

WILLERBY HOLIDAY HOMES LTD

Report and Financial Statements

52 weeks ended 29 September 2007

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WILLERBY HOLIDAY HOMES LTD

REPORT AND FINANCIAL STATEMENTS 2007

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WILLERBY HOLIDAY HOMES LTD

REPORT AND FINANCIAL STATEMENTS 2007

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

I J Burville
D Little
C D Jeffrey
S A Hutchinson
B M Murphy
P J White

SECRETARY

B M Murphy

REGISTERED OFFICE

Imperial House
1251 Hedon Road
Hull
HU9 5NA

AUDITORS

Deloitte & Touche LLP
Chartered Accountants & Registered Auditors
Leeds

WILLERBY HOLIDAY HOMES LTD

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the period ended 29 September 2007

PRICIPAL ACTIVITIES, REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The company's principal activities are the manufacture and sale of holiday homes in the UK, Ireland and in the European Community. There have not been any significant changes in the company's principal activities during the year. The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

The company regards R & D investment as key to the continuing success in the medium to long term future. As a result the company continues to invest in research and development to target the introduction of new products.

During the year the company produced a profit before tax of £12,330,747 (2006 £6,661,883). Sales were £131,282,548 (2006 £100,343,438). The company considers this to be a satisfactory result having regard to the current competitive market. The directors have recommended payment of a dividend in the sum of £nil (2006 £nil).

The Company made significant improvements to cash balances. Cash in hand increased to £37,751,543 (2006 £26,243,378).

RISKS AND OBLIGATIONS

Competitor risk

The company continues to operate in competitive markets. To reduce this risk we undertake market research to ensure that we develop appropriate products that satisfy the needs of our customers. As highlighted earlier we continue to invest in product development to ensure that we have products at various stages of the product life cycle.

Pension fund risk

As highlighted above the cost of pension liabilities represent a risk to the company. Measures have been taken during the year to reduce the risk of increase in pension liabilities. As a result pension liabilities reduced from £159,000 to an asset of £58,600.

DIRECTORS

The directors who have served during the period were as follows:

I J Burville
D Little
C D Jeffrey
S A Hutchinson
B M Murphy
P J White

FIXED ASSETS

Movements in fixed assets are set out in note 7.

EMPLOYMENT POLICY

It is the policy of the directors to communicate with employees through national and local union representatives on matters which effect their working conditions.

The policy is and has been to encourage the employment, training and promotion of disabled persons wherever practicable. Should an employee become disabled during the course of employment, alternative employment would if possible be found.

CHARITABLE DONATIONS

Donations to charitable organisations amounted to £1,890 (2006 £1,000).

• WILLERBY HOLIDAY HOMES LTD

DIRECTORS' REPORT (continued)

FINANCIAL INSTRUMENTS

The company's financial risk management objectives and policies are operated by the Board. The principal financial risks faced by the company relate to interest rates and foreign exchange.

The company does not trade in financial instruments.

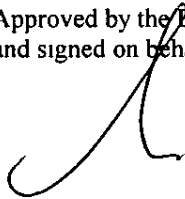
AUDITORS

In the case of the persons who is a director of the company at the date when this report was approved:

- so far as the director is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information.

A resolution for the re-appointment of Deloitte & Touche LLP will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



I J Burville
Director

29 November 2007

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 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,
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILLERBY HOLIDAY HOMES LTD

We have audited the financial statements of Willerby Holiday Homes Ltd for the period ended 29 September 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 18. These financial statements have been prepared under 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

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).

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 29 September 2007 and of its profit 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.

Deloitte + Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Leeds
3 December 2007

PROFIT AND LOSS ACCOUNT
52 weeks ended 29 September 2007

	Note	52 weeks ended 29 September 2007 £	52 weeks ended 30 September 2006 £
TURNOVER	2	131,282,548	100,343,438
Cost of sales		(106,928,456)	(82,911,187)
Gross profit		24,354,092	17,432,251
Administrative expenses		(10,768,726)	(9,722,631)
OPERATING PROFIT		13,585,366	7,709,620
Net finance charges	3	(1,254,619)	(1,047,737)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	12,330,747	6,661,883
Tax on profit on ordinary activities	6	(686,387)	102,414
RETAINED PROFIT FOR THE FINANCIAL PERIOD TRANSFERRED TO RESERVES	13	11,644,360	6,764,297

All amounts relate to continuing activities

The accompanying notes are an integral part of this profit and loss account

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
52 weeks ended 29 September 2007

	Note	52 weeks ended 29 September 2007 £	52 weeks ended 30 September 2006 £
Profit for the financial period		11,644,360	6,764,297
Actuarial gain relating to the pension scheme	18	281,000	13,000
Related deferred tax liability		(84,300)	(3,900)
Total recognised gains and losses relating to the period		11,841,060	6,773,397

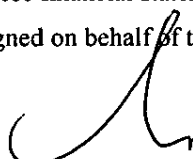
WILLERBY HOLIDAY HOMES LTD

BALANCE SHEET
29 September 2007

		2007		2006	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	7		<u>2,781,356</u>		<u>3,297,866</u>
CURRENT ASSETS					
Stocks	8	15,800,999		11,984,505	
Debtors	9	16,412,314		13,395,554	
Cash at bank and in hand		<u>37,751,543</u>		<u>26,243,378</u>	
		69,964,856		51,623,437	
CREDITORS: amounts falling due within one year	10	<u>(28,109,484)</u>		<u>(21,838,910)</u>	
NET CURRENT ASSETS			<u>41,855,372</u>		<u>29,784,527</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>44,636,728</u>		<u>33,082,393</u>
PROVISIONS FOR LIABILITIES AND CHARGES	11		<u>(170,208)</u>		<u>(239,333)</u>
NET ASSETS EXCLUDING PENSION ASSET/(LIABILITY)			<u>44,466,520</u>		<u>32,843,060</u>
PENSION ASSET/(LIABILITY)	18		<u>58,600</u>		<u>(159,000)</u>
NET ASSETS INCLUDING PENSION ASSET/(LIABILITY)			<u>44,525,120</u>		<u>32,684,060</u>
CAPITAL AND RESERVES					
Called up share capital	12		5,100,000		5,100,000
Profit and loss account	13		<u>39,425,120</u>		<u>27,584,060</u>
EQUITY SHAREHOLDERS' FUNDS	14		<u>44,525,120</u>		<u>32,684,060</u>

These financial statements were approved by the Board of Directors on 29 November 2007

Signed on behalf of the Board of Directors


Director

NOTES TO THE ACCOUNTS

52 weeks ended 29 September 2007

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies, all of which have been applied consistently throughout the period and the preceding period, are set out below.

Accounting period

The company's accounting reference date is 30 September. Financial statements are made up to a 52 or 53 week period on a Saturday adjacent to 30 September each year. These financial statements are for a 52 week period ended 29 September 2007. The comparative figures are for a 52 week period.

Cashflow statement

The company has not prepared a cashflow statement on the basis that it is a wholly owned subsidiary of Scaid Investments Limited and consolidated financial statements are prepared by that company and are publicly available.

Depreciation

The depreciation on fixed assets is calculated on the original costs of the assets at the following rates:

Plant and equipment	10%-20% per annum
Motor vehicles	25%-33% per annum

Stock and work in progress

Stock is valued at the lower of cost and net realisable value after making due allowance for any obsolete or slow moving items. In the case of finished goods and work in progress cost comprises direct materials, direct labour and an appropriate proportion of manufacturing fixed and variable overheads. The allocation of manufacturing fixed overheads has regard to budgeted normal production. Net realisable value comprises anticipated proceeds of sale less anticipated costs relating thereto.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax adjustments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as 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 at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Research and development

Expenditure on research and development is charged to revenue as incurred.

Turnover

Turnover represents sales to external customers at invoiced amount less value added tax. Turnover is recognised at the point at which the goods are collected or dispatched to the customer.

Foreign currencies

Transactions denominated in foreign currencies are translated into the functional currency at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

NOTES TO THE ACCOUNTS

52 weeks ended 29 September 2007

1. ACCOUNTING POLICIES (continued)

Pension costs

For defined benefit schemes the amounts charged to operating profit are the current service costs, past service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the cost are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities.

The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

For defined contribution schemes, the amount charged to the profit and loss account in respect of pension costs is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as accruals or prepayments in the balance sheet.

Leases

Rentals payable under operating leases are charged to the profit and loss account in the period in which they became payable.

2. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

Turnover and profit on ordinary activities before tax were contributed as follows

Description of class of business:	Turnover		Profit before tax	
	52 weeks ended	52 weeks ended	52 weeks ended	52 weeks ended
	29 September 2007	30 September 2006	29 September 2007	30 September 2006
	£	£	£	£
Caravan holiday home Manufacturing	131,282,548	100,343,438	12,330,747	6,661,883
Geographical market supplied:				
United Kingdom	124,630,845	96,224,438		
Western Europe	6,651,703	4,119,000		
	131,282,548	100,343,438		

WILLERBY HOLIDAY HOMES LTD

NOTES TO THE ACCOUNTS

52 weeks ended 29 September 2007

3. NET FINANCE CHARGES

	52 weeks ended 29 September 2007 £	52 weeks ended 30 September 2006 £
Interest receivable and similar income		
Interest receivable	133,818	87,073
Interest payable and similar charges		
Bank interest	1,390,437	1,132,810
Finance charges (net)		
Interest receivable and similar income	133,818	87,073
Interest payable and similar charges	(1,390,437)	(1,132,810)
Net return/(charge) on pension scheme (note 18)	2,000	(2,000)
	<u>(1,254,619)</u>	<u>(1,047,737)</u>

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	52 weeks ended 29 September 2007 £	52 weeks ended 30 September 2006 £
Profit on ordinary activities before taxation is stated after charging/(crediting).		
Loss/(profit) on sale of fixed assets	18,936	(2,690)
Depreciation	816,983	865,385
Auditors' remuneration		
- audit	29,750	29,000
- non audit services	4,830	5,799
Operating lease rentals		
- land and buildings	2,306,124	2,306,115
Research and development	615,935	517,217

WILLERBY HOLIDAY HOMES LTD

NOTES TO THE ACCOUNTS

52 weeks ended 29 September 2007

5. STAFF COSTS

	52 weeks ended 29 September 2007 £	52 weeks ended 30 September 2006 £
Wages and salaries	22,029,886	16,896,000
Social security costs	2,233,604	1,675,000
Other pension costs	251,081	212,707
	<u>24,514,571</u>	<u>18,783,707</u>

The average number of employees during the period was made up as follows

	52 weeks ended 29 September 2007 £	52 weeks ended 30 September 2006 £
Manufacture	777	628
Sales, distribution and management	113	100
	<u>890</u>	<u>728</u>

	52 weeks ended 29 September 2007 £	52 weeks ended 30 September 2006 £
Directors' emoluments		
Aggregated emoluments	169,133	76,000
Aggregated pension contributions	9,000	-
	<u>178,133</u>	<u>76,000</u>

WILLERBY HOLIDAY HOMES LTD

NOTES TO THE ACCOUNTS

52 weeks ended 29 September 2007

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	52 weeks ended 29 September 2007 £	52 weeks ended 30 September 2006 £
United Kingdom corporation tax at 30% (2006 30%)	746,412	52,896
Adjustment in respect of prior periods	-	(141,644)
Current tax charge/(credit)	746,412	(88,748)
Deferred taxation	(59,350)	(13,666)
Adjustment in respect of prior periods	(675)	-
	<u>686,387</u>	<u>(102,414)</u>
Reconciliation of current tax (credit):		
Profit on ordinary activities before tax	<u>12,330,747</u>	<u>6,661,983</u>
Tax at 30% thereon	3,699,224	1,998,595
Capital allowances in excess of depreciation	50,287	29,828
Non-qualifying depreciation	1,720	1,736
Expenses not deductible for corporation tax	23,348	14,390
Group relief claimed free of charge	(3,017,906)	(1,975,396)
Adjustments in respect of prior period	-	(141,644)
Movement in pension liability	(9,100)	(15,300)
Dividend income	-	(957)
Industrial building allowances claimed	(1,161)	-
Current tax charge/(credit)	<u>746,412</u>	<u>(88,748)</u>

WILLERBY HOLIDAY HOMES LTD

NOTES TO THE ACCOUNTS

52 weeks ended 29 September 2007

7. TANGIBLE FIXED ASSETS

	Motor Vehicles £	Plant and Equipment £	Total £
Cost or valuation			
At 1 October 2006	900,719	8,340,240	9,240,959
Additions	132,886	168,042	300,928
Disposals	(112,523)	-	(112,523)
	<u>921,082</u>	<u>8,508,282</u>	<u>9,429,364</u>
At 29 September 2007			
Depreciation			
At 1 October 2006	674,741	5,268,352	5,943,093
Charge for the period	151,845	665,138	816,983
Disposals	(112,068)	-	(112,068)
	<u>714,518</u>	<u>5,933,490</u>	<u>6,648,008</u>
At 29 September 2007			
Net book value			
At 29 September 2007	<u>206,564</u>	<u>2,574,792</u>	<u>2,781,356</u>
At 30 September 2006	<u>225,978</u>	<u>3,071,888</u>	<u>3,297,866</u>

8. STOCK

	2007 £	2006 £
Raw materials	3,506,631	2,683,205
Work-in-progress	1,123,231	473,810
Finished goods	<u>11,171,137</u>	<u>8,827,490</u>
	<u>15,800,999</u>	<u>11,984,505</u>

The replacement value of stock is not materially different from the period end value

9. DEBTORS

	2007 £	2006 £
Trade debtors	15,005,390	11,216,515
Other debtors	1,181,355	881,648
Prepayments	175,112	165,484
Amounts due from group companies	<u>50,457</u>	<u>1,131,907</u>
	<u>16,412,314</u>	<u>13,395,554</u>

WILLERBY HOLIDAY HOMES LTD

NOTES TO THE ACCOUNTS

52 weeks ended 29 September 2007

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Trade creditors	23,604,079	19,110,427
Corporation tax	799,137	12,867
Other taxes and social security costs	678,658	672,054
Other creditors	470,377	389,968
Accruals and deferred income	2,557,233	1,653,594
	<u>28,109,484</u>	<u>21,838,910</u>

11. DEFERRED TAX

	2007 £	2006 £
Deferred tax liabilities provided		
At beginning of period	239,333	268,000
Current period credit	(69,125)	(28,667)
	<u>170,208</u>	<u>239,333</u>

Deferred tax liabilities comprise:

	2007 £	2006 £
Accelerated capital allowances	<u>170,208</u>	<u>239,333</u>

12. CALLED UP SHARE CAPITAL

	2007 £	2006 £
Authorised		
5,100,000 ordinary shares of £1 each	<u>5,100,000</u>	<u>5,100,000</u>
Called up, allotted and fully paid		
5,100,000 ordinary shares of £1 each	<u>5,100,000</u>	<u>5,100,000</u>

13. RESERVES

	£
Profit and loss account	
At 1 October 2006	27,584,060
Retained profit for the period	11,644,360
Actuarial gain relating to the pension scheme	281,000
Related deferred tax charge	(84,300)
	<u>39,425,120</u>
At 29 September 2007	

NOTES TO THE ACCOUNTS

52 weeks ended 29 September 2007

14. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2007	2006
	£	£
Profit for the financial period	11,644,360	6,764,297
Actuarial gain relating to the pension scheme	281,000	13,000
Related deferred tax (charge)	(84,300)	(3,900)
Net addition to equity shareholders' funds	11,841,060	6,773,397
Opening equity shareholders' funds (as previously stated)	32,684,060	26,114,663
Prior period adjustment	-	(204,000)
Opening equity shareholders funds (as restated)	-	25,910,663
Closing equity shareholders' funds	44,525,120	32,684,060

15. ULTIMATE HOLDING COMPANY

The company's immediate parent company is Burdene Investments Limited, a company incorporated in Scotland. The company's ultimate parent company is Scaid Investments Limited, a company incorporated in Great Britain and registered in England and Wales.

The smallest and largest group of which the company is a member and for which Group Financial Statements are drawn up is headed by Scaid Investments Limited.

16. RELATED PARTY TRANSACTIONS

The company has claimed exemption from disclosing related party transactions with group companies on the grounds that it is a wholly owned subsidiary. The holding company's accounts are publicly available.

17. OPERATING LEASE COMMITMENTS

	Land and buildings	
	2007	2006
	£	£
Commitment for next year under operating leases which expire:		
Within 1 to 2 years	-	-
Within 2 to 5 years	-	-
After 5 years	2,306,124	2,306,115

NOTES TO THE ACCOUNTS

52 weeks ended 29 September 2007

18. PENSIONS

Two pension schemes are operated by the Company. The defined benefit scheme has been closed to new entrants since 26 September 1997. The active membership of the scheme is 5 and benefits are calculated against basic remuneration and not total earnings. It was established under an irrevocable Deed of Trust for the employees. The scheme is managed by Trustees accountable to the pension scheme members.

The pension costs relating to this scheme are assessed every three years in accordance with the advice of a qualified actuary using the projected unit method. The most recent valuation at 26 September 2004, indicates that, on the basis of service to date and current salaries, the schemes' assets were sufficient to meet liabilities.

At 29 September 2007 the scheme, which is contracted out of the state scheme, had assets of approximately £2,063,000 (2006 £2,111,000) at market value.

Contributions to the scheme by employees and the Company have been maintained in accordance with the recommendations of the actuaries in their previous valuations.

Contributions of £103,000 (2006 £143,000) were made in the period to 29 September 2007. Future contributions have been set at 37.1% of pensionable salaries.

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from the assets of the Group Companies in independently administered funds. The pension costs charge represents contributions payable by the Company to the fund and amounts to £176,000 (2006 £123,000).

Financial Reporting Standard 17 'Retirement Benefits' FRS 17

The company operates a defined benefits scheme, the Willerby Holiday Homes Ltd Retirement Benefits Scheme. A full valuation was undertaken as at 26 September 2004 and has been updated to 29 September 2007 by a qualified independent Actuary.

The major assumptions used by the Actuary were as follows:

	29 September 2007	30 September 2006	1 October 2005
Rate of Increase in Salaries	3.25% p.a.	3.25% p.a.	2.75% p.a.
Limited Price Indexation Pension Increases	3.25% p.a.	3.25% p.a.	2.75% p.a.
Discount Rate	6.0% p.a.	5.1% p.a.	5.00% p.a.
Inflation Assumption	3.25% p.a.	3.25% p.a.	2.75% p.a.

The assets of the Scheme are held in a Pension Reserve with profits insurance contract with Scottish Provident. The fair value of the assets held and the expected rates of return assumed are as follows:

	Expected Rate of Return Period Commencing 29 September 2007	Value at 29 September 2007 £000's	Expected Rate of Return Period Commencing 30 September 2006	Value at 30 September 2006 £000's	Expected Rate of Return Period Commencing 1 October 2005	Value at 1 October 2005 £000's
Equities & Property	7.75%	846	7.25%	855	7%	868
Bonds	5.5%	887	4.35%	1,043	4.5%	1,048
Cash	5.75%	330	4.75%	213	4.5%	201
Total		2,063		2,111		2,117

WILLERBY HOLIDAY HOMES LTD

NOTES TO THE ACCOUNTS

52 weeks ended 29 September 2007

18. PENSIONS (continued)

The funding position was as follows:

	At 29 September 2007 £'000	At 30 September 2006 £000's	At 1 October 2005 £000's
Total market value of assets	2,063	2,111	2,117
Present value of Scheme liabilities	(1,979)	(2,338)	(2,408)
Deficit in the Scheme	84	(227)	(291)
Related deferred tax asset	(25)	68	87
Net pension asset/(liability)	59	(159)	(204)

Excluded from both the asset and liability above is the liability for pensions secured by an annuity (as the scheme is insured) At the period end there were 24 insured pensioners (2006 22)

	52 weeks ended 29 September 2007 £000's	52 weeks ended 30 September 2006 £000's
Analysis of amount chargeable to operating profit:		
Current service cost	75	90
Total operating charge	75	90
Analysis of the amount credited/(charged) to other finance income:		
Expected return on pension scheme assets	118	115
Interest on pension scheme liabilities	(116)	(117)
Net return/(charge)	2	(2)
Analysis of amount recognised in statement of total recognised gains and losses:		
Actual return less expected return on pension scheme assets	(55)	(48)
Experience gains and losses arising on scheme liabilities	110	227
Changes in assumptions underlying present value of scheme liabilities	226	(166)
Actuarial gain recognised in the Statement of Total Recognised Gains and Losses	281	13

WILLERBY HOLIDAY HOMES LTD

NOTES TO THE ACCOUNTS

52 weeks ended 29 September 2007

18. PENSIONS (continued)

	52 weeks ended 29 September 2007 £000's	52 weeks ended 30 September 2006 £000's
Movement in surplus/(deficit) during the period:		
Deficit in Scheme at beginning of period	(227)	(291)
Current service cost	(75)	(90)
Contributions	103	143
Other finance income/(expense)	2	(2)
Actuarial gain	281	13
	<hr/>	<hr/>
Surplus/(deficit) in Scheme at the end of period	84	(227)

As a result of the actuarial valuation as at 26 September 2004, the Company's future contributions have been set out at 37.1% of Pensionable Salaries. The current service cost will increase as the members of the Scheme approach retirement.

	29 September 2007 £'000s	30 September 2006 £'000s	1 October 2005 £'000s	2 October 2004 £'000s	27 September 2003 £'000s
History of experience gains and losses;					
Difference between expected and actual return on Scheme assets					
Loss (£000's)	(55)	(48)	(54)	(61)	16
Percentage of Scheme assets	2.7%	2.3%	2.6%	3.0%	0.5%
Experience gains and losses on Scheme liabilities					
Gain (£000's)	110	227	2	36	35
Percentage of present value of Scheme liabilities	5.6%	9.7%	0.1%	1.6%	1.0%
Total amount recognised in statement of total recognised gains and losses					
Gain/(loss) (£000's)	281	13	(108)	(33)	(32)
Percentage of present value of Scheme liabilities	14.2%	(0.6%)	4.5%	1.5%	0.9%