

CP Comet Holdings Limited

Financial statements for the period ended
31 December 2006

Registered Number 5781362



CP Comet Holdings Limited

Registered No 5781362

DIRECTORS

JP Baratta
MP Dalby
MR France
CR Pike

SECRETARY

TH Parker

AUDITORS

PricewaterhouseCoopers
Donington Court
Pegasus Business Park
Castle Donington
East Midlands
DE74 2UZ

BANKERS

The Royal Bank of Scotland Plc
5th Floor
135 Bishopsgate
London
EC2M 3UR

SOLICITORS

Simpson Thatcher Bartlett
City Point
One Ropemaker Street
London
EC2Y 9HU

REGISTERED OFFICE

One Edison Rise
New Ollerton
Newark
Notts
NG22 9DP

CP Comet Holdings Limited

DIRECTORS' REPORT

The directors present their consolidated report and financial statements for the 38 weeks ended 31 December 2006

RESULTS AND DIVIDENDS

The consolidated loss for the period amounted to £15,129,000. The directors do not recommend the payment of any dividends.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company during the period was that of a holding company. The company was incorporated on 13 April 2006.

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

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

On 15 May 2006, CP Comet Bidco Limited acquired the Sun CP Newtopco group. CP Comet Holdings Limited in turn acquired the shares of CP Comet Bidco Limited. Immediately afterwards the Group was refinanced, and the Group's ultimate shareholding structure altered.

Subsequent to this, on 14 December 2006, the group's financing was again restructured. The activities of the company and the group remain unchanged.

FUTURE DEVELOPMENTS

The directors anticipate that the group will continue to operate in its current format for the foreseeable future.

DIRECTORS

The directors who served during the period were as follows:

JP Baratta	(appointed 13 April 2006)
CR Pike	(appointed 13 April 2006)
PH Stoll	(appointed 13 April 2006, resigned 14 February 2007)
MP Dalby	(appointed 14 December 2006)
MR France	(appointed 14 December 2006)

During the period the Group had in place directors' and officers' insurance.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's principal risk lies with the business of Center Parcs. All four properties owned by the group are leased to Center Parcs, making the group dependant upon Center Parcs for its income stream.

KEY PERFORMANCE INDICATORS

The Group's business is simplistic in nature, comprising the rental of four individual properties, each contained in a separate company. To this end the directors do not have a set of key performance indicators on which the business is monitored outside of the financial results. However, since acquisition, the value of the property portfolio has risen from £817.5 million to £1,360 million, a 66% increase.

CP Comet Holdings Limited

DIRECTORS' REPORT (CONTINUED)

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 by 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 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 SWAPs to achieve a fixed interest rate.

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.

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.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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.

CP Comet Holdings Limited

DIRECTORS' REPORT (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONTINUED)

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.

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

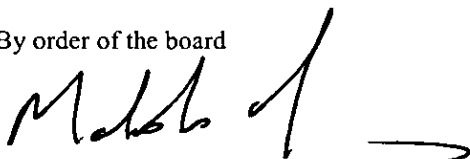
- 1 So far as the director is aware there is no relevant audit information of which the company's auditors are unaware
- 2 The director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This information is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

AUDITORS

PricewaterhouseCoopers were appointed as auditors during the period. A resolution proposing their reappointment will put to the AGM.

By order of the board



M France
Director
27 July 2007

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CP COMET HOLDINGS LIMITED

We have audited the group and parent company financial statements (the "financial statements") of CP Comet Holdings Limited for the period ended 31 December 2006 which comprise the Group Profit and Loss Account, the Group and Company Balance Sheets, the Group Cash Flow Statement, the Group 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 Annual Report and 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 group's and 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 group's and the parent company's affairs as at 31 December 2006 and of the group's loss and cash flows for the period 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

2 August 2007.

CP Comet Holdings Limited

GROUP PROFIT AND LOSS ACCOUNT for the 38 weeks ended 31 December 2006

	Notes	38 week period ended 31 December 2006 £000
TURNOVER	2	29,449
Administrative expenses		(891)
Other operating income		100
OPERATING PROFIT	3	28,658
Interest receivable	5	540
Interest payable and similar charges	6	(45,489)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(16,291)
Tax on loss on ordinary activities	7	1,162
LOSS RETAINED FOR THE FINANCIAL PERIOD	17	(15,129)

All amounts relate to continuing activities

There is no difference between the results above and the results prepared on a historical cost basis

GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the 38 weeks ended 31 December 2006

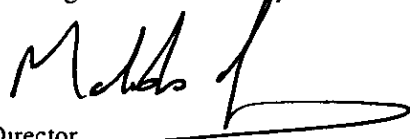
	38 week period ended 31 December 2006 £000
Loss for the period	(15,129)
Revaluation of properties	542,500
Total recognised gains and losses for the period	527,371

CP Comet Holdings Limited

GROUP BALANCE SHEET at 31 December 2006

	Notes	2006 £000
FIXED ASSETS		
Intangible assets	8	15,749
Tangible assets	9	1,360,000
		<u>1,375,749</u>
CURRENT ASSETS		
Debtors	11	415
Cash at bank and in hand		81,427
		<u>81,842</u>
CREDITORS amounts falling due within one year	13	<u>(57,667)</u>
NET CURRENT ASSETS		<u>24,175</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,399,924</u>
CREDITORS amounts falling due after more than one year	14	(862,350)
PROVISIONS FOR LIABILITIES AND CHARGES		
Deferred taxation	7	(203)
		<u>537,371</u>
CAPITAL AND RESERVES		
Called up share capital	16	1
Share premium	17	9,999
Revaluation reserve	17	542,500
Profit and loss account	17	(15,129)
EQUITY SHAREHOLDERS' DEFICIT		<u>537,371</u>

The financial statements on pages 6 to 23 were approved by the board of directors on 27 July 2007 and were signed on its behalf by

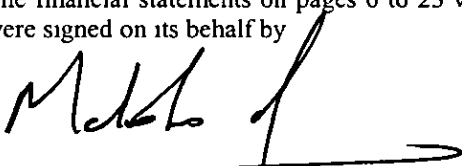

Director

CP Comet Holdings Limited

COMPANY BALANCE SHEET at 31 December 2006

	<i>Notes</i>	<i>2006 £000</i>
FIXED ASSETS		
Investments	10	114,221
CURRENT ASSETS		
Debtors	11	43
Cash at bank		34,501
CREDITORS amounts falling due within one year	13	(20,596)
NET CURRENT ASSETS		13,948
TOTAL ASSETS LESS CURRENT LIABILITIES		128,169
CREDITORS amounts falling due after more than one year	14	(121,448)
NET ASSETS		6,721
CAPITAL AND RESERVES		
Called up share capital	16	1
Share premium	17	9,999
Profit and loss account	17	(3,279)
EQUITY SHAREHOLDERS' FUNDS		6,721

The financial statements on pages 6 to 23 were approved by the board of directors on 27 July 2007 and were signed on its behalf by


Director

CP Comet Holdings Limited

GROUP STATEMENT OF CASH FLOW for the 38 weeks ended 31 December 2006

		38 week period ended 31 December 2006 £000
	Notes	
NET CASH INFLOW FROM OPERATING ACTIVITIES	18(a)	34,991
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received		540
Interest paid		(31,282)
Issue costs on new long term loans		(18,216)
Early repayment fee on bank loans		(1,736)
		<u>(50,694)</u>
ACQUISITIONS AND DISPOSALS		
Payments to acquire subsidiary undertaking	10	(219,446)
Net cash acquired with subsidiary undertaking		<u>26,649</u>
		<u>(192,797)</u>
NET CASH FLOW BEFORE FINANCING		(208,491)
FINANCING		
Repayment of long term Senior Loan	18(c)	(597,404)
Repayment of other loans	18(c)	(19,369)
New long term loan	18(b)	700,000
Repayment of new long term loan	18(b)	(700,000)
Senior A, B and C loans	18(c)	739,103
Shareholder loan	18(c)	68,220
Loan from Forest Refico Limited	18(c)	39,337
Issue of ordinary share capital	16	10,000
Issue of long term Loan notes	18(c)	50,000
		<u>289,927</u>
INCREASE IN CASH		<u>81,427</u>

CP Comet Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the 38 weeks 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.

Basis of consolidation

The group financial statements consolidate the financial statements of CP Comet Holdings Limited and all its subsidiary undertakings for the period to 31 December 2006. The company has taken advantage of the exemption permitted under section 230 of the Companies Act 1985 not to present its own profit and loss account. The result attributable to members of the company for the period amounts to a loss of £3,279,000.

Goodwill

Goodwill is the difference between the cost of an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities. Goodwill is written off over a period of 20 years.

Fixed assets

All fixed assets are initially recorded at cost.

Investment properties

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

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

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

Fixed asset investments

Investments held as fixed assets are stated at cost.

Dividends received from investments are brought to account in the profit and loss account when received.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned,

CP Comet Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the 38 weeks 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

Related party transactions

The Group has taken advantage of the exemption granted under FRS 8 to not disclose transactions between group companies, which are at least 90% owned, which are eliminated on consolidation

Lease accounting

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

Rental payments on operating leases are charged to the profit and loss account in the period to which they relate

Derivative instruments – Interest rate swaps and caps

The company uses interest rate swaps and caps 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 and caps are not revalued to fair value or shown on the balance sheet at the period 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

Estimation techniques

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reported period. Actual amounts could differ from those estimates. Estimates are principally used when accounting for current and deferred taxation and the estimation of fair values

CP Comet Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the 38 weeks ended 31 December 2006

2. TURNOVER

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

3. OPERATING PROFIT

This is stated after charging/(crediting)

	<i>38 week period ended 31 December 2006 £000</i>
Auditors' remuneration - audit services	35
Amortisation of goodwill	<u>511</u>

In addition to the above the group incurred £1,137,000 of costs from the auditors in respect of the acquisition of Sun CP Newportco Limited during the period and the refinancing that took place on 14 December 2006.

4. DIRECTORS' EMOLUMENTS

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

The directors were the only employees during the period. The average number of employees during the period was 3.

5. INTEREST RECEIVABLE

	<i>38 week period ended 31 December 2006 £000</i>
Bank interest receivable	<u>540</u>
	<u>540</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	<i>38 week period ended 31 December 2006 £000</i>
Bank interest payable	29,511
Investor loan note interest payable	3,227
Fees payable on repayment of loans	1,736
Amortisation of issue costs	<u>11,015</u>
	<u>45,489</u>

CP Comet Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the 38 weeks ended 31 December 2006

7. TAX ON LOSS ON ORDINARY ACTIVITIES

(a) Tax on loss on ordinary activities

The tax charge is made up as follows

	<i>38 week period ended 31 December 2006 £000</i>
<i>Current tax</i>	
UK Corporation tax	-
<i>Deferred tax</i>	
Origination and reversal of timing differences	(1,162)
Tax on loss on ordinary activities (note 8(c))	<u>(1,162)</u>

(b) Factors affecting current tax charge

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

	<i>38 week period ended 31 December 2006 £000</i>
Loss on ordinary activities before taxation	<u>(16,291)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30%	(4,887)
Tax losses carried forward	2,106
Expenses not deductible for tax purposes	1,619
Current tax charge for the period (note 8(a))	<u>(1,162)</u>

CP Comet Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the 38 weeks ended 31 December 2006

7. TAX ON LOSS ON ORDINARY ACTIVITIES *(continued)*

(c) Deferred tax	2006 £000
Capital allowances in excess of depreciation	(5,685)
Short term timing differences	5,482
Provision for deferred tax	<u>(203)</u>
	£000
Arising on acquisition	(1,365)
Credit to the profit and loss account	1,162
At 31 December 2005	<u>(203)</u>

A deferred tax asset has not been recognised in respect of timing differences relating to excess tax losses carried forward within the Group, as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £3,739,000. The asset would be recovered if the group considered that sufficient taxable profits would arise in the future.

8. INTANGIBLE FIXED ASSETS

Group

	<i>Goodwill</i> £000
Cost	
Created on acquisition of subsidiary undertaking (Note 10)	16,260
At 31 December 2006	<u>16,260</u>
Amortisation	
Credited during the period	511
At 31 December 2006	<u>511</u>
Net book value	
At 31 December 2006	<u>15,749</u>

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

CP Comet Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the 38 weeks ended 31 December 2006

9. TANGIBLE FIXED ASSETS

Group

	<i>Investment Properties</i> <i>£000</i>
Cost or valuation	
Arising on acquisition	817,500
Revaluation	542,500
At 31 December 2006	<u>1,360,000</u>
Net book value	
At 31 December 2006	<u>1,360,000</u>

The investment properties were 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 of £1,360 million. The investment properties are held part freehold and part long leasehold and the directors estimate that the amount attributable to freehold is £80 million and to long leasehold is £1,280 million. The directors have since considered that this valuation of the properties is appropriate at 31 December 2006.

The historical cost of the investment properties included at valuation is £817,500,000.

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.

10. INVESTMENTS

Company

	<i>Investments in</i> <i>subsidiary</i> <i>undertakings</i> <i>£000</i>
Cost	
Additions	114,221
31 December 2006	<u>114,221</u>

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

CP Comet Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the 38 weeks ended 31 December 2006

10 INVESTMENTS (continued)

On 15 May 2006 CP Comet Bidco Limited, a subsidiary undertaking, acquired the Sun CP Newtopco Limited group of companies for a consideration of £213,531,937. The investment in the Sun CP Newtopco Limited group of companies has been included in the balance sheet of CP Comet Bidco Limited at its fair value at the date of acquisition.

Analysis of the acquisition of the Sun CP Newtopco Limited group of companies

	Book value of assets acquired £000	Fair value adjustments £000	Fair value £000
Tangible fixed assets	679,088	138,412	817,500
Debtors	86	-	86
Prepayments	21	-	21
Cash at bank and in hand	26,649	-	26,649
Accruals and deferred income	(11,935)	(40)	(11,975)
Other creditors	(10,925)	(32)	(10,957)
Bank loans	(592,371)	(5,033)	(597,404)
Loan notes	(19,378)	9	(19,369)
Deferred tax	(1,311)	(54)	(1,365)
Net assets	69,924		203,186
Goodwill arising on acquisition (Note 8)			16,260
			219,446
Discharged by			
Cash consideration			213,532
Costs associated with the acquisition			5,914
			219,446

The following significant fair value adjustments were made in arriving at the goodwill valuation

- revaluation of the properties owned by the group on an open market basis
- write-off of the capitalised financing costs in respect of bank loans due to the refinancing of the group at the time of acquisition
- calculation of the deferred tax liability of the group at the date of acquisition

CP Comet Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the 38 weeks ended 31 December 2006

10. INVESTMENTS (continued)

The Sun CP Newtopco Limited group of companies earned a loss after tax of £1,883,000 in the period 1 January 2006 to 14 May 2006. The summarised profit and loss account for the period 1 January 2006 to the effective date of acquisition is as follows

	£000
Turnover	17,024
Operating profit	15,660
Interest receivable	442
Interest payable and similar charges	(14,219)
Profit before tax	1,883
Taxation	-
Profit for the period	1,883

11. DEBTORS

<i>Group</i>	2006 £000
Prepayments and accrued income	415
	415
<i>Company</i>	2006 £000
Prepayments and accrued income	43

12. CASH

Included within cash balances is £32 million held for specific capital projects of the Forest Holdco Limited Group (see note 15). These amounts can only be released on approval by an external body once certain conditions have been met.

CP Comet Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the 38 weeks ended 31 December 2006

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group

	2006 £000
Trade creditors	2,307
Other taxation and social security costs	2,013
Other creditors	39,377
Accruals and deferred income	13,970
	<u>57,667</u>

The other creditor relates to amounts due to Forest Refico Limited, a company within the Forest Holdco Limited group of companies. These amounts arose as part of the refinancing of the group's funding on 14 December 2006.

Company

	2006 £000
Amounts owed to Group Companies	20,558
Accruals and deferred income	38
	<u>20,596</u>

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

Group

	2006 £000
Bank loans (note 15)	731,902
Amounts owed to fellow Group Companies	121,448
Other creditors	9,000
	<u>862,350</u>

Included within amounts due to fellow group companies are loans of £50 million and £68.2 million due to UK Parks Holdings Sarl (a company registered in Luxembourg) and CP Cayman Limited (a company registered in the Cayman Islands) respectively. The £50 million loan notes bear interest at a compound rate of 10% and have accrued interest of £3.2 million during the period. The CP Cayman Limited loan is interest free. Subsequent to the year end £34.5 million of the loan from CP Cayman Limited was repaid.

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

Company

	2006 £000
Amounts owed to Group Companies	<u>121,448</u>

CP Comet Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the 38 weeks ended 31 December 2006

15. LOANS

Group

2006

£000

Wholly repayable within five years

£480,416,875 senior A bank loan at LIBOR plus 0.8% per annum

480,417

£184,775,721 senior B bank loan at LIBOR plus 2.5% per annum

184,776

£73,910,289 senior C bank loan at LIBOR plus 3.75% per annum

73,910

739,103

Amounts repayable

In two to five years

739,103

Less unamortised issue costs

(7,201)

731,902

On acquisition of the Sun CP Newtopco group (see Note 10) the group put in place loan financing of £700 million. Financing fees of £10,939,000 were incurred in raising this finance. On 14 December 2006 the group undertook a refinancing exercise as a result of which the £700 million was repaid. Accordingly the related financing fees were written off to profit and loss in the period.

Financing fees of £7,276,000 were incurred in the December refinancing, £75,000 of which have been written off in the period.

The new loans are part of an overall £1,032 million facility made available to the group together with the Forest Holdco Limited group of companies. This group operates the four Center Parcs villages on the properties held by the CP Comet Holdings Limited group. The total facility was drawn down across the two groups on 14 December 2006. The loans are repayable in October 2011 and are split into three tranches as follows:

Senior A	£682 million bearing interest at LIBOR plus 0.8%
Senior B	£250 million bearing interest at LIBOR plus 2.5%
Senior C	£100 million bearing interest at LIBOR plus 3.75%

Subsequent to the balance sheet date the Senior C loan was redesignated as Senior A and B loans and the margin on the Senior A and B loans adjusted to 1.22% and 2.24% respectively.

CP Comet Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the 38 weeks ended 31 December 2006

16. SHARE CAPITAL

Authorised

	2006 No	2006 £000
Ordinary shares of £1 each	10,001,000	10,001

Allotted, called up and fully paid

	2006 No	2006 £000
Ordinary shares of £1 each	1,000	1

The company was incorporated with authorised share capital of 1,000 £1 ordinary shares. On 13 April 2006 the authorised share capital was increased by 10,000,000.

On 13 April 2006 1,000 £1 ordinary shares were issued at a premium of £9,999 each.

17. RESERVES AND RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Group

	Share capital £000	Share premium £000	Revaluation reserve £000	Profit and loss account £000	Total shareholders' funds £000
At incorporation	-	-	-	-	-
Issue of share capital	1	9,999	-	-	10,000
Loss for the period	-	-	-	(15,129)	(15,129)
Revaluation in period	-	-	542,500	-	542,500
At 31 December 2006	1	9,999	542,500	(15,129)	537,371

Company

	Share capital £000	Share premium £000	Profit and loss account £000	Total shareholders' funds £000
At incorporation	-	-	-	-
Issue of share capital	1	9,999	-	10,000
Loss for the period	-	-	(3,279)	(3,279)
At 31 December 2006	1	9,999	(3,279)	6,721

CP Comet Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the 38 weeks ended 31 December 2006

18. NOTES TO THE CASHFLOW STATEMENT

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

	<i>38 week period ended 31 December 2006 £000</i>
Operating profit	28,658
Increase in debtors	(329)
Increase in creditors	6,160
Amortisation of goodwill	511
Net cash inflow from operating activities	<u>34,991</u>

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

	<i>38 week period ended 31 December 2006 £000</i>
Increase in cash in the period	54,778
Net cash inflow from increase in loans	(279,927)
Issue costs of long term loans	18,215
Debt acquired	(590,124)
Change in net debt resulting from cash flows	<u>(797,058)</u>
Write off of issue costs	(11,014)
Interest accrued, not paid	(3,228)
MOVEMENT IN NET DEBT	<u>(811,300)</u>
NET DEBT AT INCORPORATION	-
NET DEBT AT 31 DECEMBER	<u>(811,300)</u>

(c) Analysis of changes in net debt

	<i>At Incorporat ion £000</i>	<i>Net debt acquired on acquisition £000</i>	<i>Cash flows £000</i>	<i>Non-cash movements £000</i>	<i>At 31 December 2006 £000</i>
Cash at bank and in hand	-	26,649	54,778	-	81,427
Long term loans - acquired	-	(597,404)	597,404	-	-
New long term loans	-	-	(739,103)	(,201)	(731,902)
Loan notes acquired	-	(19,369)	19,369	-	-
New loan notes	-	-	(50,000)	(3,228)	(53,228)
Shareholder loans	-	-	(68,220)	-	(68,220)
Other loans	-	-	(39,377)	-	(39,377)
	-	(590,124)	(225,149)	3,973	(811,300)

19. CAPITAL COMMITMENTS

Neither the group nor the company had capital commitments at 31 December 2006

CP Comet Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the 38 weeks ended 31 December 2006

20. RELATED PARTIES

During the period the group entered into transactions, in the ordinary course of business, with related parties. Transactions entered into, and balances outstanding at 31 December 2006, are as follows

<i>Related party</i>	<i>Expenses incurred or paid to related party £000</i>	<i>Income from related party £000</i>	<i>Amounts owed by related party £000</i>	<i>Amounts owed to related Party £000</i>
Center Parcs (Operating Company) Limited	-	29,549	-	-
Forest Refico Limited	-	-	-	39,377
The Royal Bank of Scotland plc	-	-	-	71,619

Center Parcs (Operating Company) and Forest Refico Limited have the same ultimate controlling party - funds operated by The Blackstone Group. The four properties owned by the CP Comet Holdings Limited Group are all leased to Center Parcs (Operating Company) Limited and the Group derives all its income from the leases.

As part of the refinancing of the group on 14 December 2006 £32 million was lent by Forest Refico Limited to Comet Refico Limited. In addition Forest Refico Limited paid the costs associated with the refinancing and recharged an element to Comet Refico Limited.

The Royal Bank of Scotland plc is a minority shareholder in the ultimate parent company. An element of the borrowings from the refinancing on 14 December are from The Royal Bank of Scotland plc.

CP Comet Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS for the 38 weeks ended 31 December 2006

21. SUBSIDIARY UNDERTAKINGS

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

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

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

22. ULTIMATE PARENT COMPANY

The ultimate parent company is CP Cayman GP Limited, a company incorporated in the Cayman Islands
This company is controlled by funds operated by The Blackstone Group

23. 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 £9.7 million.