Registered Number 4379580

Elveden Property Limited

Report and Financial Statements

For the Year ended
31 December 2006

Registered No 4379580

Directors
J W A Barrett
P C Kent
W Matton
C Todd
M R France

Secretary
T H Parker

Auditors
PricewaterhouseCoopersLLP
Donington Court
Pegasus Business Park
Castle Donington
East Midlands
DE74 2UZ

Registered office
One Edison Rise
New Ollerton
Newark
Nottinghamshire
NG22 9DP

Directors' report

The dırectors present theır report and financıal statements for the year ended 31 December 2006

Principal activities and revıew of the business

Elveedn Property Lımıted operates as a property ınvestment company There has been no change ın thıs prıncıpal actıvıty durıng the year and no future change ıs antıcıpated

The profit and loss account on page 7 shows a pre-tax loss of £1,732,005 (2005 profit £1,808,369) for the year and turnover of £10,726,732 (2005 £9,913,631)

On 15 May 2006 the shares ın Sun CP Newtopco Lımıted (the ultımate holdıng company ın 2005) were acquıred by CP Comet Bıdco Lımıted (an entıty 100% owned by CP Comet Holdıngs Lımıted, ıncorporated for the purpose of thıs acquısıtıon) From that date the Dırectors regard CP Cayman Holdıngs GP Lımıted to be the ultımate holdıng company The ultımate controllıng partıes are ınvestment funds advısed by The Blackstone Group

On 14 December 2006 the fundıng of the Group was refinanced The bank loans from The Royal Bank of Scotland were repaıd and new loans drawn from Merrıl Lynch, The Royal Bank of Scotland and CıtıGroup A new company, Comet Refico Lımıted, was ınserted ınto the Group structure and now holds the external loan financıng for the CP Comet Holdıngs Lımıted Group

Future outlook

The company's forecasts for the comıng years ındıcate that ıt wıll make profits and contınue ın a net asset posıtıon

Prıncipal risks and uncertaınties

From the perspectıve of the company, the prıncıpal rısks and uncertaıntıes are ıntegrated wıth the prıncıpal rısks of the group and are not managed separately Accordıngly, the prıncıpal rısks and uncertaıntıes of the CP Comet Holdıngs Lımıted group, whıch ınclude those of the company, are dısclosed ın the CP Comet Holdıngs Lımıted's annual report whıch does not form part of thıs report

Key performance indicators ("KPIs")

The dırectors of CP Comet Holdıngs Lımıted manage the group's operatıons on a per vıllage basıs For thıs reason, the company's dırectors belıeve that analysıs usıng key performance ındıcators for the company ıs not necessary or approprıate for an understandıng of the development, performance or posıtıon of the busıness of Elveden Property Lımıted

Financial risk management

The financıng of the Company ıs managed together wıth that of all other Group Companıes As a result there ıs no separate analysıs of the rısks assocıated wıth the Company and all such rısks are applıcable to the CP Comet Holdıngs Lımıted Group

The Group finances ıts operatıons by a mıxture of shareholders' funds, bank and other borrowıngs and loan notes as requıred The Group has hıstorıcally sought to reduce the cost of capıtal by refinancıng and restructurıng the Group fundıng usıng the underlyıng asset value

The overall polıcy ın respect of ınterest rates ıs to reduce the exposure to floatıng rates The Group currently has swaps ın place, held by Comet Refico Lımıted

Interest rate risk

The Group has ın place floatıng rate debt as ıts prımary fundıng source In order to mınımıse exposure to ınterest rate fluctuatıons, the Group utılıses ınterest rate SWAPs to achıeve a fixed ınterest rate

Directors' report (continued)

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

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
The directors who served the company during the year were as follows

M N Jonas	(resigned 17 January 2006)
E A C Spencer Churchill	(resigned 17 January 2006)
T V Castledine	(appointed 17 January 2006 - resigned 12 May 2006)
S B Eighteen	(appointed 17 January 2006 - resigned 12 May 2006)
N St John Moy	(appointed 17 January 2006 - resigned 12 May 2006)
C Wilson	(appointed 17 January 2006 - resigned 12 May 2006)
P H Stoll	(appointed 12 May 2006 - resigned 14 February 2007)
J P Baratta	(appointed 12 May 2006 - resigned 19 April 2007)
C R Pike	(appointed 12 May 2006 - resigned 19 April 2007)
J W A Barrett	appointed 14 December 2006
P Kent	appointed 14 December 2006
W Matton	appointed 14 December 2006
C Todd	appointed 14 December 2006
M R France	appointed 7 June 2007

Auditors

Ernst & Young LLP resigned as auditor during this year and PricewaterhouseCoopers LLP were appointed in their place

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

Directors' report (continued)

By order of the board

M R France
Director
28 June 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

Independent auditors' report
to the members of Elveden Property Limited

Independent auditor's report to the members of Elveden Property limited.

We have audited the financial statements of Elveden Property Limited for the year ended 31 December 2006 which comprises 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
As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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 report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements We also 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 2006 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

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
East Midlands
28 June 2007

Profit and loss account

for the year ended 31 December 2006

	Notes	*Year ended 31 December 2006* £	*Year ended 31 December 2005* £
Turnover	2	**10,276,732**	9,913,631
Administrative expenses		**(399,174)**	(382,539)
Other operating income		**19,559**	1,227,791
Operating profit	3	**9,897,117**	10,758,883
Interest payable and similar charges	5	**(11,629,122)**	(8,950,514)
(Loss)/Profit on ordinary activities before taxation		**(1,732,005)**	1,808,369
Tax on (loss)/profit on ordinary activities	6	**745,546**	(523,643)
(Loss)/Profit for the financial year	14	**(986,459)**	1,284,726

There is no difference between the profit on ordinary activities before taxation and the results for the period stated above and their historical cost equivalents

Statement of total recognised gains and losses

for the year ended 31 December 2006

	Year ended 31 December 2006 £	*Year ended 31 December 2005* £
(Loss)/Profit for the financial year	**(986,459)**	1,284,726
Surplus on revaluation of property	**192,829,294**	37,603,182
Total gains and losses recognised since last annual report	**191,842,835**	38,887,908

Balance sheet
at 31 December 2006

	Notes	*2006* £	*2005* £
Fixed assets			
Tangible assets	7	**342,133,293**	149,303,999
Current assets			
Debtors	8	**7,533,915**	5,336,497
Creditors amounts falling due within one year	9	**(3,105,298)**	(5,364,812)
Net current assets/(liabilities)		**4,428,617**	(28,315)
Total Assets less current liabilities		**346,561,910**	149,275,684
Creditors amounts falling due after more than one year	10	**(114,639,404)**	(108,450,467)
Provisions for liabilities and charges			
Deferred tax	6	**(202,197)**	(947,743)
Net Assets Total		**231,720,309**	39,877,474
Capital and reserves			
Called up share capital	13	**1**	1
Revaluation reserve	14	**230,432,476**	37,603,182
Profit and loss account	14	**1,287,832**	2,274,291
Total shareholders' funds	14	**231,720,309**	39,877,474

The financial statements on pages 7 to 15 were approved by the board of directors on 28 June 2007 and were signed on its behalf by

M R France
Director
28 June 2007

Notes to the financial statements
for the year ended 31 December 2006

1 Accounting policies

Basis of preparation

The accounts and notes have been prepared in accordance with Applicable Accounting Standards in the United Kingdom 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

Changes in accounting policy

The company has adopted FRS 21 "Events after balance sheet", FRS 28 "Corresponding amounts" and the presentation requirements of FRS 25 "Financial Instruments presentation and disclosure" in the year, with no impact on the reported result

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 parent companies during the year, Sun CP Newtopco Limited and latterly CP Comet Holdings Limited

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

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,

Notes to the financial statements (continued)
for the year ended 31 December 2006

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

On refinancing of the Group, the interest rate swaps were novated to Comet Refico Limited CP (Oasis Property) Limited has therefore written off costs on novation, as disclosed in note 5 on page 11

Issue costs of loans
The issue cost 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

Lessor Accounting
Operating lease rental income is recorded as turnover and recognised on a straight-line basis over the lease term

2. Turnover
Turnover, which is stated net of value added tax and trade discounts, is attributable to the principal continuing activity

An analysis of turnover by geographical market is given below

	Year ended 31 December 2006	*Year ended 31 December 2005*
	£	*£*
United Kingdom	**10,276,732**	9,913,631

3. Operating profit
The auditors remuneration for the year ended 31 December 2006 is borne by CP Comet Holdings Limited, a fellow group company, (2005 Sun CP Newmidco Limited) of this fee £2,400 relates to the audit of CP (Oasis Property) Limited

4. Staff costs
The company has no employees other than the directors No salaries or wages have been paid to the directors, during the year (2005 £nil)

Notes to the financial statements (continued)
for the year ended 31 December 2006

5. Interest payable and similar charges

	Year ended 31 December 2006 £	Year ended 31 December 2005 £
Bank interest payable	**6,732,619**	7,096,600
Interest Payable to group undertakings	**311,170**	-
Issue costs written off on refinancing	**1,394,104**	1,782,090
Value written off on novation of interest rate swaps	**3,069,777**	
Amortisation of issue costs	**121,452**	71,824
	11,629,122	8,950,514

6 Tax on (loss)/profit on ordinary activities

(a) Tax on (loss)/profit on ordinary activities

The tax charge is made up as follows

	Year ended 31 December 2006 £	Year ended 31 December 2005 £
Current tax		
UK Corporation tax	-	-
Group relief	-	-
	-	-
Deferred tax		
Origination and reversal of timing differences	**(745,546)**	523,643
Tax on profit on ordinary activities (note 6(c))	**(745,546)**	523,643

(b) Factors affecting current tax charge

The tax assessed for the year is different 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 2006 £	Year ended 31 December 2005 £
(Loss)/Profit on ordinary activities before taxation	**(1,732,005)**	1,808,369
(Loss)Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30%	**(519,601)**	542,511
Capital allowances in excess of depreciation	**(326,637)**	(420,000)
Tax losses (utilised)/carried forward	**846,238**	(107,517)
Group relief surrendered for nil payment	-	(14,994)
Current tax charge for the year (note 6(a))	-	-

Notes to the financial statements (continued)
for the year ended 31 December 2006

6. Tax on (loss)/profit on ordinary activities (continued)

(c) Deferred tax

Deferred taxation is provided at 30% in the financial statements as follows

	31 December 2006	*31 December 2005*
	£	£
Capital allowances in advance of depreciation	**1,048,435**	947,743
Tax losses not utilised	**(846,238)**	-
	202,197	947,743

	£	**£**
At 1 January 2006	**947,743**	424,100
(Credit)/Charge to profit and loss account	**(745,546)**	523,643
At 31 December 2006	**202,197**	947,743

7. Tangible fixed assets

	Investment Properties
	£
Cost or valuation	
At 1 January 2006	149,303,999
Revaluation	192,829,294
At 31 December 2006	**342,133,293**
Net book value	
At 31 December 2006	**342,133,293**
At 31 December 2005	149,303,999

The investment property is held on long leasehold It was valued as at 30 November 2006 by CB Richard Ellis Limited, Chartered Surveyors, in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors on the basis of open market value The directors have since considered that this valuation of the properties is appropriate as at 31 December 2006

The historical cost of investment properties included at valuation is as follows

	2006	2005
	£	£
Investment properties	**114,090,684**	114,090,684

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

Notes to the financial statements (continued)
for the year ended 31 December 2006

8. Debtors

	31 December 2006 £	*31 December 2005 £*
Amounts owed by group undertakings	**7,533,815**	5,336,497
Prepayments and accrued income	**100**	-
	7,533,915	5,336,497

9. Creditors: amounts falling due within one year

	31 December 2006 £	*31 December 2005 £*
Amounts Owed to group undertakings	**651,169**	-
Current instalment due on bank loan (note 11)	-	810,359
Other taxation and social security costs	**454,984**	554,668
Accruals and deferred income	**1,999,145**	3,999,785
	3,105,298	5,364,812

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

	31 December 2006 £	*31 December 2005 £*
Loans (note 11)	-	108,450,467
Amounts owed to group undertakings	**114,639,404**	-
	114,639,404	108,450,467

Included within amounts owed to group undertakings is a loan of £114,639,404 from Comet Refico Limited This loan incurs interest at LIBOR plus 0 8% and is repayable in October 2011

Notes to the financial statements (continued)

for the year ended 31 December 2006

11. Loans

	2006	*2005*
	£	*£*
Not wholly repayable wıthın five years		
£80,765,711 senıor A bank loan at 6 185% per annum	-	80,124,606
£26,928,022 senıor B bank loan at 6 685% per annum	-	26,714,272
£2,441,327 mezzanıne loan at 8 685% per annum	-	2,421,948
	-	109,260,826
Less ıncluded ın credıtors amounts fallıng due wıthın one year	-	(810,359)
	-	108,450,467

Amounts repayable		
In one year or less, or on demand	-	945,512
In more than one year but not more than two years	-	1,189,788
In more than two years but not more than five years	-	5,213,579
	-	7,348,879
In more than five years	-	102,786,182
	-	110,135,061
Less unamortısed ıssue costs	-	(874,235)
	-	109,260,826

The senıor and mezzanıne loans were secured by way of a fixed and floatıng charge over the assets of the company

On 14 December 2006 the fundıng of the Group was refinanced The bank loans from The Royal Bank of Scotland were repaıd and new loans drawn from Merrıll Lynch, The Royal Bank of Scotland and Cıtı Group A new company, Comet Refico Lımıted, was ınserted ınto the Group structure and now holds all loans of the group

Prıor to refinancıng Elveden Property Lımıted had swaps of a prıncıpal amount of £109,658,623 whıch had a start date of 15 May 2006 and an end date of 5 July 2029, fixıng the ınterest rate at 6 425% (4 925% plus 1 5% margın) On 14 December 2006 these swaps had a value of £3,069,777, thıs value was wrıtten off on novatıon of the swaps to Comet Refico Lımıted as dısclosed ın note 5

12. Related party transactions

No transactıons wıth related partıes were undertaken such as are requıred to be dısclosed under Fınancıal Reportıng Standard 8 "Related Party Dısclosures"

13. Share capital

	Authorısed 31 December 2006	*Authorısed 31 December 2005*
	£	*£*
Ordınary shares of £1 each	**100**	100

	Allotted, called up and fully paıd			
		2006		*2005*
	No.	***£***	*No*	*£*
Ordınary shares of £1 each	**1**	**1**	1	1

Notes to the financial statements (continued)
for the year ended 31 December 2006

14 Reconciliation of shareholders' funds and movement on reserves

	Share capital	*Revaluation reserve*	*Profit and loss account*	*Total share-holders' funds*
	£	*£*	*£*	*£*
At 31 December 2004	1	-	989,565	989,566
Revaluation	-	37,603,182	-	37,603,182
Profit for the year	-	-	1,284,726	1,284,726
At 31 December 2005	1	37,603,182	2,274,291	39,877,474
Revaluation		192,829,294	-	192,829,294
Loss for the year		-	(986,459)	(986,459)
At 31 December 2006	**1**	**230,432,476**	**1,287,832**	**231,720,309**

15. Capital commitments
The company has no capital commitments at 31 December 2006 (2005 £nil)

16. Ultimate parent company
The immediate parent company is Sun CP Newmidco Limited, registered in England & Wales, with the ultimate parent company CP Cayman Holdings GP Limited, registered in the Cayman Islands 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

17. Post Balance Sheet Events
As part of the 2007 UK budget, the Chancellor announced a number of prospective changes to certain UK tax rules These include reducing the UK corporation tax rate from 30% to 28% from April 2008 and the phasing out of tax allowances for capital spend on industrial buildings These changes, if enacted as presently proposed, could result in the increase of the deferred tax liability by £2 0 million