

Registered Number: 4379580

Elveden Property Limited

Annual report and financial statements

For the year ended
31 December 2008



Directors and advisors

Directors

MR France

MP Dalby

Secretary

MR France

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 2008

The directors present their report and audited financial statements for the year ended 31 December 2008.

Principal activities and review of the business

Elveden Property Limited operates as a property investment company. There has been no change to this principal activity during the year and no future change is anticipated.

The profit and loss account on page 6 shows a pre-tax profit of £3,048,732 (2007: £3,582,922) for the year and turnover of £11,088,177 (2007: £10,643,229). The balance sheet on page 7 shows net assets of £81,056,338 (2007 restated: £123,406,774) at 31 December 2008.

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.

Prior year restatement

Following a review of the method of property valuation used the Directors have determined that it is more appropriate to value the investment property on the basis of existing and potential rental streams and not on a vacant possession, open market valuation. The accounts have accordingly been restated. As a result the net assets of the company at 31 December 2007 have been reduced by £119.3 million and by £92.9 million at 31 December 2006. There is no impact on the profit and loss account of the company in either year.

Future outlook

The Directors expect no change to the status of the company in the 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 and position of the business of Elveden Property 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 interest rate caps and 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 caps and swaps to achieve a fixed interest rate.

Directors' report (continued) for the year ended 31 December 2008

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

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

JWA Barrett	(resigned 15 May 2008)
PC Kent	(resigned 15 May 2008)
W Matton	(resigned 15 May 2008)
C Todd	(resigned 15 May 2008)
MR France	
MP Dalby	(appointed 15 May 2008)

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 2008

Auditors and disclosure of information to auditors

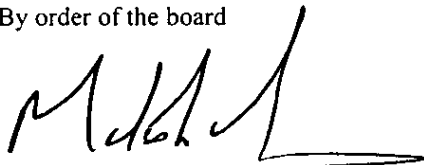
Each of the persons who is a director at the date of approval of this report confirms that:

- 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
17 June 2009

Independent auditors' report

to the members of Elveden Property Limited

We have audited the financial statements of Elveden Property Limited for the year ended 31 December 2008 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

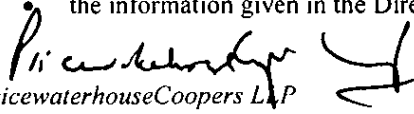
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 2008 and of its profit 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
18 June 2009

Profit and loss account for the year ended 31 December 2008

		<i>Year ended 31 December 2008</i>	<i>Year ended 31 December 2007</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
Turnover	2	11,088,177	10,643,229
Administrative expenses		(5,121)	(12,286)
Operating profit	3	11,083,056	10,630,943
Interest payable and similar charges	5	(8,034,324)	(7,048,021)
Profit on ordinary activities before taxation		3,048,732	3,582,922
Tax on profit on ordinary activities	6	(105,063)	202,197
Profit for the financial year	13	2,943,669	3,785,119

The results for the year derive from continuing operations.

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

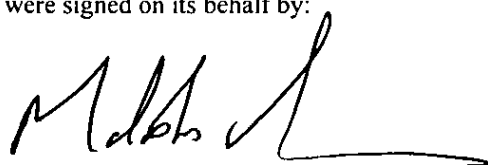
Statement of total recognised gains and losses for the year ended 31 December 2008

		<i>Year ended 31 December 2008</i>	<i>Year ended 31 December 2007</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
Profit for the financial year		2,943,669	3,785,119
Revaluation of property	7	(45,294,105)	(19,167,097)
Total recognised gains and losses relating to the year		(42,350,436)	(15,381,978)
Impact of prior year adjustment	1	(119,346,987)	
Total gains and losses recognised since last annual report		(161,697,423)	

Balance sheet as at 31 December 2008

	Notes	2008 £	2007 £ <i>As restated</i>
Fixed assets			
Tangible assets	7	<u>184,740,534</u>	<u>230,034,639</u>
Current assets			
Debtors	8	29,652,923	19,014,671
Creditors: amounts falling due within one year	9	<u>(6,685,146)</u>	<u>(7,024,888)</u>
Net current assets		<u>22,967,777</u>	<u>11,989,783</u>
Total assets less current liabilities		<u>207,708,311</u>	<u>242,024,422</u>
Creditors: amounts falling due after more than one year	10	<u>(126,651,973)</u>	<u>(118,617,648)</u>
Provisions for liabilities and charges			
Deferred tax	6	-	-
Net assets		<u>81,056,338</u>	<u>123,406,774</u>
Capital and reserves			
Called up share capital	12	1	1
Revaluation reserve	13	73,039,717	118,333,822
Profit and loss account	13	<u>8,016,620</u>	<u>5,072,951</u>
Total shareholders' funds	13	<u>81,056,338</u>	<u>123,406,774</u>

The financial statements on pages 6 to 14 were approved by the board of directors on 17 June 2009 and were signed on its behalf by:



M R France
Director
17 June 2009

Notes to the financial statements for the year ended 31 December 2008

1. Accounting policies

Basis of preparation

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

Prior year restatement

Following a review of the method of property valuation used the Directors have determined that it is more appropriate to value the investment property on the basis of existing and potential rental streams and not on a vacant possession, open market valuation. The accounts have accordingly been restated. As a result the net assets of the company at 31 December 2007 have been reduced by £119.3 million and by £92.9 million at 31 December 2006. There is no impact on the profit and loss account of the company in either year.

Accounting reference date

The Group's accounting reference date is 31 December. The accounts have been drawn up for the 52 weeks ended 25 December 2008 (2007: 52 weeks ended 27 December 2007).

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is a wholly owned subsidiary of an ultimate UK 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 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 2008

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.

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, is attributable to the principal continuing activity.

An analysis of turnover by geographical market is given below:

	<i>Year ended 31 December 2008 £</i>	<i>Year ended 31 December 2007 £</i>
United Kingdom	<u>11,088,177</u>	<u>10,643,229</u>

3. Operating profit

The auditors' remuneration for the year ended 31 December 2008 is borne by CP Comet Holdings Limited, the ultimate UK parent company. Of this fee £2,000 (2007: £2,000) relates to the audit of Elveden Property Limited.

4. Staff Costs

The company has no employees (2007: nil) other than the directors.

	<i>Year ended 31 December 2008 £</i>	<i>Year ended 31 December 2007 £</i>
Wages & Salaries	4,539	10,892
Social Security	582	1,394
	<u>5,121</u>	<u>12,286</u>

Notes to the financial statements (continued)

for the year ended 31 December 2008

4 Staff Costs (continued)

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

	<i>Year ended 31 December 2008 No.</i>	<i>Year ended 31 December 2007 No.</i>
Directors	<u>3</u>	<u>5</u>

Directors:

	<i>Year ended 31 December 2008 £</i>	<i>Year ended 31 December 2007 £</i>
Aggregate Emoluments	<u>5,121</u>	<u>12,286</u>

5. Interest payable and similar charges

	<i>Year ended 31 December 2008 £</i>	<i>Year ended 31 December 2007 £</i>
Interest payable to group undertakings	8,034,324	7,048,021
	<u>8,034,324</u>	<u>7,048,021</u>

6. Tax on profit on ordinary activities

(a) Tax on profit on ordinary activities

The tax charge/(credit) is made up as follows:

	<i>Year ended 31 December 2008 £</i>	<i>Year ended 31 December 2007 £</i>
<i>Current tax:</i>		
UK Corporation tax	-	-
Adjustments in respect of prior years	105,063	-
	<u>105,063</u>	<u>-</u>
<i>Deferred tax:</i>		
Origination and reversal of timing differences	-	(202,197)
Tax on profit on ordinary activities	<u>105,063</u>	<u>(202,197)</u>

Notes to the financial statements (continued)

for the year ended 31 December 2008

6. Tax on profit on ordinary activities (continued)

(b) Factors affecting the 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 28% (2007: 30%). The difference is reconciled below:

	<i>Year ended 31 December 2008 £</i>	<i>Year ended 31 December 2007 £</i>
Profit on ordinary activities before taxation	<u>3,048,732</u>	<u>3,582,922</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2007: 30%)	853,645	1,074,876
Capital allowances	(250,632)	(330,854)
Tax losses utilised	-	(439,987)
Permanent difference in respect of transfer pricing adjustment	447,851	-
Group relief claimed for nil payment	(1,050,864)	(304,035)
Adjustment in respect of prior years	<u>105,063</u>	<u>-</u>
Current tax charge for the year (note 6(a))	<u>105,063</u>	<u>-</u>

(c) Deferred tax

Deferred taxation is provided at 28% (2007: 28%) in the financial statements as follows:

	<i>Year ended 31 December 2008 £</i>	<i>Year ended 31 December 2007 £</i>
Capital allowances	-	-
Tax losses not utilised	-	-
	<u>-</u>	<u>-</u>
	<u>£</u>	<u>£</u>
At beginning of year	-	202,197
Credit to the profit and loss account	-	(202,197)
At end of year	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)

for the year ended 31 December 2008

7. Tangible fixed assets

	<i>Investment properties</i> £
Valuation:	
At 1 January 2008-as previously stated	349,381,626
Prior year adjustment	(119,346,987)
At 1 January 2008-as restated	230,034,639
Revaluation	(45,294,105)
At 31 December 2008	<u>184,740,534</u>
Net book value:	
At 31 December 2008	<u>184,740,534</u>
At 31 December 2007 as restated	<u>230,034,639</u>

Following a review of the method of property valuation used the Directors have determined that it is more appropriate to value the investment property on the basis of existing and potential rental streams and not on a vacant possession, open market valuation. The accounts have accordingly been restated. As a result the net assets of the company at 31 December 2007 have been reduced by £119.3 million and by £92.9 million at 31 December 2006. There is no impact on the profit and loss account of the company in either year.

The investment property has been valued at 31 December 2008 by the directors on the basis of the current and potential future rental streams using appropriate property yields and contractual rental increases based on the current lease. This resulted in a valuation of £184.7 million and a reduction to tangible fixed assets and the revaluation reserve of £45.3 million.

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

	2008 £	2007 £
Investment properties	<u>114,090,684</u>	<u>114,090,684</u>

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.

8. Debtors

	2008 £	2007 £
Amounts owed by group undertakings	29,652,823	19,014,571
Prepayments and accrued income	100	100
	<u>29,652,923</u>	<u>19,014,671</u>

The amount owed by group undertakings is due from Sun CP Newmidco Limited. This balance arises as that company receives the rent payments due to Elveden Property Limited, in relation to the investment property.

Notes to the financial statements (continued)

for the year ended 31 December 2008

9. Creditors: amounts falling due within one year

	2008 £	2007 £
Amounts owed to group undertakings	3,826,008	3,720,947
Amounts owed to related parties	17,406	12,285
Accruals and deferred income	2,841,732	3,291,656
	<u>6,685,146</u>	<u>7,024,888</u>

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

	2008 £	2007 £
Amounts owed to group undertakings	<u>126,651,973</u>	<u>118,617,648</u>

Included within amounts owed to group undertakings is an unsecured loan of £111,258,457 (2007: £111,258,457) due to Comet Refico Limited. This loan bears interest at LIBOR plus 1.22% and is repayable in October 2011. During the year interest of £8,034,324 (2007: £7,048,021) was charged and rolled up into the loan.

11. Related party transactions

During the year the emoluments payable to the Directors were paid by a related party, Center Parcs (Operating Company) Limited. Center Parcs (Operating Company) Limited has the same ultimate controlling party as the Company. Emoluments of £5,121 (2007: £12,285) were paid during the year. At 31 December 2008 the company owed £17,406 (2007: £12,285) to Center Parcs (Operating Company) Limited. In addition the turnover of the Company is entirely derived from a lease agreement with Center Parcs (Operating Company) Limited for the property owned by the Company.

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8 "Related Party Disclosures".

12. Share capital

	Authorised 2008 £		Authorised 2007 £	
100 Ordinary shares of £1 each		<u>100</u>		<u>100</u>

	Allotted, called up and fully paid 2008		2007	
	No.	£	No.	£
Ordinary shares of £1 each	1	<u>1</u>	1	<u>1</u>

Notes to the financial statements (continued)

for the year ended 31 December 2008

13. Reconciliation of total shareholders' funds and movement on reserves

	<i>Share capital</i> £	<i>Revaluation reserve</i> £	<i>Profit and loss account</i> £	<i>Total share- holders' funds</i> £
At 31 December 2006-as previously reported	1	230,432,476	1,287,832	231,720,309
Prior year adjustment	-	(92,931,557)	-	(92,931,557)
At 31 December 2006-as restated	1	137,500,919	1,287,832	138,788,752
Revaluation of investment property	-	(19,167,097)	-	(19,167,097)
Profit for the year	-	-	3,785,119	3,785,119
At 31 December 2007	1	118,333,822	5,072,951	123,406,774
Revaluation of investment property	-	(45,294,105)	-	(45,294,105)
Profit for the year	-	-	2,943,669	2,943,669
At 31 December 2008	1	73,039,717	8,016,620	81,056,338

14. Capital commitments

The company has no capital commitments at 31 December 2008 (2007: £nil).

15. Ultimate parent company and controlling parties

The immediate parent company is Sun CP Newmidco Limited, registered in England & 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 CP Comet Holdings Limited. Copies of the accounts of CP Comet Holdings Limited are available from the Registered Office detailed on page 1.

16 Post balance sheet events

Subsequent to the balance sheet date, on 14 May 2009, the company granted an issue of bonus shares out of its revaluation reserve. A total of 73,039,717 £1 ordinary shares were issued, reducing the revaluation reserve to £nil. On the same day the company undertook a capital reduction, reducing share capital by £73,039,717 and increasing distributable reserves by the same amount. On 17 May the Company declared a dividend of £29,652,823.