributions on accumulation units	5.9347	11.3076
Performance		
Return after charges	3.59%	6.88%
Other information		
Closing net asset value (£,000)	6,716	10,141
Closing number of units	3,304,178	5,167,703
Operating charges	-2.07%	-5.76%
Prices		
Highest unit price	203.2700	196.2300
Lowest unit price	196.2300	183.5900
C Accumulation units		
Change in net assets per unit		
Opening net asset value per unit	331.9900	309.2800
Return before operating expenses	18.8195	38.8490
Operating charges	-5.4195	-16.1390
return after operating charges	13.4000	22.7100
Distributions on income units	N/A	N/A
Closing net asset value per unit	345.3900	331.9900
Retained distributions on accumulation units	10.0479	19.0806
Performance		
Return after charges	4.04%	7.34%
Other information		
Closing net asset value (£,000)	77,205	74,944
Closing number of units	22,353,019	22,574,091
Operating charges	-1.63%	-5.22%
Prices		
Highest offer unit price	345.3900	331.9900
Lowest bid unit price	331.9900	309.2800

COMPARATIVE TABLE (Continued)

	2020	2019
	Pence per unit	**Pence per unit**
C Income units		
Change in net assets per unit		
Opening net asset value per unit	178.5200	176.1098
Return before operating expenses	9.9200	21.6869
Operating charges	-2.6613	-8.6360
return after operating charges	7.2587	13.0509
Distributions on income units	-5.3687	-10.6407
Closing net asset value per unit	180.4100	178.5200
Retained distributions on accumulation units	N/A	N/A
Performance		
Return after charges	4.07%	7.41%
Other information		
Closing net asset value (£,000)	29,104	29,936
Closing number of units	16,132,159	16,768,723
Operating charges	-1.49%	-4.90%
Prices		
Highest offer unit price	180.4100	179.1800
Lowest bid unit price	176.5700	173.6800
D Accumulation units		
Change in net assets per unit		
Opening net asset value per unit	336.2000	312.6700
Return before operating expenses	19.0668	39.6439
Operating charges	-4.9068	-16.1139
return after operating charges	14.1600	23.5300
Distributions on income units	N/A	N/A
Closing net asset value per unit	350.3600	336.2000
Retained distributions on accumulation units	10.1782	19.3018
Performance		
Return after charges	4.21%	7.53%
Other information		
Closing net asset value (£,000)	193,264	185,453
Closing number of units	55,161,520	55,161,520
Operating charges	-1.46%	-5.15%
Prices		
Highest offer unit price	350.3600	336.2000
Lowest bid unit price	336.2000	312.6700

COMPARATIVE TABLE (Continued)

	2020 Pence per unit	2019 Pence per unit
E Exit Penalty Accumulation units		
Change in net assets per unit		
Opening net asset value per unit	204.4100	192.7300
Return before operating expenses	9.1217	21.6620
Operating charges	-3.2917	-9.9820
return after operating charges	5.8300	11.6800
Distributions on income units	N/A	N/A
Closing net asset value per unit	210.2400	204.4100
Retained distributions on accumulation units	6.1753	11.8362
Performance		
Return after charges	2.85%	6.06%
Other information		
Closing net asset value (£,000)	73,555	82,270
Closing number of units	34,986,257	40,247,484
Operating charges	-1.61%	-5.18%
Prices		
Highest offer unit price	210.2400	204.4100
Lowest bid unit price	204.4100	192.7300
E Initial Penalty Accumulation units		
Change in net assets per unit		
Opening net asset value per unit	215.5800	202.0600
Return before operating expenses	12.1976	25.8705
Operating charges	-4.9276	-12.3505
return after operating charges	7.2700	13.5200
Distributions on income units	N/A	N/A
Closing net asset value per unit	222.8500	215.5800
Retained distributions on accumulation units	6.5178	12.4368
Performance		
Return after charges	3.37%	6.69%
Other information		
Closing net asset value (£,000)	18,996	19,573
Closing number of units	8,523,934	9,079,291
Operating charges	-2.29%	-6.11%
Prices		
Highest offer unit price	222.8500	215.5800
Lowest bid unit price	215.5800	202.0600

COMPARATIVE TABLE (Continued)

	2020 Pence per unit	2019 Pence per unit
F Exit Penalty Accumulation units		
Change in net assets per unit		
Opening net asset value per unit	167.8673	164.8232
Return before operating expenses	8.6748	23.1253
Operating charges	-3.9435	-20.0812
return after operating charges	4.7313	3.0441
Distributions on income units	N/A	N/A
Closing net asset value per unit	172.5986	167.8673
Retained distributions on accumulation units	5.0675	9.9586
Performance		
Return after charges	2.82%	1.85%
Other information		
Closing net asset value (£,000)	5,968	7,952
Closing number of units	3,457,611	4,737,033
Operating charges	-2.35%	-12.18%
Prices		
Highest offer unit price	172.5986	168.7691
Lowest bid unit price	167.8673	162.8314
F Initial Penalty Accumulation units		
Change in net assets per unit		
Opening net asset value per unit	91.6341	90.3342
Return before operating expenses	5.1485	2.1998
Operating charges	-2.6751	-0.8999
return after operating charges	2.4734	1.2999
Distributions on income units	N/A	N/A
Closing net asset value per unit	94.1075	91.6341
Retained distributions on accumulation units	2.7575	-
Performance		
Return after charges	2.70%	1.44%
Other information		
Closing net asset value (£,000)	15	15
Closing number of units	16,255	16,255
Operating charges	-2.92%	-1.00%
Prices		
Highest offer unit price	94.1075	91.6341
Lowest bid unit price	91.5568	90.3342

COMPARATIVE TABLE (Continued)

	2020	**2019**
	Pence per unit	**Pence per unit**
G Exit Penalty Accumulation units		
Change in net assets per unit		
Opening net asset value per unit	158.0065	149.3252
Return before operating expenses	7.8254	27.4060
Operating charges	-3.9078	-18.7247
return after operating charges	3.9176	8.6813
Distributions on income units	N/A	N/A
Closing net asset value per unit	161.9241	158.0065
Retained distributions on accumulation units	4.7654	9.2070
Performance		
Return after charges	2.48%	5.81%
Other information		
Closing net asset value (£,000)	38,554	42,791
Closing number of units	23,809,802	27,082,092
Operating charges	-2.47%	-12.54%
Prices		
Highest offer unit price	161.9241	158.0065
Lowest bid unit price	158.0065	149.3252
G Initial Penalty Accumulation units		
Change in net assets per unit		
Opening net asset value per unit	80.2848	78.7712
Return before operating expenses	4.5089	3.1298
Operating charges	-2.6854	-1.6162
return after operating charges	1.8235	1.5136
Distributions on income units	N/A	N/A
Closing net asset value per unit	82.1083	80.2848
Retained distributions on accumulation units	2.4124	2.0000
Performance		
Return after charges	2.27%	1.92%
Other information		
Closing net asset value (£,000)	85	83
Closing number of units	103,503	103,503
Operating charges	-3.34%	-2.05%
Prices		
Highest offer unit price	82.1083	80.2848
Lowest bid unit price	80.1190	78.7712

COMPARATIVE TABLE (Continued)

	2020	2019
	Pence per unit	**Pence per unit**
I Exit Penalty Accumulation units		
Change in net assets per unit		
Opening net asset value per unit	105.3345	98.6043
Return before operating expenses	5.6074	17.2500
Operating charges	-2.8095	-10.5198
return after operating charges	2.7979	6.7302
Distributions on income units	N/A	N/A
Closing net asset value per unit	108.1324	105.3345
Retained distributions on accumulation units	3.1802	6.1125
Performance		
Return after charges	2.66%	6.83%
Other information		
Closing net asset value (£,000)	5,544	6,923
Closing number of units	5,127,256	6,571,937
Operating charges	-2.67%	-10.67%
Prices		
Highest offer unit price	108.1324	105.3345
Lowest bid unit price	105.3345	98.6043
J Income units		
Change in net assets per unit		
Opening net asset value per unit	139.9300	138.0300
Return before operating expenses	7.7749	17.0098
Operating charges	-2.0868	-6.7693
return after operating charges	5.6881	10.2405
Distributions on income units	-4.2081	-8.3405
Closing net asset value per unit	141.4100	139.9300
Retained distributions on accumulation units	N/A	N/A
Performance		
Return after charges	4.06%	7.42%
Other information		
Closing net asset value (£,000)	903	1,439
Closing number of units	638,481	1,028,074
Operating charges	-1.49%	-4.90%
Prices		
Highest offer unit price	141.4100	140.4500
Lowest bid unit price	138.4000	136.1300

COMPARATIVE TABLE (Continued)

	2020 Pence per unit	2019 Pence per unit
<u>M Accumulation units</u>		
Change in net assets per unit		
Opening net asset value per unit	334.0500	310.8000
Return before operating expenses	1.8209	39.4062
Operating charges	-0.4409	-16.1562
return after operating charges	1.3800	23.2500
Distributions on income units	N/A	N/A
Closing net asset value per unit	-	334.0500
Retained distributions on accumulation units	3.3405	19.1835
Performance		
Return after charges	0.41%	7.48%
Other information		
Closing net asset value (£,000)	-	52,850
Closing number of units	-	15,820,884
Operating charges	-0.13%	-5.20%
Prices		
Highest offer unit price	335.4300	334.0500
Lowest bid unit price	334.0500	310.8000

All units in M Accumulation class were redeemed in November 2019

	2020	2019
<u>M Income units</u>		
Change in net assets per unit		
Opening net asset value per unit	179.7600	177.0899
Return before operating expenses	9.9916	21.7788
Operating charges	-2.4444	-8.4033
return after operating charges	7.5472	13.3755
Distributions on income units	-5.4072	-10.7054
Closing net asset value per unit	181.9000	179.7600
Retained distributions on accumulation units	N/A	N/A
Performance		
Return after charges	4.20%	7.55%
Other information		
Closing net asset value (£,000)	133,447	79,520
Closing number of units	73,363,055	44,236,958
Operating charges	-1.36%	-4.75%
Prices		
Highest offer unit price	181.9000	180.3600
Lowest bid unit price	177.8800	174.6700

PORTFOLIO STATEMENT

As at 30 September 2020

	Fair Value £	Percent of net assets %
Operating assets held at valuation (note 9)	555,586,764	96.53
Tangible fixed assets (note 10)	52,853,511	9.18
Cash and cash equivalents	6,093,888	1.06
Net other liabilities	(38,953,807)	(6.77)
Total net assets	575,580,356	100.00

As at 30 September 2019

	Fair Value £	Percent of net assets %
Operating assets held at valuation (note 9)	547,185,955	93.69
Tangible fixed assets (note 10)	60,367,452	10.33
Cash and cash equivalents	6,983,983	1.20
Net other liabilities	(30,506,682)	(5.22)
Total net assets	584,030,708	100.00

TRUSTEE'S REPORT TO THE UNITHOLDERS OF DARWIN LEISURE PROPERTY FUND

For the year ended 30 September 2020

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 Schemes (Class B) Rules, 2013 ("the Class B Rules") made under The Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended).

Marie Swift

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

28 January 2021

Grant Thornton

INDEPENDENT AUDITOR'S REPORT

TO THE UNITHOLDERS OF DARWIN LEISURE PROPERTY FUND (the FUND)

Opinion

Our opinion on the financial statements is unmodified

We have audited the group financial statements of Darwin Leisure Property Fund (the "Fund") for the year ended 30 September 2020 which comprise the Consolidated Statement of Total Return, the Consolidated Statement of 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. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the consolidated financial statements:

- give a true and fair view of the state of the Fund's affairs as at 30 September 2020 and of the Fund's net return for the year then ended;
- are in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice);
- are in accordance with the requirements of The Trust Instrument, The Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended, The Authorised Collective Investment Schemes (Class B) Rules, 2013 and other applicable laws.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Guernsey, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19. All audits assess and challenge the reasonableness of estimates made by the Manager and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Fund's future prospects and performance.

Covid-19 is amongst the most significant economic events currently faced by the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the Fund's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for an entity associated with these particular events.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE UNITHOLDERS OF DARWIN LEISURE PROPERTY FUND (the FUND)

Conclusions relating to going concern

We have nothing to report in respect of the following information in the annual report, in relation to which the ISAs (UK) require us to report to you where:

- the Manager's use of the going concern basis of accounting in the preparation of the consolidated financial statements is not appropriate; or
- the Manager has not disclosed in the consolidated financial statements any identified material uncertainties that may cast significant doubt about the Fund's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the consolidated financial statements are authorised for issue.

In our evaluation of the Manager's conclusions, we considered the risks associated with the Group's business, including effects arising from macro-economic uncertainties such as Covid-19, and analysed how those risks might affect the Group's financial resources or ability to continue operations over the period of at least twelve months from the date when the group financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group will continue in operation.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the group financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the group financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Grant Thornton

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE UNITHOLDERS OF DARWIN LEISURE PROPERTY FUND (the FUND)

Key Audit Matter - Fund	How the matter was addressed in the audit - Fund
Improper revenue recognition Revenue for the year was £44,048,984 and includes sales revenue on caravans, fees received for caravan rental and on-site sales. Under International Standard on Auditing (UK) 240 'The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements', there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue due to fraud. The Fund has an investment objective to maximise total return through a combination of growth and income and as such, income could be open to manipulation and overstatement by management.	Our audit work included: • Review of the revenue recognition policies in place for each revenue stream for consistent treatment with prior years and compliance with the accounting framework • Testing of operating effectiveness of key controls • Agreeing revenue transactions to invoices and receipts to bank statements • Analytical review of the revenue streams to identify significant movements in the year • Cut off procedures to test revenue has been recorded in the correct period. The Fund's accounting policy on revenue recognition is shown in Note 3 to the consolidated financial statements and related disclosures are included in Note 5. Key observations We did not note any material issues from our procedures.

Grant Thornton

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE UNITHOLDERS OF DARWIN LEISURE PROPERTY FUND (the FUND)

Key Audit Matter - Fund	How the matter was addressed in the audit - Fund
Operating assets held at valuation Operating assets held at valuation of £555,586,764 are held at fair value using the discounted cash flow ("DCF") method and the inputs to the models used are subject to judgement and estimation. The judgements exercised in determining fair value could significantly impact the net asset value of the Fund and this is considered to be a key source of estimation uncertainty as described in Note 4 of the consolidated financial statements. The specific areas of judgement include the calculation of the equity discount rate and determination of the terminal growth.	Our audit work included: • Gaining understanding of management's process to recognise and measure operating assets • Obtaining the valuation review report prepared by the valuation expert for the results of their independent review of management's DCF models used to compute the fair value of the parks. • Independently assessing whether the methodology, key inputs and assumptions used by management are reasonable by corroborating the information used in the valuation through published independent sources and assessing the reasonableness of the cash flow forecasts and budgets used in the DCF through actual numbers and through discussions held with management and valuation expert. • Reviewing the sensitivity of the DCF calculation by challenging the key drivers used in the valuation expert's sensitivity analysis. The Fund's accounting policy on operating assets held at valuation is shown in Note 3 to the consolidated financial statements and related disclosures are included in Note 9. Key observations We did not note any material issues from our procedures performed.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE UNITHOLDERS OF DARWIN LEISURE PROPERTY FUND (the FUND)

Key Audit Matter - Fund	How the matter was addressed in the audit - Fund
Risk of material misstatement on tangible fixed assets The underlying subsidiaries hold significant tangible fixed asset balances. There is a risk that tangible fixed assets may be materially misstated due to fictitious additions, activity not being valid and allowance for impairment of tangible fixed assets being not adequate.	Our audit work included: • Review of reconciliations of fixed assets • Testing of the validity of tangible fixed assets additions, the current year depreciation charge and tangible fixed assets disposals • Challenging management's basis that there are no indicators of impairment of the assets The Fund's accounting policy on tangible fixed assets is shown in Note 3 to the consolidated financial statements and related disclosures are included in Note 10. Key observations We did not note any material issues from our procedures.
Equity transactions not accounted for properly The Fund has in issue a number of classes of units and the volume of redemptions and subscriptions of units increases the risk that the units are allocated incorrectly. There is a risk that these transactions may be incomplete or not comply with listing regulations.	Our audit work included: • Obtaining understanding of the Fund's subscription and redemptions policies and procedures including the pricing and performed walkthrough tests confirming our understanding • On a sampling basis, agreeing current year subscriptions and redemptions to contract notes and proof of payments and ensuring that the executed transaction were in compliance with the Fund's prospectus • For the samples selected above, determining if there is a unit price variance of 0.5% or greater and confirming whether the variance was reported to the GFSC in time as required by the Open-Ended Collective Investment Schemes guidance The Fund's disclosure on unitholders' capital is shown in Note 18 to the consolidated financial statements. Key observations We did not note any material issues from our procedures.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE UNITHOLDERS OF DARWIN LEISURE PROPERTY FUND (the FUND)

Our application of materiality

We define materiality as the magnitude of misstatement in the group financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work. Materiality was determined as follows:

Financial statements as a whole:

£8,563,000 which is 1% of the Group's net assets. This benchmark is considered the most appropriate because the investment objective is to maximise return to its unitholders.

Materiality for the current year is lower than the level that we determined for the year ended 30 September 2019 to reflect and consider The Pricing Controls in respect of Open-Ended Collective Investment Schemes guidance of the Guernsey Financial Services Commission (GFSC).

Performance materiality used to drive the extent of our testing:

60% of financial statement materiality for the audit of the group financial statements.

Communication of misstatements to the audit committee:

£428,150 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

An overview of the scope of our audit

Our audit approach was based on a thorough understanding of the Fund's business and is risk based, and in particular included:

- evaluation by the group audit team ("Primary team") of identified components to assess the significance of that component and to determine the planned audit response based on a measure of materiality;
- understanding and evaluation of the Fund's internal control environment including its IT systems and controls;
- for components determined to be significant a full scope approach was taken based on their relative materiality to the group and assessment of audit risk;
- significant components audited using a full scope approach by the Primary team included Darwin West Country (Guernsey) Limited and Darwin Finance (Guernsey) Limited representing a significant portion of the Fund's total assets;
- a full scope approach by the Component team based in the United Kingdom (Grant Thornton UK LLP) was used for other significant components. The Primary audit team were responsible for the scope and direction of these audits and conducted a comprehensive and detailed analytical review of the work performed by the Component team; and
- communication between the group audit team and the Component auditor was continuous via e-mails and regular conference calls throughout the planning, substantive and completion stages of the group audit.

Grant Thornton

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE UNITHOLDERS OF DARWIN LEISURE PROPERTY FUND (the FUND)

Other information

The Manager is responsible for the other information. The other information comprises the information included in the annual report set out on pages 4 to 6, other than the group financial statements and our auditor's report thereon. Our opinion on the group financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the group financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the group financial statements or a material misstatement of the other information. 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.

Matter on which we are required to report under Authorised Collective Investment Schemes (Class B) Rules 2013

Under the Authorised Collective Investment Schemes (Class B) Rules 2013, we are required to report to you, if in our opinion, the information given in the Manager's Report is inconsistent with the consolidated financial statements.

We have nothing to report in respect of the above.

Responsibilities of manager for the consolidated financial statements

As explained more fully in the Manager's Report set out on page 5, the Manager is responsible for the preparation of the group financial statements which give a true and fair view in accordance with UK GAAP, and for such internal control as the Manager determines is necessary to enable the preparation of group financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group 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 is either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the group financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these group financial statements.

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

Grant Thornton

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE UNITHOLDERS OF DARWIN LEISURE PROPERTY FUND (the FUND)

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

Cyril Swale

For and on behalf of Grant Thornton Limited
Chartered Accountants
St Peter Port
Guernsey

29 January 2021

CONSOLIDATED STATEMENT OF TOTAL RETURN

For the year ended 30 September 2020

	Notes	2020 £	2019 £
Income			
Net capital gains			
Unrealised gain on operating assets held at valuation	*9*	37,419,307	60,967,819
Realised loss on disposal of operating assets held at valuation	*9*	-	(4,548,286)
Foreign exchange loss		(59,856)	(744,545)
		37,359,451	55,674,988
Revenue	*5*	44,048,984	55,764,318
Expenses:			
Other expenses	*6*	(48,165,888)	(60,277,471)
Management fees	*18*	(6,468,057)	(6,651,852)
Performance fees	*18*	(2,512,064)	(4,993,871)
Net expenses		(13,097,025)	(16,158,876)
Total return before taxation		**24,262,426**	**39,516,112**
Taxation	*8*	(75,291)	(706,531)
Total return before distributions		**24,187,135**	**38,809,581**
Finance costs: distributions	*7*	(17,672,759)	(35,011,083)
Increase in net assets attributable to unitholders		**6,514,376**	**3,798,498**

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 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 2020

		2020	2019
		£	**£**
	Note		
Opening net assets attributable to unitholders		**584,030,708**	**566,782,382**
Movement due to issues and redemptions of units		(28,230,589)	(15,257,685)
Reinvested accumulation distribution	*7*	13,265,861	28,496,575
		569,065,980	580,021,272
Gain on foreign currency revaluation		-	210,938
Increase in net assets attributable to unitholders		6,514,376	3,798,498
Closing net assets attributable to unitholders		**575,580,356**	**584,030,708**

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2020

	Notes	2020 £	2019 £
Assets			
Fixed assets			
Operating assets held at valuation	*9*	555,586,764	547,185,955
Tangible fixed assets	*10*	52,853,511	60,367,452
		608,440,275	**607,553,407**
Current assets			
Inventories		2,900,190	3,486,533
Debtors and prepayments	*12*	2,429,449	4,236,830
Cash and cash equivalents		6,093,888	6,983,983
		11,423,527	**14,707,346**
Total assets		**619,863,802**	**622,260,753**
Liabilities			
Creditors: amounts falling due within one year			
Loans payable and other borrowings	*14*	4,378,846	12,577,403
Creditors	*13*	12,339,738	12,045,066
		16,718,584	**24,622,469**
Non-current liabilities			
Loans payable and other borrowings	*14*	27,564,862	13,607,576
Total liabilities excluding net assets attributable to unitholders		**44,283,446**	**38,230,045**
Net assets attributable to unitholders		**575,580,356**	**584,030,708**
Number of units in issue	*17*	**246,977,030**	**248,595,550**
Fund net asset value per unit		**2.3305**	**2.3493**

The consolidated financial statements on pages 30 to 65 were approved and authorised for issue by the Board of Directors of the Manager on 28 January 2021 and are signed on its behalf by

Martin Tolcher **Ian Burns**

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 September 2020

	Notes	2020	2019
Cash flows from operating activities		**£**	**£**
Total return before distributions and taxation		24,262,426	39,516,112
Unrealised gain on properties held at valuation	*9*	(37,419,307)	(60,967,819)
Realised loss on disposal of operating assets held at valuation	*9*	-	4,548,286
Realised (gain)/ loss on sale of tangible assets		(30,966)	95,840
Depreciation	*6*	11,710,800	12,308,230
Bank charges expense	*6*	49,752	65,101
Loan interest expense	*6*	647,976	236,692
Decrease in inventories		586,343	234,032
Decrease in debtors		1,807,381	502,690
Decrease in creditors		(781,441)	(211,664)
Taxation paid		(610,036)	(522,561)
Net cash flows generated from/(used in) operating activities		**222,928**	**(4,195,061)**
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,107,179)	(4,728,698)
Proceeds from disposal of tangible fixed assets		1,666,609	315,893
Purchase of operating assets held at valuation	*9*	(98,946)	(2,107,339)
Proceeds from disposal of operating assets held at valuation		25,931,917	14,432,830
Rent received on disposal of operating assets held at valuation		1,089,000	-
Net cash flows generated from investing activities		**26,481,401**	**7,912,686**

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended 30 September 2020

	Notes	2020	2019
		£	£
Cash flows from financing activities			
Net proceeds from issue/redemption of units		(28,230,589)	(15,257,685)
Asset backed finance advanced		821,631	640,387
Asset backed finance paid		(464,360)	(858,397)
Bank loan repaid		(11,608,334)	(7,600,000)
Bank overdraft drawn	*14*	25,822,081	7,863,155
Bank overdraft repaid		(8,830,227)	-
Bank Loan drawn		-	16,850,000
Bank charges paid		(49,752)	(65,101)
Loan interest paid	*6*	(647,976)	(236,692)
Distributions paid	*7*	(4,406,898)	(6,514,508)
Net cash flows used in financing activities		**(27,594,424)**	**(5,178,841)**
Net decrease in cash and cash equivalents		**(890,095)**	**(1,461,216)**
Net cash and cash equivalents at the beginning of the year		6,983,983	8,445,199
Net cash and cash equivalents as the end of the year		**6,093,888**	**6,983,983**

The accompanying notes form an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 September 2020

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 11 New Street, St Peter Port, Guernsey, GY1 2PF.

The Fund is listed on the Official List of The International Securities Exchange Authority Limited ("TISEAL").

The Fund's principal activity is to invest primarily in a portfolio of interests in UK and Irish based holiday caravan parks, which includes land, buildings and static caravans, acquiring and owning such parks with a view to enhancing value through strategic selection and interventionist asset management. 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").

New Interpretations and amendments in issue

Amendments to FRS 102 – COVID-19 Rent concessions effective for accounting periods commencing on 1 January 2020.

Amendments to FRS 102 – Interest rate benchmark reform effective for accounting periods commencing on 1 January 2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

2. STATEMENT OF COMPLIANCE (CONTINUED)

The Manager has considered the amendments and do not expect these amendments to have a material effect on the future consolidated financial statements of the Fund.

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 revaluation of land and buildings, 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 acquisition date and ceases on date of disposal.

All of the Fund companies have 30 September as their year end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2020

3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (continued)

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.

Intercompany transactions, balances and unrealised gains on transactions between Fund 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 consolidated financial statements have been prepared on a going concern basis. The Directors of the Manager have examined significant areas of possible financial risk, in particular cash requirements.

During the year and to the date that the Consolidated Financial Statements were approved, the coronavirus ("COVID-19") outbreak emerged and has continued to cause extensive disruptions to businesses and economic activities. The Fund has experienced a reduction in the increase of the value of operating assets held at valuation and a reduction in operating cashflows.

As the pandemic continues the quantum of the effect is difficult to determine and could be material, however the Manager is monitoring the situation and considering the effect it may have on the valuation of the assets of the Fund and the potential impact on operating cashflows. The operating parks continue to operate when permitted to do so and the Manager is encouraged by the Government’s promotion of holidaying within the United Kingdom.

After due consideration, the Directors of the Manager believe that the Fund will have adequate resources to continue in operational existence for a period of not less than twelve months from the date of the approval of the consolidated financial statements, and as such 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 2020

3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Revenue

Rental income and bank interest are accounted for on an accruals basis. Revenue consists of sales revenue on 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. Other park revenue consists of touring and tenting income, bar and restaurant takings and other income.

Provision is made when there is objective evidence that the Fund 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.

Expenses

Expenses are accounted for on an accruals basis. Transaction costs directly applicable to the purchase of investment properties are included within the initial cost of the property.

Operating assets held at valuation

Operating assets held at valuation are carried in the balance sheet on the basis of a valuation based upon their existing use value. They are subject to a full valuation annually. These assets used in the ongoing operational activities of the Fund.

Operating assets held at valuation are initially measured at cost, being the fair value of the consideration given, including related transaction costs. After initial recognition, the operating assets are carried at fair value. 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 owner/s have the intention to sell in the near future. The objective is to estimate the exchange price at which hypothetical market participants would agree to transact.

The fair value of the operating assets 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 sale transaction. Gains and losses arising from changes in the fair values are included in the Consolidated Statement of Total Return.

Gains or losses arising on the sale of operating assets held at valuation represent the difference between the fair value of the consideration received and the carrying value of the assets disposed of and are recognised in the Consolidated Statement of Total Return in the period in which they arise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets

Tangible fixed assets held for use in the operation of the caravan 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 Fund 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’.

Financial instruments

The Fund 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)
Forward foreign exchange contracts are initially recognised at fair value on the date the contract is entered into and are subsequently measured to the fair value at the end of each reporting period. Unrealised and realised gains and losses on forward currency contracts have been included in the Consolidated Statement of Total Return.

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.

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 and other payables, 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.

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 Fund has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

Deferred acquisition costs are costs incurred in obtaining the loan and are presented together with the loan balance. Deferred acquisition costs are amortised over the repayment period of the loan.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

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 original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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.

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.

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. The Fund has previously entered into a hedging arrangement.

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 balance sheet 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 balance sheet date. Deferred tax balances are not discounted.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

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 Fund'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:

Valuation of operating assets held at valuation

In accordance with the Fund's accounting policies, operating assets held at valuation are stated at fair value as at the balance sheet date. This is determined by 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 Adviser 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. Smith & Williamson, who have been appointed as the independent business valuer, is the eighth largest firm of accountants in the UK. The business has 12 principal offices in the UK and Ireland and an international capability in 120 countries through membership of Nexia International (the ninth largest international accounting and consulting network).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

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

Valuation of operating assets held at valuation (continued)

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 Investment Adviser helps ensure that the WACC and the terminal growth rates are commensurate with investment and industry norms. At 30 September 2020, the date of valuation the WACC was determined at 9.00% (2019: 9.25%).

In the year of acquisition, parks are valued at cost for the first three months after acquisition as it is considered a reliable basis for fair value.

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.

5. REVENUE

	2020	2019
	£	£
Sales revenue on caravans	10,427,834	12,271,780
Hire fleet rental	23,756,538	27,486,496
Ancillary income	4,924,000	10,058,093
Private owner revenue	4,618,177	5,524,128
Other income	317,095	413,873
Bank interest income	5,340	9,948
Total Income	**44,048,984**	**55,764,318**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

6. OTHER EXPENSES

	2020	2019
	£	£
Other park operating expenses	10,432,031	14,151,269
Park wages and salaries	10,388,816	13,293,286
Park cost of sales	6,772,105	9,362,682
Park general and administrative expenses	5,046,451	7,023,587
Depreciation	11,710,800	12,308,230
Deferred marketing charge	994,573	1,203,467
Park marketing expenses	822,903	1,291,459
Administrator's fees	683,523	672,904
Legal and professional	358,447	415,829
Loan interest	647,976	236,692
Bank charges	49,752	65,101
Trustee's fees	183,264	187,593
Audit and accounting fees	75,247	65,372
Total Expenses	**48,165,888**	**60,277,471**

7. FINANCE COSTS: DISTRIBUTIONS

The Manager recommended that distributions be made for the year ended 30 September 2020 of 5.93 pence per unit on the A Accumulation class, 10.05 pence per unit on the C Accumulation class and 5.37 pence per unit on the C Income class, 10.18 pence per unit on the D Accumulation class, 6.18 pence per unit on the E Exit class, 6.52 pence per unit on the E initial class, 5.07 pence per unit on the F Exit class, 2.76 pence per unit on the F initial class, 4.77 pence per unit on the G exit class and 2.41 pence per unit on the G initial class, 3.18 pence per unit on the I exit class, 4.21 pence per unit on the J Income class, 3.34 pence per unit on the M Accumulation class and 5.41 pence per unit on the M Income class

The distributions allocated to the accumulation units were reinvested and accumulated in the capital. In total £13,265,861 (2019: £28,496,575) relating to the accumulation units was reinvested during the year and £4,406,898 (2019: £6,514,508) has been paid to unit holders.

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 £1,200 (2019: £1,200).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

8. TAXATION (CONTINUED)

The Fund's subsidiary Darwin West Country (Guernsey) Limited was liable to UK Income Tax (at 20%) up until 5 April 2020 on rental income from UK property holdings and liable to UK Corporation Tax (at 19%) from 6 April 2020 onwards. From this date 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 has taken professional guidance on these changes and will continue to monitor the situation to mitigate the UK tax within the fund structure.

Tax expense included in profit or loss	**2020**	**2019**
	£	**£**
Current income tax:	75,291	706,531
Current income tax charge	75,291	706,531

Reconciliation of tax charge	**2020**	**2019**
	£	**£**
Profit before tax	23,812,426	39,516,112
Income tax at a rate of 0%	-	-
Effects of		
Income subject to UK tax	75,291	706,531
Tax charge for the year	75,291	706,531

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2020

9. OPERATING ASSETS HELD AT VALUATION

	2020	2019
	£	£
Cost or valuation		
At start of year	559,816,399	515,722,357
Additions	98,946	2,107,339
Disposals	(25,931,917)	(14,432,830)
Realised loss on disposal	-	(4,548,286)
Unrealised gain on revaluation	37,419,307	60,967,819
At end of year	**571,402,735**	**559,816,399**
Depreciation and impairment		
At start of year	12,630,444	9,502,208
Provided during the year	3,193,763	3,160,558
Disposals	(8,236)	(32,322)
At end of year	**15,815,971**	**12,630,444**
Carrying amount at end of year	**555,586,764**	**547,185,955**

During the year the Fund sold the property, and operating company, at KP Club (Kilnwick Percy) for proceeds, net of sale costs, of £25,931,917. The cost of the property was £9,023,520 and previously reported fair value was £26,470,705. The property and operating company were sold to Darwin Leisure Development Fund, a related party due to common control, the Directors of the respective Investment Managers are the same. The sale price was determined as the average of the DCF valuations for three months prior to the completion of the sale.

During the prior year the Fund sold the property at Swanage Bay View for proceeds, net of sale costs, of £14,432,830. The cost of the property was £8,221,733 and previously reported fair value was £18,981,116.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2020

9. OPERATING ASSETS HELD AT VALUATION (CONTINUED)

	2020	Percent of net assets	2019	Percent of net assets
Operating assets	**£**	%	**£**	%
Aberconwy Resort & Spa	51,004,786	8.86	41,114,334	7.04
Bath Mill Lodge Retreat	16,581,799	2.88	14,683,154	2.51
Beach Cove Coastal Retreat	11,537,662	2.00	8,503,629	1.46
Canterbury Fields Holiday Park	8,185,713	1.42	5,553,578	0.95
Cheddar Woods Resort & Spa	76,427,570	13.28	78,884,575	13.51
Hawkchurch Resort & Spa	38,328,903	6.66	36,588,103	6.26
Keswick Reach Caravan Park	66,535,059	11.56	70,008,814	11.99
KP Club (Kilnwick Percy)	-	-	26,470,705	4.53
Mullion Cove Coastal Retreat	9,433,580	1.64	7,193,503	1.23
Piran Meadows Resort & Spa	53,432,679	9.28	51,103,908	8.75
Sandymouth Holiday Home Park	43,601,484	7.58	31,973,546	5.47
Talacre Beach Holiday Home Park and Leisure Park, The New Pines Holiday Home Park and Seaview Holiday Home Park	69,586,659	12.09	71,326,515	12.21
Thanet Well Country Park	21,437,854	3.73	14,543,296	2.49
Tilford Woods Lodge Retreat	11,090,337	1.93	8,856,060	1.52
Wareham Forest Lodge Retreat	21,601,599	3.75	20,436,041	3.50
Woodside Bay Holiday Home Park	43,051,468	7.48	50,155,986	8.59
Woodside Coastal Retreat	13,299,612	2.31	9,340,208	1.60
	555,136,764	96.45	546,735,955	93.61
Non-operating assets				
Darwin Parks Group	450,000	0.08	450,000	0.08
	555,586,764	96.53	547,185,955	93.69
Total assets excluding properties held at valuation	19,993,592	3.47	36,844,753	6.31
Total assets attributable to unitholders	**575,580,356**	**100.00**	**584,030,708**	**100.00**

To see the valuation methods used to value operating assets held at valuation please refer to 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 2020

10. TANGIBLE FIXED ASSETS

	Static caravans and lodges	Plant and machinery	Office Equipment	Furniture and fittings	Motor vehicles	Total
	£	£	£	£	£	£
At 30 September 2019	**77,794,668**	**935,728**	**1,295,499**	**17,556,739**	**999,511**	**98,582,145**
Disposals	(1,222,561)	(162,822)	(50,286)	(655,692)	(16,240)	(2,107,601)
Additions	669,507	37,172	155,240	1,176,573	68,687	2,107,179
At 30 September 2020	**77,241,614**	**810,078**	**1,400,453**	**18,077,620**	**1,051,958**	**98,581,723**
Depreciation						
At 30 September 2019	**22,951,090**	**755,801**	**1,092,464**	**12,902,283**	**513,055**	**38,214,693**
Disposal	(601,186)	(79,749)	(32,160)	(276,370)	(14,052)	(1,003,517)
Charge	5,670,235	61,041	103,680	2,505,144	176,936	8,517,036
At 30 September 2020	**28,020,139**	**737,093**	**1,163,984**	**15,131,057**	**675,939**	**45,728,212**
Carrying amount						
At 30 September 2019	**54,843,578**	**179,927**	**203,035**	**4,654,456**	**486,456**	**60,367,452**
At 30 September 2020	**49,221,475**	**72,985**	**236,469**	**2,946,563**	**376,019**	**52,853,511**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

11. INVESTMENT IN SUBSIDIARIES

The Fund holds and operates its property portfolio through subsidiary companies. The 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 and the Consolidated Statement of Financial Position includes the position of the subsidiaries.

Name	Place of registration	Fund % ownership	Principal activity
Immediate parent - Darwin Leisure Property Fund			
Darwin West Country (Guernsey) Limited	Guernsey	100%	Property holding
Darwin Finance (Guernsey) Limited	Guernsey	100%	Property finance
Immediate parent - Darwin West Country (Guernsey) Limited			
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%	Park operation
Darwin (Swanage Bay View) Limited	UK	100%	Park operation
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

During the year, the Fund sold its investment in Darwin (KP Club) Limited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2020

12. DEBTORS AND PREPAYMENTS

	2020	2019
	£	£
Deferred arrangement and marketing costs	1,127,442	1,973,425
Other debtors and prepayments	915,043	1,941,611
Trade debtors	386,964	321,794
	2,429,449	**4,236,830**

13. CREDITORS

	2020	2019
	£	£
Trade creditors	3,640,294	4,187,055
VAT payable	1,983,009	1,531,960
Taxation payable	15,180	588,997
Other creditors	3,462,073	3,605,492
Management fees payable	1,885,385	563,141
Performance fees payable	555,662	452,093
Administration fees payable	60,149	57,115
Trustee fees payable	15,494	14,778
Accrued expenses	722,492	1,044,435
	12,339,738	**12,045,066**

14. LOANS PAYABLE AND OTHER BORROWINGS

	2020	2019
	£	£
Current		
Bank loan	1,291,668	875,000
Overdraft	2,579,954	11,410,181
Park finance leases	507,224	292,222
	4,378,846	12,577,403
Non current		
Bank loan	1,249,999	13,275,000
Overdraft	25,822,081	-
Park finance leases	492,782	332,576
	27,564,862	13,607,576
	31,943,708	**26,184,979**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2020

14. LOANS AND OTHER BORROWINGS (continued)

Operating park level

(i) A £10,000,000 gross overdraft (£9,000,000 net) for the park operations is available at a rate of 1.5% per annum over Bank or England Base Rate to support working capital movements during the normal course of business. £2,579,954 gross (£387,572 net) is currently drawn on this facility.

(ii) A facility of up to £1,500,000 expiring in December 2020 to be used to finance general repairs and maintenance of park premises and repayable in 12 consecutive quarterly instalments (capital only) of £125,000. Interest is to be charged at Bank of England Base Rate plus 1.5% per annum. £125,000 is currently outstanding on this facility.

(iii) A facility of up to £1,500,000 expiring in January 2022 to be used to finance general repairs and maintenance of park premises and repayable in 12 consecutive quarterly instalments (capital only) of £125,000. Interest is to be charged at Bank of England Base Rate plus 1.5% per annum. £750,000 is currently outstanding on this facility.

(iv) A facility of up to £2,000,000 expiring in March 2023 to be used to finance general repairs and maintenance of park premises repayable in 12 consecutive quarterly instalments (capital only) of £166,667. Interest is to be charged at Bank of England Base Rate plus 1.5% per annum. £1,666,667 is currently outstanding on this facility.

(v) Finance leases as detailed in note 15.

Fund level

(i) An Overdraft facility for a maximum of £30,000,000, the facility is to support liquidity management. Interest is to be charged at Bank of England Base Rate plus 1.5% per annum. £25,822,081 is currently drawn on this facility.

All loans are held with Lloyds Banking Group and are secured against property at Cheddar Woods Resort & Spa, Keswick Reach Caravan Park, New Pines Holiday Home Park, Sandymouth Holiday Home Park, Seaview Holiday Home Park and Talacre Beach Holiday Home Park & Leisure Park.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

15. PARK FINANCE LEASES

The park operations lease various tangible fixed assets with a carrying amount of £1,900,550 (2019: £1,019,652) under finance leases expiring within 5 years. Under the terms of the leases, the Fund has the option to acquire the leased assets for £2,400 (2019: £960) on expiry of the leases.

The future minimum finance lease payments are as follows:

	2020	2019
	£	£
Not later than one year	540,064	293,123
Later than one year and not later than five years	528,632	336,373
Total gross payments	1,068,696	629,496
Less finance charges	(68,690)	(4,698)
Carrying amount of liability	1,000,006	624,798

16. FINANCIAL INSTRUMENTS

The fair value hierarchy has the following levels:

Level 1 - Quoted prices (unadjusted) for identical instruments in active markets
Level 2 – Inputs other than quoted prices that are directly or indirectly observable
Level 3 - Valuation techniques using unobservable data

The Fund has the following financial instruments:

	2020	2019
Financial assets	**£**	**£**
Measured at amortised cost		
Debtors	296,339	311,805
Cash at bank and in hand	6,093,888	6,983,983
Total financial assets	6,390,227	7,295,788
Financial liabilities		
Measured at undiscounted amount		
Amounts due to unitholders	(575,580,356)	(584,030,708)
Creditors	(10,341,549)	(9,924,109)
Loans and other borrowings	(31,943,708)	(26,184,979)
	(617,865,613)	(620,139,796)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2020

16. FINANCIAL INSTRUMENTS (CONTINUED)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level of input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

There have been no movements between levels during the year.

17. 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.

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 2020

17. UNITHOLDERS' CAPITAL (CONTINUED)

	2020 Units	2019 Units
A Accumulation units		
Opening balance	5,167,703	11,115,034
Issued	-	-
Redeemed	(1,863,525)	(5,947,331)
Closing balance	3,304,178	5,167,703
C Accumulation units		
Opening balance	22,574,092	20,931,710
Issued	50,543	3,155,738
Transferred from C Income units	-	32,372
Transferred to M Income units	-	-
Redeemed	(271,616)	(1,545,728)
Closing balance	22,353,019	22,574,092
C Income units		
Opening balance	16,768,723	16,914,583
Issued	-	-
Transferred to C Accumulation units	-	(58,500)
Redeemed	(636,564)	(87,360)
Closing balance	16,132,159	16,768,723
D Accumulation units		
Opening balance	55,161,520	55,161,520
Issued	-	-
Redeemed	-	-
Closing balance	55,161,520	55,161,520
E Exit Penalty Accumulation units		
Opening balance	40,247,484	42,778,302
Issued	987,129	2,754,488
Transferred from F Exit units	-	87,890
Transferred from G Exit units	-	39,922
Transferred to E Initial units	-	(13,300)
Redeemed	(6,248,356)	(5,399,818)
Closing balance	34,986,257	40,247,484

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

17. UNITHOLDERS' CAPITAL (CONTINUED)

	2020 Units	2019 Units
E Initial Penalty Accumulation units		
Opening balance	9,079,292	9,282,284
Issued	466,604	607,936
Transferred from E Exit units	-	12,617
Redeemed	(1,021,962)	(823,545)
Closing balance	8,523,934	9,079,292
F Exit Penalty Accumulation units		
Opening balance	4,737,033	6,566,874
Issued	93,368	561,873
Transferred to F Initial units	-	(8,866)
Redeemed	(1,372,790)	(2,382,848)
Closing balance	3,457,611	4,737,033
F Initial Penalty Accumulation units		
Opening balance	16,255	-
Issued	-	-
Transferred from F Exit units	-	16,255
Redeemed	-	-
Closing balance	16,255	16,255
G Exit Penalty Accumulation units		
Opening balance	27,082,092	29,247,569
Issued	670,238	2,643,815
Redeemed	(3,942,528)	(4,809,292)
Closing balance	23,809,802	27,082,092
G Initial Penalty Accumulation units		
Opening balance	103,503	-
Issued	-	103,503
Redeemed	-	-
Closing balance	103,503	103,503

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

17. UNITHOLDERS' CAPITAL (CONTINUED)

	2020 Units	2019 Units
I Exit Penalty Accumulation units		
Opening balance	6,571,937	7,261,442
Issued	21,210	68,960
Redeemed	(1,465,891)	(758,465)
Closing balance	5,127,256	6,571,937
J Income units		
Opening balance	1,028,074	1,065,508
Issued	-	-
Redeemed	(389,593)	(37,434)
Closing balance	638,481	1,028,074
M Accumulation units		
Opening balance	15,820,884	15,820,884
Issued	-	-
Redeemed	(15,820,884)	-
Closing balance	-	15,820,884
M Income units		
Opening balance	44,236,958	42,253,168
Issued	29,681,745	1,983,790
Transferred from C Accumulation units	(555,648)	-
Closing balance	73,363,055	44,236,958
Total shares in issue	**246,977,030**	**248,595,550**

The terms of each share class are as set out in the fund prospectus.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

18. 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 and 0.85% p.a. of the NAV of the Fund for the Class “M” 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 Dealing Day.

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 £6,468,057 (2019: £6,651,852) of which £1,885,385 (2019: £563,141) remained unpaid at 30 September 2020.

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 £2,512,064 (2019: £4,993,871) of which £555,662 (2019: £452,093) remained unpaid at 30 September 2020.

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, including fees capitalised, were £183,264 (2019: £187,593), of which £15,494 (2019: £14,778) remains unpaid at 30 September 2020.

Fees Payable to the Administrator

The Administration fee is 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 £683,523 (2019: £672,904), of which £60,149 (2019: £57,115) remained unpaid at 30 September 2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

18. 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 2020 A Esse owned 249,108.3412 (2019: 247,648.7855) and J Penney 177,149.4426 (2019: 177,149.4426) units of C Accumulation class, both via a self-invested pension plan. R Smith had an interest in 17,654.588 (2019: 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 (2019: 6,578.913) Class C Accumulation units of the Fund.

Sale of KP Club (Kilnwick Percy)

During the year the Fund sold the property, and operating company, at KP Club for proceeds, net of sale costs, of £25,931,917. The cost of the property was £9,023,520 and previously reported fair value was £26,470,705. The property and operating company were sold to Darwin Leisure Development Fund, a related party due to common control, the Directors of the respective Investment Managers are the same. The sale price was determined as the average of the DCF valuations for three months prior to the completion of the sale.

19. 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 balance sheet date is as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2020

19. FINANCIAL RISK MANAGEMENT AND TREASURY POLICIES (CONTINUED)

Market risk: Interest rate risk (continued)

As at 30 September 2020

	Floating rate £	Non-interest bearing £	Total £
Assets			
Cash and cash equivalents	6,093,888	-	6,093,888
Debtors	-	296,339	296,339
Total assets	**6,093,888**	**296,339**	**6,390,227**
Liabilities			
Loans and other borrowings	(31,943,708)	-	(31,943,708)
Creditors	-	(10,341,549)	(10,341,549)
Net assets attributable to unitholders	-	(575,580,356)	(575,580,356)
Total Liabilities	**(31,943,708)**	**(585,921,905)**	**(617,865,613)**

As at 30 September 2019

	Floating rate £	Non-interest bearing £	Total £
Assets			
Cash and cash equivalents	6,983,983	-	6,983,983
Debtors	-	311,805	311,805
Total assets	**6,983,983**	**311,805**	**7,295,788**
Liabilities			
Loans and other borrowings	(26,184,979)	-	(26,184,979)
Creditors	-	(9,924,109)	(9,924,109)
Net assets attributable to unitholders	-	(584,030,708)	(584,030,708)
Total Liabilities	**(26,184,979)**	**(593,954,817)**	**(620,139,796)**

If interest rates on Bank Loan had been 50 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 £159,719 (2019: £130,925). Considering the effect on cash balances, an increase/decrease in 50 basis points in interest rates as at reporting date would have increased/decreased net assets and income for the year by £30,469 (2019: £34,920). The calculations are based on the balances at the reporting date and are not representative of the year as a whole. A 50 basis point increase/decrease represents the Managers assessment of the possible changes in interest rates within the next 12 months.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

19. FINANCIAL RISK MANAGEMENT AND TREASURY POLICIES (CONTINUED)

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. The Fund had previously entered into a hedging arrangement with Lloyds Bank Plc which ended on 8 April 2019. Hedging was intended to be passive in nature and any costs involved were borne by the specific currency class. At the year end, in addition to Sterling unit classes, units were also available in Euros, US Dollars and Singapore Dollars.

As at 30 September 2020	Currency	£
F Exit Penalty Accumulation Units - EUR	6,572,914	5,967,781
F Initial Penalty Accumulation Units - EUR	16,848	15,797
G Exit Penalty Accumulation Units - USD	49,777,647	38,554,448
G Iniitial Penalty Accumulation Units - USD	109,721	84,982
I Exit Penalty Accumulation Units - SGD	9,769,650	5,544,322
		45,177,330

As at 30 September 2019	Currency	£
F Exit Penalty Accumulation Units - EUR	8,963,520	7,952,023
F Initial Penalty Accumulation Units - EUR	16,789	14,895
G Exit Penalty Accumulation Units - USD	52,591,518	42,792,122
G Initial Penalty Accumulation Units - USD	102,128	83,099
I Exit Penalty Accumulation Units - SGD	11,757,026	6,922,413
		57,764,552

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2020

19. FINANCIAL RISK MANAGEMENT AND TREASURY POLICIES (CONTINUED)

Operational risks (continuted)

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 investment adviser. The Directors of the Manager have engaged Smith and Williamson, Business Valuers, to review the DCF model on a quarterly basis. The Investment Adviser has engaged the services of independent valuation consultants to conduct a review of the non-operating assets, which are reviewed using the report received from Jones Lang LaSalle Limited.

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 negotiated overdraft facilities for a maximum of £30,000,00 and a £10,000,000, both with Lloyds Banking Group. These facilities are to support liquidity management (see Note 14).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

19. FINANCIAL RISK MANAGEMENT AND TREASURY POLICIES (CONTINUED)

Liquidity risk (continued)

As at 30 September 2020

	Due within 30 days £	Due between 30 days and 60 days £	Due between 60 days and 1 year £	Due after 1 year £	Total £
Debtors	296,339	-	-	-	296,339
Cash and cash equivalents	6,093,888	-	-	-	6,093,888
	6,390,227	**-**	**-**	**-**	**6,390,227**
Net assets due to unitholders	(28,779,018)	(27,340,067)	(208,440,620)	(311,020,651)	(575,580,356)
Loans and other borrowings	(28,851,758)	-	(1,349,169)	(1,742,781)	(31,943,708)
Creditors	(10,356,729)	-	-	-	(10,356,729)
	(67,987,505)	**(27,340,067)**	**(209,789,789)**	**(312,763,432)**	**(617,880,793)**
Total liquidity sensitivity gap	**(61,597,278)**	**(27,340,067)**	**(209,789,789)**	**(312,763,432)**	**(611,490,566)**

As at 30 September 2019

	Due within 30 days £	Due between 30 days and 60 days £	Due between 60 days and 1 year £	Due after 1 year £	Total £
Debtors	311,805	-	-	-	311,805
Cash and cash equivalents	6,983,983	-	-	-	6,983,983
	7,295,788	**-**	**-**	**-**	**7,295,788**
Net assets due to unitholders	(29,201,535)	(27,741,459)	(211,500,829)	(315,586,885)	(584,030,708)
Loans and other borrowings	(291,806)	-	(12,285,598)	(13,607,576)	(26,184,980)
Creditors	(9,924,109)	-	-	-	(9,924,109)
	(39,417,450)	**(27,741,459)**	**(223,786,427)**	**(329,194,461)**	**(620,139,797)**
Total liquidity sensitivity gap	**(32,121,662)**	**(27,741,459)**	**(223,786,427)**	**(329,194,461)**	**(612,844,009)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

19. FINANCIAL RISK MANAGEMENT AND TREASURY POLICIES (CONTINUED)

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. There are no significant concentrations of credit risk within the Fund other than the concentration of balances held with 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 Foreign Exchange contracts and banking is managed by the Board monitoring the risk ratings of the counter party (Lloyds Bank Plc). Their current rating is Moody's A1.

20. NET ASSET VALUE PER UNIT

	2020	2019
	£	£
Fund net asset value per September valuation	583,354,333	593,891,070
Adjustment to asset valuation on consolidation	(7,773,977)	(9,860,362)
Net asset value per financial statements	**575,580,356**	**584,030,708**

	2020	2019
	£	£
Units in issue	246,977,030	248,595,550
Net asset value per unit (valuation)	2.3620	2.3890
Net asset value per unit (financial statements)	2.3305	2.3493
Individual Fund class value per unit		
A accumulation value per unit (Valuation)	2.0327	1.9623
A accumulation value per unit (Financial Statements)	2.0056	1.9297
C accumulation value per unit (Valuation)	3.4539	3.3199
C accumulation value per unit (Financial Statements)	3.4078	3.2648
C income value per unit (Valuation)	1.8041	1.7852
C income value per unit (Financial Statements)	1.7801	1.7556

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

20. NET ASSET VALUE PER UNIT (CONTINUED)

	2020 £	2019 £
D accumulation value per unit (valuation)	3.5036	3.3620
D accumulation value per unit (Financial Statements)	3.4569	3.3062
E exit accumulation value per unit (Valuation)	2.1024	2.0441
E exit accumulation value per unit (Financial Statements)	2.0744	2.0102
E initial accumulation value per unit (Valuation)	2.2285	2.1558
E initial accumulation value per unit (Financial Statements)	2.1988	2.1200
F exit accumulation value per unit (Valuation)	1.7260	1.6786
F exit accumulation value per unit (Financial Statements)	1.7030	1.6508
F initial accumulation value per unit (Valuation)	0.9411	0.9164
F initial accumulation value per unit (Financial Statements)	0.9285	0.9011
G exit accumulation value per unit (Valuation)	1.6192	1.5802
G exit accumulation value per unit (Financial Statements)	1.5539	1.5539
G initial accumulation value per unit (Valuation)	0.8211	0.8029
G initial accumulation value per unit (Financial Statements)	0.7895	0.7895
I exit accumulation value per unit (Valuation)	1.0813	1.0533
I exit accumulation value per unit (Financial Statements)	1.0358	1.0358
J income value per unit (Valuation)	1.4141	1.3993
J income value per unit (Financial Statements)	1.3761	1.3761
M accumulation value per unit (Valuation)	-	3.3405
M accumulation value per unit (Financial Statements)	-	3.2850
M income value per unit (Valuation)	1.8190	1.7976
M income value per unit (Financial Statements)	1.7678	1.7678

21. DEFERRAL OF REDEMPTIONS

Due to the high volume of redemption requests from investors within some unit classes during March 2020, combined with the impact of the pandemic on the cash generating activities of the parks, the Manager took the decision to instigate the redemption deferral provisions outlined in the Fund prospectus from 1 May 2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 September 2020

21. DEFERRAL OF REDEMPTIONS (CONTINUED)

The Manager has an overriding fiduciary responsibility to the interests of all investors in the Fund, as a whole, and to ensure that they are not impacted detrimentally. Therefore, in April, the Manager took the decision, for the small number of unit classes where investors have submitted redemption requests totalling more than 5% of the unit class size, to instigate the redemption deferral provisions outlined in the Fund prospectus (section 8). It is the intention of the Manager to return to paying redemptions in full as soon as possible, but this will depend on the volume of redemptions in coming months; the reopening of the parks and their return to normal operations, and the renewal of marketing activity to institutional investors allowing the Manager to place out redeemed units.

The Manager considered and concluded that the deferred redemptions should not be recognised as a provision as the amount cannot be reliably estimated, as (a) the payment of the redemptions is not certain as the redemption requests can be withdrawn by the unitholders at any time up until payment and (b) the value of the deferred redemptions is dependent on the unit price calculated for the Dealing Day on which the units are actually redeemed and that is in turn dependant on a variety of variables at the Dealing Day.

In the context of the fund as a whole the manager does not consider the use of the redemption deferral provisions to cast doubt on the fund's ability to continue as a going concern.

22. CONTROLLING PARTY

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.

23. POST BALANCE SHEET EVENTS

Other than the continuation of the COVID-19 pandemic, there have been no subsequent events.