

**CP Mezzco Limited**  
**FINANCIAL STATEMENTS**  
for the year ended  
31 December 2009



# CP Mezzco Limited

## OFFICERS AND PROFESSIONAL ADVISERS

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### DIRECTORS

J A Sills  
D P Bull  
A N Clish  
A B Loch

### SECRETARY

A B Loch

### REGISTERED OFFICE

Coghurst Hall  
Ivyhouse Lane  
Ore  
Hastings  
East Sussex  
TN35 4NP

### AUDITORS

KPMG LLP  
1 Forest Gate  
Brighton Road  
Crawley  
RH11 9PT

# CP Mezzco Limited

## DIRECTORS' REPORT

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The directors submit their report and financial statements of the company for the year ended 31 December 2009

### PRINCIPAL ACTIVITIES

The principal activity of the company is that of an intermediate holding company. The company is a wholly owned subsidiary of CP Equityco Limited.

### REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The financial statements have been prepared on the going concern basis notwithstanding a loss for the year ended 31 December 2009. The directors believe this to be appropriate for the following reasons. The directors have reviewed the projected working capital requirements of CP Mezzco Limited and believe the company has sufficient funding for the foreseeable future. Furthermore, as detailed below, there is no immediate requirement to repay any amount in relation to the Fixed Rate Unsecured PIK notes.

### RESULTS AND DIVIDENDS

The trading results for the year and the company financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

### DIRECTORS

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

J A Sills  
D P Bull  
A N Clish  
A B Loch

### CHARITABLE AND POLITICAL DONATIONS

The company did not make any charitable or political donations during the year.

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITORS

The directors who held office at the date of the approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company auditors are aware of that information.

### AUDITORS

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



A B Loch  
Company Secretary

# CP Mezzco Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CP MEZZCO LIMITED**

We have audited the financial statements of CP Mezzco Limited for the year ended 31 December 2009 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

**M Coughtrey (Senior Statutory Auditor)**

**For and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants

Registered Auditor

1 Forest Gate

Brighton Rd

Crawley

RH11 9PT

6 May 2010

**CP Mezzco Limited**  
**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 December 2009

	<i>Notes</i>	2009 £	2008 £
Interest receivable	3	3,373,935	2,945,827
Interest payable and similar charges	4	(4,194,857)	(3,596,937)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(820,922)</u>	<u>(651,110)</u>
Taxation	5	229,858	185,549
LOSS FOR THE FINANCIAL YEAR		<u>(591,064)</u>	<u>(465,561)</u>

The company did not have any recognised gains or losses other than those detailed above

# CP Mezzco Limited

## BALANCE SHEET

31 December 2009

	Notes	2009 £	2008 £
<b>FIXED ASSETS</b>			
Investments	6	1	1
		<u>1</u>	<u>1</u>
<b>CURRENT ASSETS</b>			
Debtors	7	51,802,865	48,199,071
<b>CREDITORS</b>			
Amounts falling due within one year	8	(46,478,334)	(43,224,267)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>5,324,531</u>	<u>4,974,804</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,324,532</u>	<u>4,974,805</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	9	(11,365,005)	(10,424,216)
<b>NET LIABILITIES</b>		<u>(6,040,473)</u>	<u>(5,449,409)</u>
<b>CAPITAL AND RESERVES</b>			
Called up equity share capital	11	1	1
Profit and loss account	12	(6,040,474)	(5,449,410)
<b>SHAREHOLDERS' DEFICIT</b>		<u>(6,040,473)</u>	<u>(5,449,409)</u>

These financial statements were approved by the directors on the 5 May 2010 and are signed on their behalf by:

J A Sills  
Director



A B Loch  
Director

# CP Mezzco Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2009

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### 1 ACCOUNTING POLICIES

#### BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The Company is exempt by virtue of S400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

As the Company is a wholly owned subsidiary of CP Equityco Limited, the Company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of CP Equityco Limited, within which this Company is included, can be obtained from the address given in note 13.

#### GOING CONCERN BASIS

The financial statements have been prepared on the going concern basis notwithstanding a loss for the year ended 31 December 2009. The directors believe this to be appropriate for the following reasons. The directors have reviewed the projected working capital requirements of CP Mezzco Limited and believe the company has sufficient funding for the foreseeable future. Furthermore, as detailed below, there is no immediate requirement to repay any amount in relation to the Fixed Rate Unsecured PIK notes.

#### INTEREST RECEIVABLE AND PAYABLE

Interest receivable and payable represents amounts paid or to be paid in relation to the period in relation to deposits or debt respectively.

#### CASH FLOW STATEMENT

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

#### VALUATION OF INVESTMENTS

Investments held as fixed assets are stated at cost less any provision for impairment.

#### FIXED RATE UNSECURED PIK NOTES

Fixed Rate Unsecured PIK Notes are recorded as an amount due after more than one year on the basis that there is no requirement to repay any element of this debt unless the business or a substantial part of it is sold. Interest in respect of this debt is accrued in relation to the period although there is no requirement to pay the interest unless the business or a substantial part of it is sold.

### 2 OPERATING PROFIT/(LOSS)

Audit fees of £5,200 (2008: £5,500) relating to CP Mezzco Limited have been borne by another group company, Park Holidays UK Limited.

### 3 INTEREST RECEIVABLE

	2009 £	2008 £
On inter company loans	<u>3,373,935</u>	<u>2,945,827</u>



# CP Mezzco Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2009

### 4 INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £	2008 £
On fixed rate unsecured PIK notes	940,789	571,561
On inter company loan notes	3,254,068	3,025,376
	<u>4,194,857</u>	<u>3,596,937</u>

### 5 TAXATION ON ORDINARY ACTIVITIES

#### Analysis of credit in the year

	2009 £	2008 £
Current tax		
In respect of the period		
Group relief based on the results for the period at 28% (2009 28.5%)	<u>229,858</u>	<u>185,566</u>

### 6 INVESTMENTS

	Group companies £
Cost	
At 1 January 2009 and 31 December 2009	<u>1</u>

The company has a 100% interest in the ordinary share capital of the following companies, all of which are registered in England and Wales

#### Held directly

CP Acquisitionco Limited (Holding Company)

#### Held indirectly

Park Holidays UK Limited (Holiday Park Operator)

(previously Cinque Ports Leisure Limited)

Coghurst Hall Holiday Village Limited (Dormant)

Frenchmans Beach Holiday Village Limited (Dormant)

Harts Holiday Village Limited (Dormant)

Marlie Farm Holiday Village Limited (Dormant)

Cinque Ports Leisure Homes Limited (Dormant)

Harts Holiday Camps Limited (Dormant)

Evengain Limited (Holding Company)

Park Holidays UK Finance Limited

(previously Sotuta Limited) (Dormant)

WSG Operating Company Limited (Dormant)

The South Devon Holiday Parks Limited (Non trading)

Landscope Holidays Limited (Non trading)

Golden Sands Limited (Non trading)

Crumpwood Limited (Non trading)

**CP Mezzco Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2009

**7 DEBTORS**

	2009 £	2008 £
Amounts owed by group undertakings	<u>51,802,865</u>	<u>48,199,071</u>

All amounts shown under debtors fall due for payment within one year

**8 CREDITORS amounts falling due within one year**

	2009 £	2008 £
Amounts owed to group undertakings	<u>46,478,334</u>	<u>43,224,267</u>

**9 CREDITORS amounts falling due after more than one year**

	2009 £	2008 £
Amounts due to holders of fixed rate unsecured PIK notes	<u>11,365,005</u>	<u>10,424,216</u>

**10 FIXED RATE UNSECURED PIK NOTES**

	At start of period £	Interest Accrued £	At end of period £
Fixed rate unsecured PIK notes	<u>10,424,216</u>	<u>940,789</u>	<u>11,365,005</u>

Interest is payable on the PIK notes at rates of 8% and 10% per annum. Interest is payable on the 31<sup>st</sup> December each year. At each interest payment date the company has the option to either pay the amount of interest due or to issue additional PIK notes. The PIK notes would fall due for repayment in the event of the sale of the business or a substantial part of it or its subsidiary company operations.

**11 SHARE CAPITAL**

	2009 £	2008 £
Authorised 40,000,000 Ordinary shares of £1 each	<u>40,000,000</u>	<u>40,000,000</u>
Issued 1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

# CP Mezzco Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2009

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### 12 RESERVES

	Profit and loss account £
Balance brought forward	5,449,410
Loss for the year	591,064
Balance carried forward	<u>6,040,474</u>

### 13 ULTIMATE PARENT COMPANY

The ultimate parent company is CP Equityco Limited

The largest and smallest group in which the results of the company are consolidated is that headed by CP Equityco Limited, incorporated in England and Wales. The consolidated accounts of this company are available to the public and may be obtained from Coghurst Hall, Ivyhouse Lane, Ore, Hastings, East Sussex, TN35 4NP. No other group accounts include the results of the company.

The ultimate controlling party is Graphite Capital Management LLP. No amounts were paid to Graphite and no amounts were outstanding at the end of the year or the prior year.