Registered Number 5456337

Sun CP Newmidco Limited

Annual report and financial statements

For the year ended
31 December 2007

Registered No 5456337

Directors

D Camilleri
MP Dalby
MR France
AM Robinson
TH Parker

Secretary

TH Parker

Independent auditors

PricewaterhouseCoopers LLP
Donington Court
Pegasus Business Park
Castle Donington
East Midlands
DE74 2UZ

Registered office

One Edison Rise
New Ollerton
Newark
Nottinghamshire
NG22 9DP

Directors' report for the year ended 31 December 2007

The directors present their report and audited financial statements for the year ended 31 December 2007

Principal activities and review of the business

The principal activity of the company during the year was that of a holding company No change to the principal activity is anticipated

The profit and loss account on page 6 shows a pre-tax loss of £1 7million (2006 loss of £104 2million) for the year

The Directors regard CP Cayman Holdings GP Limited to be the ultimate holding company The ultimate controlling parties are investment funds advised by The Blackstone Group

Future outlook

The Company expects no change in its status for the foreseeable future

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately Accordingly, the principal risks and uncertainties of the CP Comet Holdings Limited group, which include those of the company, are disclosed in CP Comet Holdings Limited's annual report, which does not form part of this report

Key performance indicators ("KPIs")

The directors of CP Comet Holdings Limited manage the group's operations on a per village basis For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Sun CP Newmidco Limited

Financial risk management

The financing of the Company is managed together with that of all other Group Companies As a result there is no separate analysis of the risks associated with the Company and all such risks are applicable to the CP Comet Holdings Limited group

The Group finances its operations through a mixture of shareholders' funds, bank and other borrowings and loan notes as required The Group has historically sought to reduce the cost of capital by refinancing and restructuring the Group funding using the underlying asset value

The overall policy in respect of interest rates is to reduce the exposure to floating rates The Group currently has swaps in place, held by Comet Refico Limited

Interest rate risk

The Group has in place floating rate debt as its primary funding source In order to minimise exposure to interest rate fluctuations, the Group utilises interest rate swaps to achieve a fixed interest rate

Liquidity risk

The Group maintains sufficient cash reserves to ensure that it can meet its medium term working capital and funding obligations

Currency risk

The Group is exposed to limited currency risk through foreign currency transactions The Group does not operate a hedging facility to manage these currency risks as they are considered to be insignificant

Credit risk

The Group borrows from well-established institutions with high credit ratings

Directors' report (continued) for the year ended 31 December 2007

Directors

The directors who served the company during the year and up to the date of this report were as follows

PH Stoll	(resigned 14 February 2007)
JP Baratta	(resigned 19 April 2007)
CR Pike	(resigned 19 April 2007)
D Camilleri	
MP Dalby	
MR France	
AM Robinson	
TH Parker	(appointed 20 July 2007)

Statement of directors' responsibilities in respect of the Annual Report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period

In preparing those financial statements, the directors are required to

- select suitable accounting policies and 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 financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary

The directors confirm that they have complied with the above requirements in preparing the financial statements

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Directors' report (continued) for the year ended 31 December 2007

Auditors and disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that

1) So far as the director is aware there is no relevant audit information of which the company's auditors are unaware,
2) The director has taken all the steps that he/she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

By order of the board

M R France
Director
15 July 2008

Independent auditors' report
to the members of Sun CP Newmidco Limited

We have audited the financial statements of Sun CP Newmidco Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes These financial statements have been prepared under the accounting policies set out therein

Respective responsibilities of directors and auditors
The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland) This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed

We read the Directors Report and consider the implications for our report if we become aware of any apparent misstatements within it

Basis of audit opinion
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements

Opinion
In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
East Midlands
15 July 2008

Profit and loss account
for the year ended 31 December 2007

	Notes	*Year ended 31 December 2007 £'000*	*Year ended 31 December 2006 £'000*
Administrative expenses		**(119)**	(228)
Operating loss	2	**(119)**	(228)
Release/(creation) of provision against investments		**41,656**	(95,282)
Loss on disposal of investments		**(41,583)**	-
Interest receivable and similar income	4	**3,338**	879
Interest payable and similar charges	5	**(4,988)**	(9,598)
Loss on ordinary activities before taxation		**(1,696)**	(104,229)
Tax on loss on ordinary activities	6	**514**	-
Loss on ordinary activities after taxation	13	**(1,182)**	(104,229)

All results derive from continuing activities

There is no difference between the loss on ordinary activities before taxation and the loss for the year stated above and their historical cost equivalents

Statement of total recognised gains and losses

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented

Balance sheet
as at 31 December 2007

	Notes	2007 £'000	2006 £'000
Fixed assets			
Investments	7	**93,753**	10
Current assets			
Debtors	8	**139,663**	3,825
Cash at bank and ın hand		**29,127**	46,840
		168,790	50,665
Credıtors amounts fallıng due wıthın one year	9	**(175,486)**	(35,212)
Net current (lıabilitıes)/assets		**(6,696)**	15,453
Total assets less current liabılıtıes		**87,057**	15,463
Creditors amounts fallıng due after more than one year	10	**(74,360)**	(103,914)
Net assets/(lıabilıtıes)		**12,697**	(88,451)
Capital and reserves			
Called up share capıtal	12	**121,810**	19,480
Profit and loss account	13	**(109,113)**	(107,931)
Total shareholders' funds/(deficit)	13	**12,697**	(88,451)

The financıal statements on pages 6 to 16 were approved by the board of dırectors on 15 July 2008 and were sıgned on ıts behalf by

M R France
Dırector

15 July 2008

Notes to the financial statements
for the year ended 31 December 2007

1. Accounting policies

Basis of preparation

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with applicable UK Accounting Standards and the Companies Act 1985

Basis of consolidation

The company is not required to prepare group accounts under s 228 of the Companies Act 1985 The company is included in the consolidated accounts of CP Comet Holdings Limited The accounts show information relating to the company as an individual undertaking and not as a group

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is a wholly owned subsidiary of an ultimate parent company which itself publishes a consolidated cash flow statement

Related parties transactions

The company has taken advantage of the exemption in Financial Reporting Standard 8 "Related Party Disclosures" from disclosing related party transactions between companies which are 90% owned by the ultimate UK parent company during the year, CP Comet Holdings Limited

Fixed asset investments

Investments held as fixed assets are stated at cost and reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable

Dividends received from investments are brought to account in the profit and loss account when received

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

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

Notes to the financial statements (continued)

for the year ended 31 December 2007

1. Accounting policies (continued)

Derivative instruments – Interest rate swaps

The company uses interest rate swaps to hedge interest rate exposures

The company considers its derivative instruments qualify for hedge accounting when the following criteria are met

- the instrument must be related to an asset or a liability, and
- it must change the character of the interest rate by converting a variable rate to a fixed rate or vice versa

Interest differentials are recognised by accruing the net interest payable Interest rate swaps are not revalued to fair value or shown on the company balance sheet at the year end If they are terminated early, the gain/ loss is spread over the remaining maturity of the original instrument

Issue costs of loans

The issue costs recognised in the profit and loss account in respect of capital instruments is allocated to periods over the terms of the instruments at a constant rate on the carrying amount

2. Operating loss

The auditors' remuneration for the year ended 31 December 2007 is borne by CP Comet Bidco Limited, a fellow group company (2006 CP Comet Bidco Limited) This includes £3,000 (2006 £13,000) in respect of the company

3. Staff costs

The company has no employees (2006 nil) other than the directors

	Year ended 31 December 2007 £'000	*Year ended 31 December 2006 £'000*
Wages & Salaries	**12**	-
Social Security	**2**	-
	14	-

Notes to the financial statements (continued)

for the year ended 31 December 2007

3. Staff costs (continued)

The monthly average number of employees during the year was as follows

	Year ended 31 December 2007 No.	Year ended 31 December 2006 No
Directors	**5**	3

Directors

	Year ended 31 December 2007 £'000	Year ended 31 December 2006 £'000
Aggregate Emoluments	**14**	-

4. Interest receivable and similar income

	Year ended 31 December 2007 £'000	Year ended 31 December 2006 £'000
Bank interest receivable	**2,025**	879
Interest receivable from Group undertakings	**1,313**	-
	3,338	879

During the year, the company received loan notes of £102,330,287 from Sun CP Newtopco Limited, due from CP Comet Bidco Limited These loan notes accrued interest at Libor + 1 22% The loan notes were issued as consideration for shares issued (note 12) As part of a simplification of group balances, these loan notes were repaid during the year

Notes to the financial statements (continued)

for the year ended 31 December 2007

5 Interest payable and similar charges

	Year ended 31 December 2007 £'000	*Year ended 31 December 2006 £'000*
Bank interest payable	-	4,825
Interest payable to group undertakings	**4,988**	604
Amortisation of issue costs	-	256
Loss on novation of interest rate swaps	-	1,924
Issue costs written off on refinancing	-	1,989
	4,988	9,598

During the year, the company issued loan notes of £44,430,487 to Sun CP Newtopco Limited The consideration for these notes was settled by an interest bearing receivable due from Sun CP Newtopco Limited These loan notes accrued interest at Libor + 1 22% As part of a simplification of group balances, these loan notes were repaid during the year

The interest payable to group undertakings includes interest of £4,418,326 charged in respect of a loan note due from Comet Refico Limited This interest has been rolled up into the loan balance (see note 10)

6. Tax on loss on ordinary activities

(a) Tax on loss on ordinary activities

The tax charge is made up as follows

	Year ended 31 December 2007 £'000	*Year ended 31 December 2006 £'000*
Current tax		
UK Corporation tax	-	-
Deferred tax		
Origination and reversal of timing differences	**(514)**	-
Tax on loss on ordinary activities	**(514)**	-

Notes to the financial statements (continued)

for the year ended 31 December 2007

6. Tax on loss on ordinary activities (continued)

(b) Factors affecting the current tax charge

The tax assessed for the year is higher (2006 higher) than that resulting from applying the standard rate of corporation tax in the UK of 30% The difference is reconciled below

	Year ended 31 December 2007 £'000	*Year ended 31 December 2006 £'000*
Loss on ordinary activities before taxation	**(1,696)**	**(104,229)**
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	**(509)**	**(31,269)**
Expenses not deductible for tax purposes	**2**	**28,585**
Tax losses carried forward	**(1,276)**	**2,560**
Group relief not paid for	**1,783**	**124**
Current tax charge for the year (note 6 (a))	-	-

(c) Deferred tax

Deferred taxation is provided at 28% (2006 30%) in the financial statements as follows

	2007 £'000	*2006 £'000*
Capital allowances in advance of depreciation	-	-
Tax losses	**(514)**	-
	(514)	-

	Year ended 31 December 2007 £'000	*Year ended 31 December 2006 £'000*
At beginning of year	-	-
(Credit)/charge to the profit and loss account	**(514)**	-
At end of year	**(514)**	-

A deferred tax asset has been recognised in respect of excess tax losses carried forward where it is probable that the asset will be recovered The amount of the asset not recognised is £3,062,495 (2006 £2,559,975) The asset would be recognised if the group considered that sufficient taxable profits would arise in the future

The impact of the reduction in the corporation tax rate from April 2008 to 28% has been reflected in the company's closing deferred tax position The impact of the change from 30% to 28% is £36,690

Notes to the financial statements (continued)
for the year ended 31 December 2007

7. Investments

	Investments in subsidiary undertakings *£'000*
Cost	
At 1 January 2007	95,292
Additions – Sun CP Topco Limited	49,430
Additions – Other Companies	44,241
Disposals – Carp (UK) 2 Limited & Carp (UK) 3 Limited	(41,584)
At 31 December 2007	**147,379**
Impairment	
At 1 January 2007	(95,282)
Reinstated in the year	41,656
At 31 December 2007	(53,626)
Carrying value of investment	
At 31 December 2007	93,753
At 31 December 2006	10

Investments at 1 January 2007 relate to the investments in Sun CP Topco Limited, CP (Oasis Property) Limited, CP (Sherwood Property) Limited, Longleat Property Limited, and Elveden Property Limited All investments represent holdings of 100% of the issued share capital, and all subsidiaries are registered in England and Wales

On 10 May 2007, the company purchased 1 £1 ordinary share in Carp (UK) 2 Limited, a company registered in England and Wales, at a premium of £28,494,000 On 18 July 2007, the company sold the share at a fair value of £26 The loss on disposal of £28,493,975 has been written off to the profit & loss account

On 10 May 2007, the company also purchased 1 £1 ordinary share in Carp (UK) 3 Limited, a company registered in England and Wales, at a premium of £13,088,623 On 18 July 2007, the company sold the share at a fair value of £27 The loss on disposal of £13,088,597 has been written off to the profit & loss account

On 10 May 2007, the company purchased 1 £1 ordinary share in Sun CP Properties Limited, a company registered in England & Wales, at a premium of £2,625,063 This represents 0 00% of Sun CP Properties Limited share capital

On 10 May 2007, the company purchased 1 £1 ordinary share in Sun CP Midco Limited, a company registered in England & Wales, at a premium of £26,778 This represents 0 00% of Sun CP Midco Limited share capital

On 10 May 2007, the company purchased 1 £1 ordinary share in Sun CP Asset Management Limited, a company registered in England & Wales, at a premium of £5,981 This represents 50% of Sun CP Asset Management Limited share capital

Notes to the financial statements (continued)
for the year ended 31 December 2007

7. Investments (continued)

On 10 May 2007, the company purchased 1 £1 ordinary share in Sun CP Topco Limited, a company registered in England and Wales, at a premium of £190,036 On 18 July 2007, the company purchased a further 49,239,867 £1 ordinary shares at par The company now holds 100% of the issued share capital of Sun CP Topco Limited

An impairment review has been performed on the carrying value of the investments and as a result £41,656,000 previously provided in the profit & loss account, relating to Sun CP Topco Limited, has been reinstated

The remaining investment value relates to the investments in Sun CP Properties Limited, Sun CP Midco Limited, Sun CP Asset Management Limited and the four property companies, where no impairment has taken place

Sun CP Topco Limited made a pre tax profit of £265,660 for the year ended 31 December 2007 and had net assets at that date of £49,505,528

CP (Oasis Property) Limited made a pre tax profit of £4,175,821 for the year ended 31 December 2007 and had net assets at that date of £182,855,655

CP (Sherwood Property) Limited made a pre tax profit of £3,633,785 for the year ended 31 December 2007 and had net assets at that date of £208,621,127

Longleat Property Limited made a pre tax profit of £4,039,244 for the year ended 31 December 2007 and had net assets at that date of £175,822,995

Elveden Property Limited made a pre tax profit of £3,582,922 for the year ended 31 December 2007 and had net assets at that date of £242,753,761

Sun CP Properties Limited made a pre tax profit of £42,149,829 for the year ended 31 December 2007 and had net assets at that date of £61,353,606

Sun CP Midco Limited made a pre tax profit of £343 for the year ended 31 December 2007 and had net assets at that date of £49,242,650

Sun CP Asset Management Limited made a pre tax profit of £76 for the year ended 31 December 2007 and had net assets at that date of £77

8. Debtors

	2007	*2006*
	£'000	*£'000*
Amounts owed by group undertakings	**109,692**	3,825
Amounts owed by related parties	**29,457**	-
Deferred Taxation	**514**	-
	139,663	3,825

Amounts owed by related parties relate to Center Parcs (Operating Company) Limited of £28,283,000 and Forest Refico Limited of £1,174,000 (note 11)

Notes to the financial statements (continued)

for the year ended 31 December 2007

9 Creditors: amounts falling due within one year

	2007 *£'000*	*2006* *£'000*
Amounts owed to group undertakings	**171,305**	31,067
Other creditors	**-**	2,132
Other taxation & social security	**4,181**	2,013
	175,486	35,212

The intercompany balances include amounts due to CP (Sherwood Property) Limited, Elveden Property Limited, Longleat Property Limited and CP (Oasis) Property Limited These have arisen as the company receives the cash related to property rental charges made by the four companies

There is also an intercompany balance representing amounts owed to Carp (S) Limited The balance is interest free and is repayable on demand

10. Creditors: amounts falling due after more than one year

	2007 *£'000*	*2006* *£'000*
Amounts owed to group undertakings	**74,360**	103,914

Included within amounts owed to group undertakings is a loan of £69,746,678 due to CP Comet Refico Limited This loan accrues interest at LIBOR plus 1 22% and is repayable in October 2011 The interest charged of £4,418,326 during the year has been rolled up into the loan balance (see note 5)

11. Related party transactions

Center Parcs (Operating Company) Limited and Forest Refico Limited are part of a group operating the Center Parcs holiday company The holiday village assets, which are used for the day to day operations, are held by Sun CP Newmidco's fellow group companies of CP (Sherwood Property) Limited, Elveden Property Limited, Longleat Property Limited and CP (Oasis) Property Limited and a rent is chargeable

During the year, Center Parcs (Operating Company) Limited transacted a capital drawdown from Sun CP Newmidco Limited, leaving a debtor of £28,297,221 at 31 December 2007 (31 December 2006 £nil) Amounts owed by Forest Refico Limited are £1,173,526 (31 December 2006 £nil) and relate to the refinancing undertaken by the group

Notes to the financial statements (continued)
for the year ended 31 December 2007

12. Share capital

	Authorised 2007 £'000	Authorised 2006 £'000
Ordinary shares of £1 each	**125,000**	20,000

	Allotted, called up and fully paid 2007 No	2007 £'000	2006 No	2006 £'000
Ordinary shares of £1 each	**121,810,116**	**121,810**	19,479,829	19,480

On 10 May 2007, the authorised share capital of the company was increased from £20,000,000 to £125,000,000 shares of £1 each On the same date, 102,330,287 £1 ordinary shares were issued and were subscribed for at par by Sun CP Newtopco Limited, the immediate parent company, in consideration for loan notes due from Comet Bidco Limited (note 4)

13. Reconciliation of total shareholders' funds/(deficit) and movement on reserves

	Share capital £'000	Profit and loss account £'000	Total shareholders' funds £'000
At 1 January 2006	65	(3,702)	(3,637)
Issue of share capital	19,415	-	19,415
Loss for the year	-	(104,229)	(104,229)
At 31 December 2006	19,480	(107,931)	(88,451)
New shares issued	102,330	-	102,330
Loss for the year	-	(1,182)	(1,182)
At 31 December 2007	**121,810**	**(109,113)**	**12,697**

14. Ultimate parent company and controlling party

At 31 December 2007 the immediate parent company was Sun CP Newtopco Limited, a company registered in England and Wales The Directors regard CP Cayman Holdings GP Limited, registered in the Cayman Islands, to be the ultimate holding company The ultimate controlling parties are funds advised by The Blackstone Group The largest and smallest group of which the company is a member and for which group accounts are drawn up is now CP Comet Holdings Limited Copies of the accounts of CP Comet Holdings Limited are available from the registered office detailed on page 1