

Sun CP Topco Limited

Report and Financial statements for the year
ended 31 December 2004

Registered Number: 4466962



Sun CP Topco Limited

Registered No. 4466962

DIRECTORS

M C Allen
M Dale
M N Jonas
A McIntosh
H Osmond
E A C Spencer Churchill

SECRETARY

A P Bradshaw

AUDITORS

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

BANKERS

National Westminster Bank Plc
PO Box 12258
1 Princes Street
London
EC2R 8PA

SOLICITORS

Clifford Chance LLP
10 Upper Bank Street
London
E14 5JJ

REGISTERED OFFICE

Beechwood Place
Thame Business Park
Wenman Road
Thame
Oxfordshire
OX9 3XA

DIRECTORS' REPORT

The directors present their consolidated report and financial statements for the year ended 31 December 2004.

RESULTS AND DIVIDENDS

The consolidated profit for the year amounted to £407,916 (2003: loss £732,447). The directors do not recommend the payment of any dividends.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

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

The principal activity of the company during the year was that of a holding company.

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

The directors reviewed the valuation of the investment property. No reduction in the valuation is considered necessary. An external valuation is in the process of being performed, the result of which will be incorporated into the 31 December 2005 financial statements.

At 31 December 2004 the group had net current liabilities and net liabilities. The company and group's forecasts for the coming years indicate that they will make profits and generate cash. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

DIRECTORS AND THEIR INTERESTS

The directors at 31 December 2004 and their interests in the share capital of the company were as follows:

	<i>At 31 December 2004 Ordinary shares No.</i>	<i>At 31 December 2003 Ordinary shares No.</i>
M C Allen	9,990	9,990
M Dale	—	—
M N Jonas	20,400	20,400
A McIntosh	8,400	8,400
H Osmond	8,400	8,400
E A C Spencer Churchill	7,710	7,710

The shareholdings of M N Jonas and E A C Spencer Churchill are held in trust by The Bachmann Trust Company Limited on their behalf.

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

DIRECTORS' REPORT (CONTINUED)

CREDITOR PAYMENT POLICY AND PRACTICE

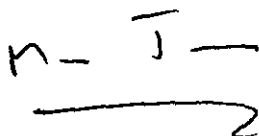
It is the group's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with.

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

A handwritten signature in black ink, consisting of a stylized 'M' followed by a horizontal line and a 'J' with a horizontal line, and a long horizontal line underneath.

Dated

26th April 2005

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 TOPCO LIMITED

We have audited the group's financial statements for the year ended 31 December 2004 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

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 United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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.

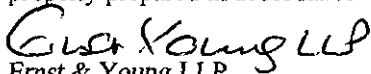
Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards 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 of the state of affairs of the company and of the group as at 31 December 2004 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Ernst & Young LLP
Registered Auditor
Birmingham

Dated 26 APRIL 2005

Sun CP Topco Limited

GROUP PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2004

		<i>Year ended 31 December 2004</i>	<i>Year ended 31 December 2003</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
TURNOVER	2	41,684,201	33,022,237
Administrative expenses		(4,008,591)	(4,070,588)
Other operating income		64,766	93,075
OPERATING PROFIT	3	37,740,376	29,044,724
Interest receivable	6	165,884	6,194,484
Interest payable and similar charges	7	(37,079,000)	(35,874,338)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		827,260	(635,130)
Tax on profit/(loss) on ordinary activities	8	(419,344)	(97,317)
PROFIT/(LOSS) RETAINED FOR THE FINANCIAL YEAR	16	407,916	(732,447)

GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the year ended 31 December 2004

There are no recognised gains or losses other than the profit of £407,916 (2003: loss £732,447) attributable to the shareholders for the year ended 31 December 2004.

Sun CP Topco Limited

GROUP BALANCE SHEET at 31 December 2004

	Notes	2004 £	2003 £
FIXED ASSETS			
Tangible assets	9	<u>490,030,587</u>	<u>481,346,741</u>
CURRENT ASSETS			
Debtors	11	3,059,158	5,360,383
Cash at bank and in hand		<u>13,319,471</u>	<u>12,785,887</u>
		16,378,629	18,146,270
CREDITORS: amounts falling due within one year	12	<u>(30,720,908)</u>	<u>(29,031,616)</u>
NET CURRENT LIABILITIES		<u>(14,342,279)</u>	<u>(10,885,346)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		475,688,308	470,461,395
CREDITORS: amounts falling due after more than one year	13	(475,684,879)	(471,285,226)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	8	(516,661)	(97,317)
		<u>(513,232)</u>	<u>(921,148)</u>
CAPITAL AND RESERVES			
Called up share capital	15	100,000	100,000
Profit and loss account	16	<u>(613,232)</u>	<u>(1,021,148)</u>
EQUITY SHAREHOLDERS' DEFICIT		<u>(513,232)</u>	<u>(921,148)</u>

Director

m - J -

Director

[Signature]

Dated

26/4/05.

Sun CP Topco Limited

COMPANY BALANCE SHEET at 31 December 2004

	Notes	2004 £	2003 £
FIXED ASSETS			
Investments	10	90,001	90,001
CURRENT ASSETS			
Debtors	11	60,820	70,820
CREDITORS: amounts falling due within one year	12	(50,821)	(60,821)
NET CURRENT ASSETS		9,999	9,999
NET ASSETS		100,000	100,000
CAPITAL AND RESERVES			
Called up share capital	15	100,000	100,000
Profit and loss account	16	-	-
EQUITY SHAREHOLDERS' FUNDS		100,000	100,000



Director

Dated

26/4/05.

Sun CP Topco Limited

CONSOLIDATED STATEMENT OF CASH FLOW for the year ended 31 December 2004

		<i>Year ended 31 December 2004</i>	<i>Year ended 31 December 2003</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
NET CASH INFLOW FROM OPERATING ACTIVITIES	17(a)	40,702,420	29,369,398
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		153,569	6,190,269
Interest paid		(31,749,491)	(29,291,095)
Issue costs on new long term loans		-	(589,759)
		<u>(31,595,922)</u>	<u>(23,690,585)</u>
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments to acquire tangible fixed assets		(8,683,846)	(16,346,741)
Repayment of loan made to other entities		2,170,961	1,794,435
		<u>(6,512,885)</u>	<u>(14,552,306)</u>
NET CASH FLOW BEFORE FINANCING		2,593,613	(8,873,493)
FINANCING			
New long term Senior Loan	17(b)	8,683,846	16,346,741
Repayment of long term Senior Loan	17(b)	(9,610,367)	(2,505,536)
Repayment of long term Mezzanine Loan	17(b)	(1,133,508)	(783,300)
		<u>(2,060,029)</u>	<u>13,057,905</u>
INCREASE IN CASH		<u>533,584</u>	<u>4,184,412</u>

Sun CP Topco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2004

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared under the historical cost convention modified to include the revaluation of investment properties.

The financial statements have been prepared in accordance with applicable accounting standards.

At 31 December 2004 the group had net current liabilities and net liabilities. The company and group's forecasts for the coming years indicate that they will make profits and generate cash. 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 Topco Limited and all its subsidiary undertakings for the year to 31 December 2004. 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 year amounts to £nil.

Fixed assets

All fixed assets are initially recorded at cost.

Investment properties

Certain of the group's properties are held for long-term investment. Investment properties are accounted for in accordance with SSAP 19, as follows:

- investment properties are revalued annually. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the Profit and Loss Account for the year; and
- no depreciation is provided in respect of leasehold investment properties where the lease has over 20 years to run.

Although the Companies Act would normally require the systematic annual depreciation of fixed assets, the directors believe that the policy of not providing depreciation is necessary in order for the financial statements to give a true and fair view, since the current value of investment properties, and changes to that current value, are of prime importance rather than a calculation of systematic annual depreciation. Depreciation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been included 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;

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2004

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:

	Year ended 31 December 2004 £	Year ended 31 December 2003 £
Auditors' remuneration - audit services	20,000	22,500
- non audit services	20,000	-
	<u>40,000</u>	<u>22,500</u>

Sun CP Topco Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2004

4. DIRECTORS' EMOLUMENTS

	<i>Year ended 31 December 2004 £</i>	<i>Year ended 31 December 2003 £</i>
Emoluments	<u>70,000</u>	<u>70,000</u>

5. STAFF COSTS

	<i>Year ended 31 December 2004 £</i>	<i>Year ended 31 December 2003 £</i>
Wages and salaries	70,000	70,000
Social security costs	8,960	8,960
	<u>78,960</u>	<u>78,960</u>

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

	<i>2004 No.</i>	<i>2003 No.</i>
Directors	<u>6</u>	<u>6</u>

6. INTEREST RECEIVABLE

	<i>Year ended 31 December 2004 £</i>	<i>Year ended 31 December 2003 £</i>
Bank interest receivable	165,884	100,735
Loan interest receivable	-	6,093,749
	<u>165,884</u>	<u>6,194,484</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	<i>Year ended 31 December 2004 £</i>	<i>Year ended 31 December 2003 £</i>
Bank interest payable	31,914,000	31,190,338
Loan interest payable	5,165,000	4,684,000
	<u>37,079,000</u>	<u>35,874,338</u>

Sun CP Topco Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2004

8. TAXATION

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

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

	<i>Year ended 31 December 2004</i>	<i>Year ended 31 December 2003</i>
	<i>£</i>	<i>£</i>
<i>Current tax:</i>		
UK Corporation tax	-	-
<i>Deferred tax:</i>		
Origination and reversal of timing differences	419,344	99,425
Adjustment in respect of prior years	-	(2,108)
Tax on profit/(loss) on ordinary activities (note 8(c))	419,344	97,317

(b) Factors affecting current tax charge/(credit)

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

	<i>Year ended 31 December 2004</i>	<i>Year ended 31 December 2003</i>
	<i>£</i>	<i>£</i>
Profit/(loss) on ordinary activities before taxation	827,260	(635,130)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 30%	248,178	(190,539)
Capital allowances in excess of depreciation	(1,260,695)	(974,774)
Tax losses	890,323	1,032,815
Expenses not deductible for tax purposes	122,194	132,498
Current tax charge/(credit) for the year	-	-

Sun CP Topco Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2004

8. TAXATION (continued)

(c) Deferred tax

	2004 £	2003 £
Capital allowances in excess of depreciation	2,028,831	111,617
Short term timing differences	(6,000)	(6,000)
Tax losses not utilised	(1,506,170)	(8,300)
Provision for deferred tax	<u>516,661</u>	<u>97,317</u>
		£
At 1 January 2004		97,317
Charge to the profit and loss account		419,344
At 31 December 2004		<u>516,661</u>

A deferred tax asset has not been recognised in respect of timing differences relating to excess tax losses carried forward, as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £243,207 (2003: £194,237). The asset would be recovered if the group considered that sufficient taxable profits would arise in the future.

9. TANGIBLE FIXED ASSETS

Group

	Investment Properties £
Cost:	
At 1 January 2004	481,346,741
Additions	8,683,846
At 31 December 2004	<u>490,030,587</u>
Net book value:	
At 31 December 2004	<u>490,030,587</u>
At 31 December 2003	<u>481,346,741</u>

The investment properties are held part freehold and part long leasehold, for which the split of book value is £31.7m and £458.3m 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.

Sun CP Topco Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2004

10. INVESTMENTS

Company

*Investments in
subsidiary
undertakings
£*

Cost:

At 1 January 2004 and 31 December 2004

90,001

Investments relate to 100% of the ordinary shares of Sun CP Midco Limited, registered in England and Wales and 100% of the ordinary shares in Sun CP Asset Management Limited, also registered in England and Wales.

11. DEBTORS

Group

*2004
£*

*2003
£*

Trade debtors

-

54,720

Other debtors

3,056,288

5,214,935

Prepayments and accrued income

2,870

90,728

3,059,158

5,360,383

Company

*2004
£*

*2003
£*

Amounts owed to group undertakings

60,820

70,820

60,820

70,820

Included within other debtors for the group is £3,034,604 (2003: £5,205,565) in respect of an interest free loan to a company outside of the group and that is due after more than one year.

Sun CP Topco Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2004

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group

	2004 £	2003 £
Current instalment due on bank loans (note 14)	5,785,278	5,024,027
Loan	2,960,000	2,960,000
Other taxation and social security costs	1,933,742	1,820,350
Other creditors	2,940,147	2,959,242
Accruals and deferred income	17,101,741	16,267,997
	<u>30,720,908</u>	<u>29,031,616</u>

Company

	2004 £	2003 £
Amounts due to group undertakings	-	10,000
Other taxation and social security costs	39,154	39,154
Accruals and deferred income	11,667	11,667
	<u>50,821</u>	<u>60,821</u>

The loan of £2,960,000 (2003: £2,960,000) represents an interest free loan from MidOcean (Europe) 2000 - BLP. This loan is repayable upon demand.

Included in other creditors for the group is an amount of £2,940,000 (2003: £2,940,000) representing an interest free loan from Sun CP Management Limited. This loan is repayable upon demand.

13. CREDITORS: amounts falling due after more than one year

Group

	2004 £	2003 £
Bank loans (note 14)	411,132,879	411,898,226
Loan notes	55,552,000	50,387,000
Other creditors	9,000,000	9,000,000
	<u>475,684,879</u>	<u>471,285,226</u>

The Loan Notes represent Fixed Rate Unsecured Subordinated Loan Notes issued to MidOcean (Europe) 2000 - BLP on 5 November 2002 to the value of £45,000,000. These Loan Notes accrue interest at a rate of 10% per annum, compounding semi-annually 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 are repayable in full on 5 November 2017.

The other creditor of £9,000,000 (2003: £9,000,000) is in respect of rental deposits repayable upon expiration of the lease terms. The deposits are interest free.

Sun CP Topco Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2004

14. LOANS

Group

	2004 £	2003 £
Not wholly repayable within five years:		
£393,030,587 senior bank loan at 7.12% per annum	372,866,358	371,974,830
£47,000,000 mezzanine loan at 10.62% per annum	44,051,799	44,947,424
	<u>416,918,157</u>	<u>416,922,253</u>
Less: included in creditors: amounts falling due within one year	5,785,278	5,024,027
	<u>411,132,879</u>	<u>411,898,226</u>
Amounts repayable:		
In one year or less, or on demand	7,776,131	7,061,568
In more than one year but not more than two years	8,797,851	7,776,133
In more than two years but not more than five years	30,235,189	28,270,397
	<u>46,809,171</u>	<u>43,108,098</u>
In more than five years	379,188,702	384,949,807
	<u>425,997,873</u>	<u>428,057,905</u>
Less: unamortised issue costs	9,079,718	11,135,652
	<u>416,918,155</u>	<u>416,922,253</u>

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

In addition the group has a bank facility available for capital expenditure of £58,000,000. At the year end the group had drawn on this facility to the value of £32,030,587, which is included in the Senior bank loan above.

15. SHARE CAPITAL

Authorised

	2004 £	2003 £
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
	2004 No.	2003 No.
Ordinary shares of £1 each	100,000	100,000
	<u>100,000</u>	<u>100,000</u>

Sun CP Topco Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2004

16. RESERVES AND RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Group

	Share capital £	Profit and loss account £	Total share- holders' funds £
At 31 December 2002	100,000	(288,701)	(188,701)
Loss for the year	-	(732,447)	(732,447)
At 31 December 2003	100,000	(1,021,148)	(921,148)
Profit for the year	-	407,916	407,916
At 31 December 2003	100,000	(613,232)	(513,232)

Company

	Share capital £	Profit and loss account £	Total share- holders' funds £
At 31 December 2002	100,000	-	100,000
Result for the year	-	-	-
At 31 December 2003	100,000	-	100,000
Result for the year	-	-	-
At 31 December 2004	100,000	-	100,000

17. NOTES TO THE CASHFLOW STATEMENT

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

	Year ended 31 December 2004 £	Year ended 31 December 2003 £
Operating profit	37,740,376	29,044,724
Decrease/(Increase) in debtors	142,579	(67,299)
Increase/(Decrease) in creditors	763,532	(1,554,680)
Amortisation of issue costs	2,055,933	1,946,653
Net cash inflow from operating activities	40,702,420	29,369,398

Sun CP Topco Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2004

17. NOTES TO THE CASHFLOW STATEMENT *(continued)*

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

	<i>Year ended 31 December 2004 £</i>	<i>Year ended 31 December 2003 £</i>
Increase in cash in the year	533,584	4,184,412
Net cash outflow/(inflow) from increase in loans	2,060,029	(13,057,905)
Issue costs of long term loans	-	589,759
Change in net debt resulting from cash flows	2,593,613	(8,283,734)
Accrued interest on long term loans	(5,165,000)	(4,684,000)
Other	(2,055,933)	(1,946,653)
MOVEMENT IN NET DEBT	(4,627,320)	(14,914,387)
NET DEBT AT 1 JANUARY	(457,483,367)	(442,568,980)
NET DEBT AT 31 DECEMBER	(462,110,687)	(457,483,367)

(c) Analysis of changes in net debt

	<i>At 31 December 2003 £</i>	<i>Cash flows £</i>	<i>Non-cash movements £</i>	<i>At 31 December 2004 £</i>
Cash at bank and in hand	12,785,887	533,584	-	13,319,471
	12,785,887	533,584	-	13,319,471
Short term loans	(2,960,000)	-	-	(2,960,000)
Long term loans	(467,309,254)	2,060,029	(7,220,933)	(472,470,158)
	(457,483,367)	2,593,613	(7,220,933)	(462,110,687)

18. CAPITAL COMMITMENTS

Neither the group nor the company had capital commitments at 31 December 2004.

Sun CP Topco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2004

19. RELATED PARTIES

During the year the group entered into transactions, in the ordinary course of business, with related parties. Transactions entered into, and balances outstanding at 31 December 2004, are as follows:

Related party	Expenses incurred or paid to related party £	Income from related party £	Amounts owed by related party £	Amounts owed to related Party £
Center Parcs (Operating Company) Limited	-	41,684,201	3,034,604	9,000,000
MidOcean (Europe) 2000 - BLP	5,165,000	-	-	55,552,000
Criterion Asset Management Limited	102,999	-	-	-
Sun CP Management Limited	1,458,402	-	-	2,940,000

Center Parcs (Operating Company) Limited

Center Parcs (Operating Company) Limited is a related party through a common shareholder.

MidOcean (Europe) 2000 - BLP

MidOcean (Europe) 2000 - BLP is a shareholder of Sun CP Topco Limited.

Criterion Asset Management Limited

Criterion Asset Management Limited is a related party through a common shareholder for the period to 31 August 2004.

Sun CP Management Limited

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

20. 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.

Subsidiary undertaking	Activity	Country of Incorporation
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