

Registered no. SC052543

FLAMINGO LAND LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

WHITE & HOGGARD
1 WHEELGATE
MALTON
NORTH YORKSHIRE
YO17 7HT



FLAMINGO LAND LTD

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FLAMINGO LAND LTD

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report and the audited financial statements of the company for the year ended 31st March 2019.

Review of Business and Key Performance Indicators

The statutory Profit and Loss account (Statement of Comprehensive Income) shows a profit before tax of £3,260,518 (2018 - £1,766,850).

Turnover has increased by £2.9m from £29.14m to £32.04m in the year ended 31st March 2019. The directors again attribute this primarily to further improvements in general park admissions and the continued success of the holiday village area.

The company invested a further amount of £2.02m (net of sales) in tangible fixed assets during the year. This included investing further in researching planning opportunities for an area of land in Scotland that had been acquired in the year ended 31st March 2017 and which it is envisaged may present an opportunity to develop the company's leisure activities further. The cost of this asset at 31st March 2019 including the cost of the site amounted to £1.56m (2018, £1.4m). This project is still in a very early stage and no contracts have been entered into. A planning application was submitted to the Local Authority in 2019 but was subsequently withdrawn to allow the plans to be reviewed and resubmitted.

The scheme to develop an attraction on Scarborough seafront continued to move forward during the year and this proposal is currently under review by the local authority.

As usual more improvements have been made to the holiday village including developing a new area (£644k), and a significant number of caravans have been replaced in the hire fleet as a part of the rolling programme of keeping the fleet up to date. Work also started on altering a property near the site entrance in order to develop hotel accommodation for guests.

After the end of the accounting period the company purchased a world class 10-Inversion Roller coaster and work has started on the construction of the attraction which it is hoped will be operational in 2020.

Operating profit has increased (from £1.77m to £3.24m). Turnover has also increased. It is pleasing to note that overhead costs remain well controlled and have in fact reduced as a percentage of turnover. The Company continues with the established policy of ensuring that the park is well maintained. As a consequence Repair and Upkeep costs were £2.9m (2018 - £2.3m). Repair costs continue to be a very significant expense due to the continual need to ensure that all of the facilities at this vast location (which of course includes a zoo, holiday village and theme park), are kept in good condition and comply with all relevant Health & Safety standards. The company also continues with the existing policy of depreciating rides and attractions on a straight line basis over a four year period.

Key Performance Indicators Flamingo Land is unique in that it combines three major attractions in one location and is further unique as it is a family owned and run operation. The following KPI's are notable

Turnover (decrease)/increase	-	9.96% (2018- 4.75%)
Gross Margins	-	82% (2018 - 81.76%)
Comprehensive Income	-	£2.3m (2018 - £1.2m)
Operating Profit	-	£3.2m (2018 - £1.77m)
Wages Costs (excl. Directors)	-	24.36% of turnover (2018 - 25.65%)
Repairs and Renewals	-	9.34% of turnover (2018 - 7.83%)

FLAMINGO LAND LTD

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019 (CONT)


Business Risks

The company faces a number of risks and uncertainties and the directors believe that the key business risks are in respect of the competitive nature of the leisure industry and the need to maintain a high standard of rides and attractions to satisfy customer demand. The directors are confident that the substantial levels of investment the company has carried out in recent years will enable the company to continue to trade profitably and intend to continue to add new rides and attractions. There are a number of other risks involved including (1) the need to ensure that the Health and Safety aspects of the park are maintained at the current high standard which is of particular importance in view of the rides and attractions available to the public and (2) the vagaries of the British weather. In view of the risks and uncertainties the directors are aware that the development of the company may be influenced by factors outside their control.

The directors anticipate that the business environment will remain competitive and they believe that the company is in a good financial position and are confident that the company will maintain its market share of the leisure industry

Future Developments

The directors aim to maintain the management policies which have resulted in the company's growth in recent years. They plan to continue to invest in new rides and attractions as and when necessary in order to keep the theme park at the forefront of the sector of the leisure industry in which it operates. The new world class 10-Inversion ride that is planned for the 2020 season, the continued improvements to the holiday village, and the development of the former Ashfield County Manor property into Hotel accommodation (which is located very close to the theme park entrance) demonstrate this continued commitment to providing modern and up to date facilities for visitors to the park.


.....
MRS D M PULLIN

Date: 23rd December 2019

FLAMINGO LAND LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report and the financial statements of the company for the year ended 31 March 2019.

Dividends

As detailed in note 8 a total dividend of £235,000 (2018 - £235,000) was paid during the year. This was paid on 29th March 2019 and is the only and final dividend payment for the year

Directors

The Directors shown below held office for the whole period from 1st April 2018 to the date of this report.

G S Gibb
Mrs M A Gibb
Mrs D M Pullin
Miss V Gibb

Director acting as signatory

G S Gibb

Registered Office

The Cross
Uddingston
G71 7ES

Principal Activity

The principal activity of the company throughout the year was that of pleasure park and zoo.

Financial Instruments

The company has a normal level of exposure to price, credit, liquidity and cash flow risks arising from trading activities which are conducted in sterling. The company does not enter into any hedging transactions although, from time to time, if an attraction or asset is being acquired from a country other than the UK, and the supplier requires payment to be made in their own currency rather than sterling, then the directors may choose to acquire the currency required to complete the transaction in order to limit their exposure to any movement/fluctuation in exchange rates. The company otherwise makes use of the usual financial instruments that a normal trading company would use including bank funding, creditors, and finance leases.

Employees

The Company's policy is to consult and discuss with employees through regular meetings, matters likely to affect employees' interests. Information of matters of concern to employees is given thorough the Staff Handbook which is regularly updated, and through regular bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Company's performance.

Disabled Employees

Disabled persons are employed by the company when they appear to be suited to a particular position. The aptitude and abilities of disabled persons are more easily met in certain aspects of the company's business and every effort is made to ensure that they are given full and fair consideration.

FLAMINGO LAND LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019 (CONT)

Charitable Donations

During the year the Company made Charitable donations amounting to £30,956 (2018 - £94,030). These donations include £1,000 to local causes and £27,610 to a Wildlife conservation project in Tanzania which is being undertaken by a local University. The donations to the Tanzanian projects are both closely related to the Company's desire to develop and improve the welfare of wild animals in the care of the Company and in the world at large.

Fixed Assets

The movement in fixed assets is shown in the notes to the financial statements.

In the opinion of the directors, the market value of freehold land and buildings was not significantly different from book value. In arriving at that opinion the directors have had regard for the fact that there are several freehold properties on the site and a fully equipped holiday village which offers substantial facilities and enjoys the benefit of full planning permission for a large number of caravan pitches including a permanent residential site. The directors therefore consider that depreciating freehold properties both on an annual basis and on a cumulative basis to be not material due to the residual value of the freehold properties. This is a departure from the Companies Act 2006 which requires all properties to be depreciated. The directors consider that to depreciate them would not allow the Financial Statements to give a true and fair view.

Policy on payment of creditors

The company policy in relation to all of its suppliers is to settle the terms of payment when agreeing the transaction and to abide by those terms, provided that it is satisfied that the supplier has provided the goods and service in accordance with the agreed terms and conditions. The company does not follow any code or standard of payment practice.

Insurance

During the year the company made payments to insure the directors against liabilities in relation to the company.

Directors' Interests

The interests of the directors in the shares of the company at the beginning and end of the year, were as follows:

	31 March 2019	1 April 2018
G S Gibb Ordinary Shares	-	-
Mrs M A Gibb Ordinary Shares	-	-
Miss V Gibb Ordinary Shares	-	-
Mrs D M Pullin Ordinary Shares	-	-

Mr G S Gibb and Miss V Gibb are directors and controlling shareholders of Flamingo Land Resort Ltd. This company owns the whole of the issued share capital in Flamingo Land Ltd

FLAMINGO LAND LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019 (CONT)

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). 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 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 a 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Statement of disclosure of information to auditors

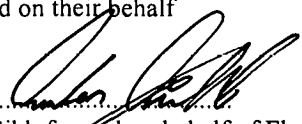
We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:-

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps we ought to have as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, White & Hoggard, have indicated their willingness to accept re-appointment under Sections 489(2), 489(4) and 491(1) of the Companies Act 2006.

Approved by the Members and
Signed on their behalf


.....
G S Gibb for and on behalf of Flamingo Land Ltd

Date: 23rd December 2019.

FLAMINGO LAND LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FLAMINGO LAND LTD

Opinion

We have audited the financial statements of Flamingo Land Ltd for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial position, Statement of Changes in Equity, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Strategic Report and the Report of the Directors, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

FLAMINGO LAND LTD

AUDITORS' REPORT TO THE MEMBERS OF FLAMINGO LAND LTD (CONT)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Report of the Directors.

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

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company 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 required for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

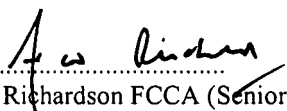
In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.


.....
A W Richardson FCCA (Senior statutory auditor)
for and on behalf of
WHITE & HOGGARD
Statutory Auditors
1 Wheelgate
Malton
North Yorkshire
YO17 7HT

Date: 24th December 2019

FLAMINGO LAND LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
TURNOVER	1b	32,043,127	29,141,024
Cost of sales		(5,768,992)	(5,315,588)
GROSS PROFIT		26,274,135	23,825,436
Administrative expenses		(23,034,234)	(22,049,756)
OPERATING PROFIT	3	3,239,901	1,775,680
Other interest receivable and similar income		25,617	6,170
Interest payable and similar charges	6	(5,000)	(15,000)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,260,518	1,766,850
Tax on profit on ordinary activities	7	(933,882)	(558,461)
COMPREHENSIVE INCOME FOR THE YEAR		2,326,636	1,208,389

The company's turnover and expenses all relate to continuing operations.

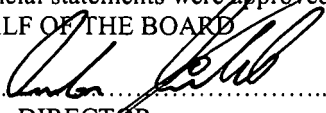
The annexed notes form part of these financial statements.

FLAMINGO LAND LTD

BALANCE SHEET AT 31 MARCH 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	9	11,734,010	13,440,983
CURRENT ASSETS			
Stocks	10	1,517,020	1,697,013
Debtors	11	9,338,473	9,022,651
Investments	12	100	100
Cash at bank and in hand		3,713,943	1,620,000
		<u>14,569,536</u>	<u>12,339,764</u>
CREDITORS			
Amounts falling due within one year	13	(6,802,940)	(8,368,305)
NET CURRENT ASSETS		<u>7,766,596</u>	<u>3,971,459</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	14	-	(3,472)
NET ASSETS		<u><u>19,500,606</u></u>	<u><u>17,408,970</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	50,000	50,000
Profit and loss account		19,450,606	17,358,970
SHAREHOLDERS' FUNDS		<u><u>19,500,606</u></u>	<u><u>17,408,970</u></u>

These financial statements were approved by the board on 23rd December 2019.
ON BEHALF OF THE BOARD


.....
G S GIBB - DIRECTOR
COMPANY No. 8C052543

The annexed notes form part of these financial statements.

FLAMINGO LAND LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Called Up Share Capital	Retained Earnings	Total Equity
Balance at 31st March 2017	50,000	16,385,583	16,435,583
Changes in Equity			
Dividends	-	(235,000)	(235,000)
Total Comprehensive Income	-	1,208,387	1,208,387
Balance at 31st March 2018	<u>50,000</u>	<u>17,358,970</u>	<u>17,408,970</u>
Changes in Equity			
Dividends	-	(235,000)	(235,000)
Total Comprehensive Income	-	2,326,636	2,326,636
Balance at 31st March 2019	<u>50,000</u>	<u>19,450,606</u>	<u>19,500,606</u>

FLAMINGO LAND LTD
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Profit for the financial period before taxation		3,239,901	1,775,680
Adjustments for:			
Depreciation charges		3,817,789	3,910,439
Profit on sale of fixed assets		(85,825)	(1,117,776)
(Increase)/decrease in stocks		179,993	(452,215)
(Increase)/decrease in debtors		(356,994)	1,115,720
Increase/(decrease) in creditors		(1,635,863)	(195,058)
Tax paid		(500,000)	(475,000)
Net cash inflow/(outflow) from operating activities		<u>4,659,001</u>	<u>4,561,790</u>
Cash flows from investing activities			
Interest received		25,617	6,170
Interest paid		(5,000)	(15,000)
Purchase of tangible fixed assets		(2,509,244)	(4,945,082)
Sale of tangible fixed assets		484,252	1,222,238
Net cash inflow/(outflow) from investing activities		<u>(2,004,375)</u>	<u>(3,731,674)</u>
Cash flows from financing activities			
Equity dividends paid		(235,000)	(235,000)
Net cash inflow/(outflow) from investing activities		<u>(235,000)</u>	<u>(235,000)</u>
Increase/(decrease) in cash and cash equivalents		2,419,626	595,116
Cash and cash equivalents at beginning of period	20	<u>1,094,124</u>	<u>499,008</u>
Cash and cash equivalents at end of period	20	<u>3,513,750</u>	<u>1,094,124</u>

The annexed notes form part of these financial statements.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

1. Significant accounting policies

(a) Basis of accounting

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value in accordance with the accounting policies set out below.

These financial statements have been prepared in compliance with FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

Flamingo Land Ltd meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the disclosure exemption available to it. Exemptions have been taken in relation to financial investments and remuneration of key management personnel.

(b) Revenue recognition

The company's turnover represents the value, excluding Value Added Tax, of goods and services supplied to customers during the year. Turnover is recognised in the accounts on a trading season basis. Any income received for the following trading season and any associated direct costs are deferred until the following accounting period (there are occasions when the park opens for business before 31st March).

(c) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

(d) Taxation

Current tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax recognises the future tax consequences of transactions and events recognized in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in different periods from those in which they are recognized in the financial statements. Unrelieved tax losses and other deferred tax assets are recognized only to the extent that it is probably that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019 (CONT)

1. Significant accounting policies (continued)

(e) *Tangible fixed assets*

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and any accumulated impairment losses. Cost includes costs directly attributable to making an asset capable of operating as intended.

With the exception of land and buildings (see next paragraph) depreciation is provided on tangible fixed assets at the following annual rates in order to write off the costs less an estimated residual value of each asset over its expected useful life.

Freehold buildings	-	not depreciated
Fixtures and fittings	-	25% per annum of cost
Motor vehicles	-	25% per annum of cost

In the opinion of the directors, the market value of freehold land and buildings was not significantly different from book value. In arriving at that opinion the directors have had regard for the fact that there are several freehold properties on the site and a fully equipped holiday village which offers substantial facilities and enjoys the benefit of full planning permission for a large number of caravan pitches including a permanent residential site. The directors therefore consider that depreciating freehold properties both on an annual basis and on a cumulative basis to be not material due to the residual value of the freehold properties. This is a departure from the Companies Act 2006 which requires all properties to be depreciated. The directors consider that to depreciate them would not allow the Financial Statements to give a true and fair view.

(f) *Stocks*

Stocks have been valued at the lower of cost and net realisable value. Cost is determined on a first in first out basis and, where appropriate, due allowance is made for obsolete and slow moving items.

When stocks are sold, the carrying amount of those stocks is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of stocks to net realisable value and all losses of stocks are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of stocks is recognised as a reduction in the amount of stocks recognised as an expense in the period in which the reversal occurs.

(g) *Trade and other debtors*

Trade and other debtors with no stated interest rate are initially recognised at the transaction price including transaction costs. Subsequently they are measured at amortised cost using the effective interest rate method, less impairment.

(h) *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

1. Significant accounting policies (continued)

(i) Impairment

Assets not measured at fair value are assessed for indicators of impairment at the end of each reporting period. If such indication exists, the recoverable amount of the asset, or the assets cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognized in profit and loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation reserve adjustment.

(j) Trade and other creditors

Trade and other creditors are initially recognised at the transaction price and are thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(k) Loans and borrowings

Interest-bearing loans and borrowings are recognised initially at fair value including transaction costs. Subsequently they are recognised at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

(l) Leased assets

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

(m) Foreign currencies

The financial statements are presented in Sterling, which is also the functional currency of the Company. Transactions in currencies other than the functional currency of the Company are recorded at the rate of exchange on the date the transaction occurred. Monetary items denominated in other currencies are translated at the rate prevailing at the end of the reporting period. All differences are taken to profit and loss. Non-monetary items that are measured at historic cost in a foreign currency are not retranslated.

(n) Employee benefits

Short-term employee benefits are recognised as an expense in the period they are incurred. The obligations for contributions to defined contribution scheme are recognised as an expense in the period they are incurred. The assets of the scheme are held separately from those of the Company in an independently administered fund.

(o) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation arising as a result of a past event if it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

(p) Related parties

For the purpose of these financial statements, a party is considered to be related to the Company if the party has the ability, directly or indirectly, through one or more intermediaries, to control the Company or exercise significant influence over the company in making financial and operating policy decisions, or has joint control over the Company.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the company.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

2. Critical accounting judgements and key sources of estimation uncertainty

The following judgements and estimates have been made in the process of applying the accounting policies.

The director's judgement is that, overall, the risk of assumption and uncertainty concerning the future and other key sources of estimation causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is low.

Estimated residual value of fixed assets

The directors consider that there is overall a minimal residual value of Fixtures and fittings (and vehicles) remaining at the end of the depreciation period.

Valuation of land and buildings

As described in note 9 to the financial statements, land and buildings are stated at original cost price.

In the opinion of the directors, the market value of freehold land and buildings was not significantly different from book value. Any temporary structures erected on the freehold land are added to Fixtures and Fittings and depreciated in accordance with the company's depreciation policy.

Loan to holding company

Included in Debtors (see note 11) is a loan to the Holding Company. While there are no immediate plans for repayment the Directors consider the loan to be recoverable in the long term as the Holding Company owns the whole of the issued share capital in Flamingo Land Ltd.

Going Concern

The company is able to operate with very limited reliance on long term borrowing and, as a consequence has no exposure to long term loan commitments or other finance arrangements. Projects are carefully costed and future capital expenditure is planned within anticipated cash flow.

The Directors have considered various courses of action that could be undertaken in the event that market conditions deteriorate. These courses of action include the potential to reduce non-essential ongoing costs and the curtailment of elective capital expenditure. These factors, including the flexibility that is available to the Directors in being selective on future spending plans by ensuring that they remain within anticipated cash flows, allows the Directors to have a reasonable expectation that the company will have adequate resources to continue in operational existence for a period of at least twelve months from the signing of these financial statements. Accordingly they continue to adopt the going concern basis in preparing these financial statements.

3. Operating profit

Operating profit is stated after charging/(crediting):

	2019 £	2018 £
Directors' emoluments (including pension contributions)	1,157,680	1,248,270
Hire of plant and machinery – operating leases	252,865	246,460
Depreciation and amortisation of owned assets	3,817,789	3,910,439
Auditors' remuneration	21,575	18,500
Auditors' remuneration - non-audit services	9,945	12,650
Profit on sale of fixed assets	(85,825)	(1,117,776)
	<u> </u>	<u> </u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

4 Directors Remuneration

	2019 £	2018 £
Highest paid director:		
Emoluments	<u>465,974</u>	<u>729,724</u>

There is one director to whom retirement benefits are accruing under a money purchase pension scheme in respect of qualifying services (2018 - 1).

There are 2 directors to whom retirement benefits are accruing under defined benefit pension schemes in respect of qualifying services (2018 - 2).

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

5. Staff Costs

The average number of persons employed by the company, including directors, during the year was as follows:

	2019 Number	2018 Number
Management and administration	27	27
Production	394	361
	<u>421</u>	<u>388</u>

The aggregate payroll costs of these persons were as follows:

	2019 £	2018 £
Wages and salaries	8,098,041	8,116,994
Social security	544,361	604,414
Other pension costs	499,681	167,315
	<u>9,142,083</u>	<u>8,888,723</u>

6. Interest payable and similar charges

	2019 £	2018 £
Other loans	<u>5,000</u>	<u>15,000</u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

7. Taxation

Analysis of charge in period	2019	2018
	£	£
Current tax:		
UK corporation tax on profits of the year	943,984	537,248
Adjustments in respect of prior periods	(10,102)	21,213
Total current tax	<u>933,882</u>	<u>558,461</u>
Deferred tax	-	-
Tax on profit on ordinary activities	<u><u>933,882</u></u>	<u><u>558,461</u></u>

Factors affecting tax charge for the period

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (19%). The differences are explained below:

	2019	2018
	£	£
Profit on ordinary activities before tax	<u>3,260,518</u>	<u>1,766,850</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19 % (19%)	619,498	335,702
Effects of		
Expenses not deductible/deductible for tax purposes	(31,345)	25,405
Depreciation for year in excess of capital allowances	355,831	176,141
Adjustments to charge in respect of previous periods	(10,102)	21,213
Current tax charge for year	<u><u>933,882</u></u>	<u><u>558,461</u></u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

8. Dividends

	2019 £	2018 £
On ordinary shares		
Final dividend paid	235,000	235,000
	<u> </u>	<u> </u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

9. Tangible Fixed Assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2018	6,844,766	52,446,919	473,229	59,764,914
Additions	159,242	2,240,137	109,865	2,509,244
Disposals	(369,035)	(377,475)	(66,836)	(813,346)
At 31 March 2019	<u>6,634,973</u>	<u>54,309,581</u>	<u>516,258</u>	<u>61,460,812</u>
Depreciation				
At 1 April 2018	-	46,003,574	320,358	46,323,932
Charge for the year	-	3,717,563	100,226	3,817,789
Elimination on disposals	-	(348,083)	(66,836)	(414,919)
At 31 March 2019	<u>-</u>	<u>49,373,054</u>	<u>353,748</u>	<u>49,726,802</u>
Net book value				
At 31 March 2019	<u>6,634,973</u>	<u>4,936,527</u>	<u>162,510</u>	<u>11,734,010</u>
At 31 March 2018	<u>6,844,767</u>	<u>6,443,345</u>	<u>152,871</u>	<u>13,440,983</u>

Net book value of land and buildings at 31 March 2019 comprised:

	2019 £	2018 £
Freehold land and buildings	<u>6,634,973</u>	<u>6,844,767</u>

In the opinion of the directors, the market value of freehold land and buildings was not significantly different from book value. In arriving at that opinion the directors have had regard for the fact that there are several freehold properties on the site and a fully equipped holiday village which offers substantial facilities and enjoys the benefit of full planning permission for a large number of caravan pitches including a permanent residential site.

Included in the total net book value of tangible fixed assets held at 31 March 2019 was £nil (2018 - £nil) in respect of assets held under finance leases and hire purchase contracts.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

10. Stocks

	2019 £	2018 £
Stock for Resale & Consumables	1,497,020	1,677,013
Animals (Exotic)	20,000	20,000
	<u>1,517,020</u>	<u>1,697,013</u>

11. Debtors

Receivable within one year:

	2019 £	2018 £
Trade debtors	122,347	103,153
Other debtors	337,316	155,411
Prepayments and accrued income	544,153	388,258
Corporation tax recoverable	-	41,172
	<u>1,003,816</u>	<u>687,994</u>

Receivable after one year:

	2019 £	2018 £
Amounts owed by group undertakings	8,334,657	8,334,657
	<u>8,334,657</u>	<u>8,334,657</u>
Total debtors	<u>9,338,473</u>	<u>9,022,651</u>

12. Investments

	2019 £	2018 £
At cost:		
Listed	-	-
Unlisted	100	100
	<u>100</u>	<u>100</u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

13. Creditors – amounts due within one year

	2019 £	2018 £
Bank loans and overdrafts	200,192	522,404
Trade creditors	2,533,477	2,865,884
Social security and other taxes	242,778	158,611
Other creditors	467,677	1,633,961
Accruals and deferred income	2,966,106	3,187,445
Corporation Tax payable	392,710	-
	<u>6,802,940</u>	<u>8,368,305</u>

The bank overdraft is secured by a charge over land and buildings at Kirbymisperton

14. Creditors – amounts due after one year

	2019 £	2018 £
Pension Fund Loan	-	3,472
Other Loans	-	-
	<u>-</u>	<u>3,472</u>

The bank overdrafts is secured by a legal charge over land at Kirbymisperton

Analysis of debt maturity

	2019 £	2018 £
Amounts payable:		
Within one year or on demand	200,192	522,404
Between one and two years	-	3,472
Between two and five years	-	-
In five years or more	-	-
	<u>200,192</u>	<u>525,876</u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

15. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
50,000 ordinary shares of £ 1 each	50,000	50,000
	<u> </u>	<u> </u>

16. Transactions with Directors

Apart from the payment of Director's salaries during the year there are movements on the Director's loan accounts. These represent unsecured loans made by the Director's to the Company from time to time. The balances at the beginning of the year are included in other creditors (£218,910) and the balance at the end of the year (£10,927) is included in other debtors and was repaid on 27th June 2019.

Flamingo Land Resort Ltd is a company controlled by Director's Mr G S Gibb and Miss V Gibb. Flamingo Land Resort Ltd owns the whole of the issued share capital of Flamingo Land Ltd and received the whole of the dividend of £235,000 paid in the year.

17. Related parties

Transactions with the Directors during the year are summarised in the appropriate note to these accounts

The Company repaid the final balance on the loan from the Flamingo Land self-administered pension fund during the year. This loan, which initially was in the sum of £1m which was advanced during the year ended 31 March 2014 and the loan was repayable by monthly instalments over a five year period. Interest on the loan was charged at 1% above bank base rate.

Contributions were made to the Flamingo Land Ltd self-administered pension fund for two of the directors during the year amounting to £320k (2018 - Nil).

Flamingo Land Ltd is a wholly owned subsidiary of Flamingo Land Resort Ltd (see note 20 below). Current assets (see note 11) include a loan made by Flamingo Land Ltd to Flamingo Land Resort Ltd. the company is taking advantage of the exemption allowed under FRS102 not to disclose the terms and conditions of this long term loan.

Other Related party transactions

The total remuneration for key management personnel is detailed in Note 3.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

18. Capital Commitments

	2019 £	2018 £
Contracted but not provided in the financial statements	-	-

19. Controlling Party

The company is controlled by the directors, G S Gibb and Miss V Gibb by virtue of their shareholdings in Flamingo Land Resort Ltd. This Company owns the whole of the issued share Capital of Flamingo Land Ltd. Mr G S Gibb and Miss V Gibb own 57.14% and 42.86% respectively of the issued share capital in Flamingo Land Resort Ltd.

20. Cash and cash equivalents

The amount disclosed on the Cash Flow Statements in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year Ended 31st March 2019

	2019 £	2018 £
Cash at bank and on hand	3,513,750	1,185,097
Loans	-	(90,973)
	<u>3,513,750</u>	<u>1,094,124</u>

Year Ended 31st March 2018

	2018 £	2017 £
Cash at bank and on hand	1,185,097	777,480
Loans	(90,973)	(278,472)
	<u>1,094,124</u>	<u>499,008</u>

21. Post Balance Sheet events

Although there were no capital commitments at the end of the accounting period the Company, as referred to in the Strategic report, has purchased a 10-Inversion Roller Coaster after the end of the accounting period and this is currently under construction. The cost of the coaster has been largely funded by a loan from the Gibb family pension fund, and the ongoing construction costs are being met out of cash flow.