

**Sun CP Newtopco Limited**  
**(formerly Spacegrove Limited)**

31 December 2005

*Registered Number: 5456406*



# Sun CP Newtopco Limited (formerly Spacegrove Limited)

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Registered No. 5456406

## **DIRECTORS**

S B Eighteen  
C Wilson  
N S Moy  
T V Castledine  
E A C Spencer Churchill

## **SECRETARY**

A S Graham

## **AUDITORS**

Ernst & Young LLP  
No.1 Colmore Square  
Birmingham  
B4 6HQ

## **BANKERS**

The Royal Bank of Scotland Plc  
5<sup>th</sup> Floor  
135 Bishopsgate  
London  
EC2M 3UR

## **SOLICITORS**

Clifford Chance LLP  
10 Upper Bank Street  
London  
E14 5JJ

## **REGISTERED OFFICE**

135 Bishopsgate  
London  
EC2M 3UR

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

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## DIRECTORS' REPORT

The directors present their consolidated report and financial statements for the 32 weeks ended 31 December 2005.

### RESULTS AND DIVIDENDS

The consolidated loss for the period amounted to £474,808. The directors do not recommend the payment of any dividends.

### PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company during the period was that of a holding company. The company was incorporated as Spacegrove Limited on 19 May 2005. It changed its name on 31 May 2005 to Sun CP Newtopco Limited.

The principal activities of the active subsidiaries are those of holding investment properties.

The group owns investment properties in Sherwood Forest, Longleat, Suffolk and Cumbria that are leased to Center Parcs (Operating Company) Limited.

On 20 June 2005, Sun CP Newmidco Limited acquired the Sun CP Topco group. Sun CP Newtopco Limited in turn acquired the shares and loan notes in Sun CP Newmidco Limited. Immediately afterwards the Group was refinanced, and the Group's ultimate shareholding structure altered.

Subsequent to the year end, on 16 January 2006, the group's shareholding structure again altered. The activities of the company and the group remain unchanged.

### DIRECTORS AND THEIR INTERESTS

The directors who served during the period and their interests in the share capital as at 31 December 2005 of the company were as follows:

		<i>At 31 December 2005 Ordinary shares No.</i>
D J Pudge	(appointed 19 May 2005, resigned 25 May 2005)	-
A Levy	(appointed 19 May 2005, resigned 25 May 2005)	-
M C Allen	(appointed 31 May 2005, resigned 17 January 2006)	9,990
M N Jonas	(appointed 25 May 2005, resigned 17 January 2006)	29,999
W A McIntosh	(appointed 31 May 2005, resigned 17 January 2006)	9,990
H E M Osmond	(appointed 31 May 2005, resigned 17 January 2006)	8,800
E A C Spencer Churchill	(appointed 25 May 2005)	14,260
E J C Hawkes	(appointed 31 May 2005, resigned 17 January 2006)	375

The other current directors as listed on page 1 were all appointed on 17 January 2006.

There are no other directors' interests requiring disclosure under the Companies Act 1985.

## Sun CP Newtopco Limited (formerly Spacegrove Limited)

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### DIRECTORS' REPORT (CONTINUED)

#### **CREDITOR PAYMENT POLICY AND PRACTICE**

It is the group's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with.

#### **AUDITORS**

A resolution to re-appoint Ernst & Young LLP as the Company's auditor will be put to the forthcoming Annual General Meeting.

By order of the board



Director

Dated 24<sup>th</sup> April 2006

## Sun CP Newtopco Limited (formerly Spacegrove Limited)

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### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company, and of the group, and of the profit or loss of the group, for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUN CP NEWTOPCO LIMITED (formerly Spacegrove Limited)**

We have audited the group's financial statements for the period ended 31 December 2005 which comprise the Group Profit and Loss Account, Group Statement of Total Recognised Gains and Losses, Group Balance Sheet, Company Balance Sheet, Group Statement of Cash Flow and the related notes 1 to 20. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as 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).

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 transactions with the group 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.

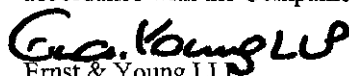
**Basis of audit opinion**

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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group'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 affairs of the company and of the group as at 31 December 2005 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985

  
Ernst & Young LLP  
Registered Auditor  
Birmingham

Dated 24 APR 2006

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

## GROUP PROFIT AND LOSS ACCOUNT for the 32 weeks ended 31 December 2005

	Notes	32 week period ended 31 December 2005 £
<b>TURNOVER</b>	2	23,620,507
Administrative expenses		(1,992,179)
Other operating income		1,266,013
<b>OPERATING PROFIT</b>	3	22,894,341
Interest receivable	6	680,057
Interest payable and similar charges	7	(23,851,932)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(277,534)
Tax on loss on ordinary activities	8	(197,274)
<b>LOSS RETAINED FOR THE FINANCIAL PERIOD</b>	17	(474,808)

## GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the 32 weeks ended 31 December 2005

There are no recognised gains and losses other than the loss retained for the period of £474,808 attributable to the shareholders for the period ended 31 December 2005.

# Sun CP Newportco Limited (formerly Spacegrove Limited)

## GROUP BALANCE SHEET

at 31 December 2005

	Notes	2005 £
<b>FIXED ASSETS</b>		
Intangible assets – negative goodwill	9	(68,376,097)
Tangible assets	10	679,088,480
		<u>610,712,383</u>
<b>CURRENT ASSETS</b>		
Debtors	12	174,208
Cash at bank and in hand		36,632,242
		<u>36,806,450</u>
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(28,705,641)</u>
<b>NET CURRENT ASSETS</b>		<u>8,100,809</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>618,813,192</u>
<b>CREDITORS: amounts falling due after more than one year</b>	14	<u>(617,877,478)</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>		
Deferred taxation	8	(1,310,522)
		<u>(374,808)</u>
<b>CAPITAL AND RESERVES</b>		
Called up share capital	16	100,000
Profit and loss account	17	(474,808)
<b>EQUITY SHAREHOLDERS' DEFICIT</b>		<u>(374,808)</u>

T. Gostle

Director

24th April 2006

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

## COMPANY BALANCE SHEET at 31 December 2005

	Notes	2005 £
<b>FIXED ASSETS</b>		
Investments	11	64,774
<b>CURRENT ASSETS</b>		
Debtors	12	19,531,908
<b>CREDITORS: amounts falling due within one year</b>	13	(525,601)
<b>NET CURRENT ASSETS</b>		19,006,307
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		19,071,081
<b>CREDITORS: amounts falling due after more than one year</b>	14	(18,969,958)
<b>NET ASSETS</b>		101,123
<b>CAPITAL AND RESERVES</b>		
Called up share capital	16	100,000
Profit and loss account	17	1,123
<b>EQUITY SHAREHOLDERS' FUNDS</b>		101,123

*T. G. Stedie*  
Director

Dated 24<sup>th</sup> April 2006

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

## GROUP STATEMENT OF CASH FLOW for the 32 weeks ended 31 December 2005

		32 week period ended 31 December 2005 £
	Notes	
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	18(a)	37,532,084
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest received		680,057
Interest paid		(14,763,835)
Issue costs on new long term loans		(6,325,380)
		<u>(20,409,158)</u>
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>		
Payments to acquire tangible fixed assets		(8,038,480)
		<u>(8,038,480)</u>
<b>ACQUISITIONS AND DISPOSALS</b>		
Payments to acquire subsidiary undertakings		(86,551,934)
Net cash acquired with subsidiary undertakings		1,543,616
		<u>(85,008,318)</u>
<b>NET CASH FLOW BEFORE FINANCING</b>		(75,923,872)
<b>FINANCING</b>		
Repayment of long term Senior Loan	18(b)	(353,607,547)
Repayment of long term Mezzanine Loan	18(b)	(44,505,939)
Repayment of other loans	18(b)	(5,900,000)
Repayment of capex facility	18(b)	(37,782,646)
Repayment of long term Loan notes	18(b)	(58,206,646)
New long term Loan	18(b)	600,000,000
Issue of ordinary share capital	18(b)	100,000
Issue of long term Loan notes	18(b)	12,458,892
		<u>112,556,114</u>
<b>INCREASE IN CASH</b>		<u>36,632,242</u>

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

## NOTES TO THE FINANCIAL STATEMENTS for the 32 weeks ended 31 December 2005

### 1. ACCOUNTING POLICIES

#### *Basis of preparation*

The accounts and notes have been prepared in accordance with applicable accounting standards. However, compliance with SSAP19 "Accounting for Investment Properties" requires departure from the Companies Act 1985 relating to depreciation and an explanation of the departure is given below.

At 31 December 2005 the group had net liabilities. This was primarily the result of the negative goodwill recognised on the acquisition of its subsidiaries. The company and group's forecasts for the coming years indicate that they will make profits. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

#### *Basis of consolidation*

The group financial statements consolidate the financial statements of Sun CP Newtopco Limited and all its subsidiary undertakings for the period to 31 December 2005. The company has taken advantage of the exemption permitted under section 230 of the Companies Act 1985 not to present its own profit and loss account. The result attributable to members of the company for the period amounts to £1,123.

#### *Goodwill*

Goodwill is the difference between the cost of an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Negative goodwill arising on acquisitions is included within intangible fixed assets and is amortised over the estimated useful life of the non-monetary assets acquired, which is approximately 20 years.

#### *Fixed assets*

All fixed assets are initially recorded at cost.

#### *Investment properties*

In accordance with SSAP19, investment properties are revalued annually and the aggregate surplus or temporary deficit is transferred to the revaluation reserve. No depreciation is provided in respect of investment properties.

The directors consider that, because these properties are not held for consumption but for their investment potential, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP19 in order to give a true and fair view.

If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

#### *Fixed asset investments*

Investments held as fixed assets are stated at cost.

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 only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned;

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

## NOTES TO THE FINANCIAL STATEMENTS for the 32 weeks ended 31 December 2005

### 1. ACCOUNTING POLICIES (*continued*)

#### *Deferred taxation (continued)*

- 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.

#### *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 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 are allocated to periods over the terms of the instrument at a constant rate on the carrying amount.

### 2. TURNOVER

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties. Turnover relates to one continuing activity, leasing of investment properties. All of the group's business is performed in the United Kingdom.

### 3. OPERATING PROFIT

This is stated after charging/(crediting):

	32 week period ended 31 December 2005 £
Auditors' remuneration - audit services	30,000
- non audit services	23,000
	<u>53,000</u>
Write off of loan	<u>2,389,667</u>
Amortisation of goodwill	<u>(1,753,233)</u>

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

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## NOTES TO THE FINANCIAL STATEMENTS for the 32 weeks ended 31 December 2005

### 4. DIRECTORS' EMOLUMENTS

No payments were made to directors for their services to the company during the period.

### 6. INTEREST RECEIVABLE

*32 week  
period ended  
31 December  
2005  
£*

Bank interest receivable

680,057

680,057

### 7. INTEREST PAYABLE AND SIMILAR CHARGES

*32 week  
period ended  
31 December  
2005  
£*

Bank interest payable

20,185,383

Investor loan note interest payable

586,264

Other interest

2,600,000

Amortisation of issue costs

480,285

23,851,932

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

## NOTES TO THE FINANCIAL STATEMENTS for the 32 weeks ended 31 December 2005

### 8. TAX ON LOSS ON ORDINARY ACTIVITIES

#### (a) Tax on loss on ordinary activities

The tax charge is made up as follows:

	<i>32 week period ended 31 December 2005 £</i>
<i>Current tax:</i>	
UK Corporation tax	-
<i>Deferred tax:</i>	
Origination and reversal of timing differences	197,274
Tax on loss on ordinary activities (note 8(c))	<u>197,274</u>

#### (b) Factors affecting current tax charge

The tax assessed for the period is higher than that resulting from applying the standard rate of corporation tax in the UK of 30%. The difference is reconciled below:

	<i>32 week period ended 31 December 2005 £</i>
Loss on ordinary activities before taxation	<u>(277,534)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30%	(83,260)
Capital allowances in excess of depreciation	(352,436)
Other timing differences	(1,498)
Tax losses carried forward	376,240
Expenses not deductible for tax purposes	60,954
Current tax charge for the period (note 8(a))	<u>-</u>

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

## NOTES TO THE FINANCIAL STATEMENTS for the 32 weeks ended 31 December 2005

### 8. TAX ON LOSS ON ORDINARY ACTIVITIES *(continued)*

#### (c) Deferred tax

	2005 £
Capital allowances in excess of depreciation	3,291,460
Short term timing differences	<u>(1,980,938)</u>
Provision for deferred tax	<u>1,310,522</u>
	£
Arising on acquisition	1,113,248
Charge to the profit and loss account	<u>197,274</u>
At 31 December 2005	<u>1,310,522</u>

A deferred tax asset has not been recognised in respect of timing differences relating to excess tax losses carried forward within the Group, as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £1,139,346. The asset would be recovered if the group considered that sufficient taxable profits would arise in the future.

### 9. INTANGIBLE FIXED ASSETS

#### Group

	<i>Negative goodwill</i> £
Cost:	
Acquisition of subsidiary undertaking	<u>(70,129,330)</u>
At 31 December 2005	<u>(70,129,330)</u>
Amortisation:	
Credited during the period	<u>1,753,233</u>
At 31 December 2005	<u>1,753,233</u>
Net book value:	
At 31 December 2005	<u>68,376,097</u>

Negative goodwill is being amortised evenly over the directors' estimate of its useful economic life of 20 years.

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

## NOTES TO THE FINANCIAL STATEMENTS for the 32 weeks ended 31 December 2005

### 10. TANGIBLE FIXED ASSETS

#### *Group*

#### *Investment Properties £*

Cost:	
Arising on acquisition	671,050,000
Additions	8,038,840
At 31 December 2005	<u>679,088,480</u>
Net book value:	
At 31 December 2005	<u>679,088,480</u>

The investment properties are held part freehold and part long leasehold, for which the split of book value is £46.5m and £632.6m respectively.

No provision has been made for the capital gains that could arise if these properties were to be disposed of at book value. Such tax would only become payable if the properties were sold.

### 11. INVESTMENTS

#### *Company*

#### *Investments in subsidiary undertakings £*

Cost:	
Additions	64,774
31 December 2005	<u>64,774</u>

Investments relate to 100% of the ordinary shares of Sun CP Newmidco Limited, registered in England and Wales. The principal activity of Sun CP Newmidco Limited is that of an intermediate holding company.

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

## NOTES TO THE FINANCIAL STATEMENTS for the 32 weeks ended 31 December 2005

### 11. INVESTMENTS (continued)

On 20 June 2005 Sun CP Newmidco Limited, a subsidiary undertaking, acquired the Sun CP Topco Limited group of companies for a consideration of £93,063,000. The investment in the Sun CP Topco Limited group of companies has been included in the balance sheet of Sun CP Newmidco Limited at its fair value at the date of acquisition.

Analysis of the acquisition of the Sun CP Topco Limited group of companies:

	<i>Book and fair value of assets acquired £</i>
Tangible fixed assets	671,050,000
Debtors	2,681,830
Cash at bank and in hand	1,543,616
Creditors due within one year	(7,867,091)
Creditors due in more than one year	(503,102,777)
Deferred tax	(1,113,248)
Net Assets	163,192,330
Negative goodwill arising on acquisition (note 9)	(70,129,330)
	<u>93,063,000</u>
Discharged by:	
Cash consideration	86,088,934
Loan notes issued	6,511,066
Costs associated with the acquisition	463,000
	<u>93,063,000</u>

The Sun CP Topco Limited group of companies earned a loss after tax of £6,701,483 in the period 1 January 2005 to 19 June 2005. The summarised profit and loss account for the period 1 January 2005 to the effective date of acquisition is as follows:

	<i>£</i>
Turnover	<u>20,768,722</u>
Operating profit	19,902,301
Interest receivable	70,208
Interest payable and similar charges	(26,077,405)
Loss before tax	6,104,896
Taxation	596,587
Loss for the period	<u>6,701,483</u>

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

## NOTES TO THE FINANCIAL STATEMENTS for the 32 weeks ended 31 December 2005

### 12. DEBTORS

<i>Group</i>	2005 £
Other debtors	77,993
Prepayments and accrued income	96,215
	<u>174,208</u>
<i>Company</i>	2005 £
Amounts owed from group undertakings	<u>19,531,908</u>

### 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

<i>Group</i>	2005 £
Trade creditors	525,601
Current instalment due on bank loans (note 14)	4,247,385
Other taxation and social security costs	1,612,069
Other creditors	1,703
Accruals and deferred income	22,318,883
	<u>28,705,641</u>
<i>Company</i>	2005 £
Trade creditors	<u>525,601</u>

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

## NOTES TO THE FINANCIAL STATEMENTS for the 32 weeks ended 31 December 2005

### 14. CREDITORS: amounts falling due after more than one year

#### Group

	2005 £
Bank loans (note 15)	589,907,520
Loan notes	18,969,958
Other creditors	9,000,000
	<u>617,877,478</u>

On 20 June 2005 the company issued Fixed Rate Unsecured Subordinated Loan Notes issued to investors on 20 June 2005 to the value of £18,383,694. These Loan Notes accrue interest at a rate of 6% per annum, and rank pari passu among themselves and at all times rank pari passu with all other future unsecured obligations of the company. The Loan Notes become repayable in full on 20 June 2015.

The other creditor of £9,000,000 is in respect of rental deposits repayable upon expiration of the lease terms. The deposits are interest free.

### 15. LOANS

#### Group

	2005 £
Not wholly repayable within five years:	
£440,000,000 senior A bank loan at 6.185% per annum	435,713,597
£146,700,000 senior B bank loan at 6.685% per annum	145,270,874
£13,300,000 mezzanine loan at 8.685% per annum	13,170,434
	<u>594,154,905</u>
Less: included in creditors: amounts falling due within one year	(4,247,385)
	<u>589,907,520</u>
Amounts repayable:	
In one year or less, or on demand	5,151,011
In more than one year but not more than two years	6,481,796
In more than two years but not more than five years	28,402,832
	<u>40,035,639</u>
In more than five years	559,964,361
	<u>600,000,000</u>
Less: unamortised issue costs	(5,845,095)
	<u>594,154,905</u>

The senior and mezzanine loans are secured by way of a fixed and floating charge over the assets of the group.

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

## NOTES TO THE FINANCIAL STATEMENTS for the 32 weeks ended 31 December 2005

### 16. SHARE CAPITAL

#### *Authorised*

	2005 £
Ordinary shares of £1 each	500,000

#### *Allotted, called up and fully paid*

	2005 No.	2005 £
Ordinary shares of £1 each	100,000	100,000

On incorporation two ordinary shares of £1 each were issued at par for cash consideration.

On 27 May 2005, the authorised share capital of the company was increased from 100 £1 ordinary shares to 500,000 £1 ordinary shares. On 1 June 2005 64,772 £1 ordinary shares were issued in the company at par for cash consideration. On 20 June 2005 a further 35,226 £1 ordinary shares were issued in the company at par for cash consideration.

### 17. RESERVES AND RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

#### *Group*

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total share- holders' funds £</i>
At incorporation	2	-	2
Issue of share capital	99,998	-	99,998
Loss for the period	-	(474,808)	(474,808)
At 31 December 2005	100,000	(474,808)	(374,808)

#### *Company*

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total share- holders' funds £</i>
At incorporation	2	-	2
Issue of share capital	99,998	-	99,998
Profit for the period	-	1,123	1,123
At 31 December 2005	100,000	1,123	101,123

# Sun CP Newportco Limited (formerly Spacegrove Limited)

## NOTES TO THE FINANCIAL STATEMENTS for the 32 weeks ended 31 December 2005

### 18. NOTES TO THE CASHFLOW STATEMENT

#### (a) Reconciliation of operating profit to net cash inflow from operating activities

	<i>32 week period ended 31 December 2005 £</i>
Operating profit	22,894,341
Increase in debtors	117,955
Increase in creditors	13,403,069
Amortisation of issue costs	480,285
Amortisation of negative goodwill	(1,753,233)
Loan write off	2,389,667
Net cash inflow from operating activities	<u>37,532,084</u>

#### (b) Reconciliation of net cashflow to movement in net debt

	<i>32 week period ended 31 December 2005 £</i>
Increase in cash in the period	36,632,242
Net cash inflow from increase in loans	(600,000,000)
Issue costs of long term loans	5,845,095
Net cash inflow from issue of loan notes	(12,458,892)
Change in net debt resulting from cash flows	(569,981,555)
Other	(6,511,066)
<b>MOVEMENT IN NET DEBT</b>	<u>(576,492,621)</u>
<b>NET DEBT AT INCORPORATION</b>	-
<b>NET DEBT AT 31 DECEMBER</b>	<u>(576,492,621)</u>

#### (c) Analysis of changes in net debt

	<i>At Incorporation £</i>	<i>Cash flows £</i>	<i>Non-cash movements £</i>	<i>At 31 December 2005 £</i>
Cash at bank and in hand	-	36,632,242	-	36,632,242
	-	36,632,242	-	36,632,242
Short term loans - acquired	-	5,900,000	(5,900,000)	-
Long term loans - acquired	-	494,102,778	(494,102,778)	-
New long term loans	-	(594,154,905)	-	(594,154,905)
New Loan notes	-	(12,458,892)	(6,511,066)	(18,969,958)
	-	(69,978,777)	(506,513,844)	(576,492,621)

### 19. CAPITAL COMMITMENTS

Neither the group nor the company had capital commitments at 31 December 2005.

# Sun CP Newtopco Limited (formerly Spacegrove Limited)

## NOTES TO THE FINANCIAL STATEMENTS

for the 32 weeks ended 31 December 2005

### 20. RELATED PARTIES

During the period the group entered into transactions, in the ordinary course of business, with related parties. Transactions entered into, and balances outstanding at 31 December 2005, are as follows:

<i>Related party</i>	<i>Expenses incurred or paid to related party £</i>	<i>Income from related party £</i>	<i>Amounts owed by related party £</i>	<i>Amounts owed to related Party £</i>
Royal Bank of Scotland plc *	25,692,684	-	-	609,088,098
Sun CP Management Limited	3,772,781	-	-	31,723

#### *Royal Bank of Scotland plc*

Royal Bank of Scotland plc is a shareholder of Sun CP Newtopco Limited.

Included within 'Expenses incurred or paid to related party' is £5,507,300 of issue costs that have been capitalised on the balance sheet as at 31 December 2005.

#### *Sun CP Management Limited*

Sun CP Management Limited is a related party through common shareholders.

Included within 'Expenses incurred or paid to related party' is a £2,940,000 loan repayment made upon acquisition of the Sun CP Topco Limited group of companies.

### 21. SUBSIDIARY UNDERTAKINGS

The share capital of the subsidiary undertakings is designated, with minor exceptions, as ordinary shares.

All shareholdings represent 100% of the equity and the voting rights. The shares of subsidiary undertakings marked \* are held by subsidiary undertakings of the company.

<i>Subsidiary undertaking</i>	<i>Activity</i>	<i>Country of Incorporation</i>
Sun CP Newmidco Limited	Intermediate holding company	England and Wales
Sun CP Topco Limited *	Intermediate holding company	England and Wales
Sun CP Midco Limited *	Intermediate holding company	England and Wales
Sun CP Asset Management Limited *	Asset management company	England and Wales
Sun CP Properties Limited *	Intermediate holding company	England and Wales
Carp (Jersey) 2 Limited *	Intermediate holding company	Jersey, Channel Islands
CP (Oasis Property) Limited *	Investment property company	England and Wales
CP (Sherwood Property) Limited *	Investment property company	England and Wales
Longleat Property Limited *	Investment property company	England and Wales
Elveden Property Limited *	Investment property company	England and Wales
Carp E Limited *	Non-trading	England and Wales
Carp (H) Limited *	Non-trading	England and Wales
Carp (CP) Limited *	Non-trading	England and Wales
Carp (UK) 1 Limited *	Non-trading	England and Wales
Carp (UK) 2 Limited *	Non-trading	England and Wales
Carp (UK) 3 Limited *	Non-trading	England and Wales
Carp (O) Limited *	Non-trading	England and Wales
Carp (UK) 3A Limited *	Non-trading	England and Wales
Carp (L) Limited *	Non-trading	England and Wales
Carp (NW) Limited *	Non-trading	England and Wales
Carp (S) Limited *	Non-trading	England and Wales