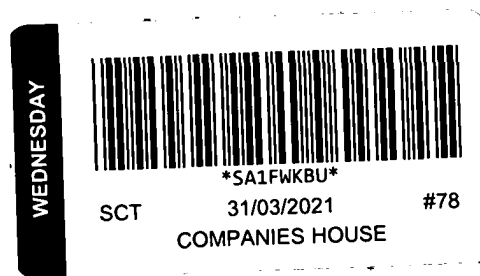


Registered no. SC052543

FLAMINGO LAND LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020



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 2020

The directors present their report and the audited financial statements of the company for the year ended 31st March 2020.

Review of Business and Key Performance Indicators

The statutory Profit and Loss account (Statement of Comprehensive Income) shows a profit before tax of £1,258,679 (2019 - £3,260,518).

Turnover has decreased by £2.45m from £32.04m to £29.59m in the year ended 31st March 2020. The directors attribute this to a return to a more normal period of trading following an exceptional trading year in 2019 when turnover increased by £2.9m. Turnover for the Holiday Village side of the operation was consistent with 2019. A number of factors however can affect turnover in a business of this nature where much of the activity takes place out of doors, and in particular these factors will include the English climate (of course) and seasonal changes to the timing of Bank Holidays. There may well have been other factors that have influenced turnover including a reset of the advertising policy and major competitors advertising more aggressively with heavily discounted deals. The directors are however content with the results of the year overall during a year when two new exciting projects were started (see below for more information).

The company invested £9.67m 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 2020 including the cost of the site amounted to £1.67m (2019, £1.56m). This project is at a very early and although a planning application was submitted to the local authority in 2019 this was subsequently withdrawn to allow plans to be reviewed and submitted and this is still in hand.

Two major projects were started during the year ended 31st March 2020 and these are as follows:

1. **Hotel and Restaurant** – the shareholders acquired an established business “on the door step” of the theme park and during the year the company started the process of extending the main building to transform it into a hotel and restaurant primarily for guests of the theme park. Costs incurred during the year ended 31st March 2020 (and included in land and buildings additions) amounted to £1.32m. The project was put on hold at the start of the Coronavirus pandemic however this, when completed, will offer theme park guests the option of staying in a more traditional hotel environment than the self-catering accommodation currently available on-site.
2. **10- Inversion Roller Coaster** – The Strategic Report last year reported the acquisition of a world class 10-Inversion Roller Coaster that had taken place after the accounting year ended 31st March 2019. During the year ended 31st March 2020 the coaster arrived on-site and construction work began. By the time the Coronavirus pandemic forced the country into lockdown in late March 2020 the company had made considerable progress with the construction of the ride and was hoping that the ride would open to the public during the summer season of 2020. Work however had to be temporarily delayed while the park closed during the various lockdown periods. Costs incurred up to 31st March 2020 amounted to £6.3m. The company was able to borrow £3.4m out of the family Pension Fund and has financed the rest of the development costs out of cash flow.

FLAMINGO LAND LTD

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020

Operating profit has reduced (from £3.24m to £1.26m). It is pleasing to note that overhead costs remain well controlled. The Company continues with the established policy of ensuring that the park is well maintained. As a consequence Repair and Upkeep costs were £3.2m (2019 - £2.9m). 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.

Wage costs increased by a significant amount during the year ended 31st March 2020 and also as a percentage of turnover. As indicated at Note 5 (Staff costs) the number of staff employed by the company during the year increased quite considerably. As the company continued to move dependency away from agency staff, and other factors that have contributed to an increase in wages are a change in staff wage structures whereby the annual elective staff bonus has now become part of the contracted salary and is paid as part of the salary throughout the year.

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	-	(7.65%)	(2019– 9.96%)
Gross Margins	-	83.06%	(2019 – 82%)
Comprehensive Income	-	£1.2m	(2019 - £2.3m)
Operating Profit	-	£1.3m	(2019 - £3.2m)
Wages Costs (excl. Directors)	-	30.24%	of turnover (2019 – 24.36%)
Repairs and Renewals	-	10.87%	of turnover (2019 – 9.34%)

FLAMINGO LAND LTD

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020 (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.

Impact of COVID-19

To a large extent the accounting period ended 31st March 2020 was not significantly affected by COVID-19 although the lockdown in late March 2020 arrived just as the company was preparing for full opening for the new season. At this time the company had committed considerable expenditure on the two new projects that were started during the year and of course had received very little income during the winter period. Subject to weather conditions being favourable the Easter weekend can be a good trading period for the company and therefore both short term and long term cash flow had to be considered in case the initial lockdown proved to be longer than anybody envisaged, or in case there were further lockdowns during the summer season. The first and immediate decision was to pause all elective expenditure including work on the new ride and the hotel project. The vast majority of the workforce were necessarily furloughed and the company was fortunately able to agree arrangements to defer some loan repayments. Detailed and comprehensive cash flow forecasts were prepared to take into account a number of possible scenarios through to late summer 2020 and, based on these forecasts, the company made an application for a CBILS loan from its bankers. A loan of £5m was quickly approved by the bank. The cash flow forecasts had taken a worst case scenario view that the company would enjoy little or no trade during the summer of 2020 but of course operations were able to resume for a decent period of time and the company ensured that it was able to offer a COVID free place to visit. In fact the company was able to repay the bank an element of the loan amounting to £1.5m and is able to look optimistically to a successful trading season in 2021 when it is hopeful some benefit will be achieved with improved visitor numbers throughout the season as long as there are no further lockdowns.

Future Developments

The company will obviously seek to continue the development of the former Ashfield Country Manor property into hotel accommodation primarily for theme park guests, as soon as it reasonably practicable in the current economic climate across the country as a whole. The world class 10-Inversion Roller Coaster is likely to be completed during 2021 but obviously much depends on the impact of COVID -19 on the company and on the economy as a whole. As always the directors will endeavour to make sure that the theme park and holiday village continue to be well maintained and they anticipate that they will be able to continue to invest in order to keep the caravan fleet and other attractions in the area at the usual high standard that Flamingo Land Ltd offers.

.....
G S GIBB

Date: 20th March 2021

FLAMINGO LAND LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020 (CONT)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements of the company for the year ended 31 March 2020.

Dividends

As detailed in note 8 a total dividend of £ Nil (2019 - £235,000) was paid during the year.

Directors

The Directors shown below held office for the whole period from 1st April 2019 to the date of this report (unless otherwise stated).

G S Gibb
Mrs M A Gibb
Mrs D M Pullin (resigned 22nd September 2020)
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 2020 (CONT)

Charitable Donations

During the year the Company made Charitable donations amounting to £59,170 (2019 - £30,956). These donations include £1,291 to local causes and £57,879 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 2020	1 April 2019
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 2020 (CONT)

UK Greenhouse gas emissions and energy use data

The company appointed Luke Richardson MEI to assess the Company's Greenhouse Gas emissions and energy consumption. The table below summarises his findings for the year to 31 March 2020.

UK Greenhouse gas emissions and energy use	2019/20
Energy Consumption used to calculate emissions (kwh)	<u>14,508,903</u>
<u>Energy Consumption break down (kwh)</u>	
Gas	3,240,600
Electricity	8,086,807
LPG	2,070,024
Other fuels including transport	1,111,472
<u>Scope 1 emissions in metric tonnes Co2e</u>	
Gas Consumption	597,664
LPG	443,958
Other Fuels including transport	<u>350,114</u>
Total Scope 1	<u>1,391,736</u>
<u>Scope 2 emissions in metric tonnes Co2e</u>	
Electricity	<u>2,066,988</u>
Total gross emissions in metric tonnes Co2e	3,458,723.77
Intensity ratio tonnes Co2 per £thousand turnover	116.88

In quantifying the above data all calculations are made using the methodology outlined in the GHG reporting methodology guide located here: <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf> and use conversion factors as identified here: <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

The chosen intensity measurement ratio is total gross emissions in metric tonnes Co2e per £thousand

Environmental Activity

The Company has invested both financially and in terms of physical measures to improve energy efficiency.

The key successes over the reporting period were:

- LED lighting upgraded across the site
- A new cheetah enclosure installed with appropriate heating for the welfare of the animals and the minimisation of energy to achieve it
- General improvement of heating controls across the site
- New projects integrating modern efficient controls and building services
- Metering has been installed on high use buildings namely:
 - The Club
 - Leisure Centre

FLAMINGO LAND LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020 (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

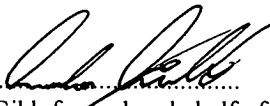
We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:-

- 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: 20th March 2021

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 2020 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 2020 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.

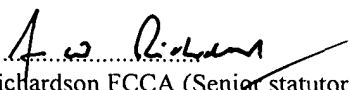
In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company 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 March 2021

FLAMINGO LAND LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
TURNOVER			
Cost of sales	1b	29,592,420 (5,284,772)	32,043,127 (5,768,992)
GROSS PROFIT		<u>24,307,648</u>	<u>26,274,135</u>
Administrative expenses		(23,045,738)	(23,034,234)
OPERATING PROFIT			
Other interest receivable and similar income	3	1,261,910 29,418	3,239,901 25,617
Interest payable and similar charges	6	(32,649)	(5,000)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>1,258,679</u>	<u>3,260,518</u>
Tax on profit on ordinary activities	7	(41,635)	(933,882)
COMPREHENSIVE INCOME FOR THE YEAR		<u><u>1,217,044</u></u>	<u><u>2,326,636</u></u>

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

The annexed notes form part of these financial statements.

FLAMINGO LAND LTD

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	9	18,048,911	11,734,010
CURRENT ASSETS			
Stocks	10	1,755,318	1,517,020
Debtors	11	9,069,199	9,338,473
Investments	12	100	100
Cash at bank and in hand		1,294,262	3,713,943
		<u>12,118,879</u>	<u>14,569,536</u>
CREDITORS			
Amounts falling due within one year	13	<u>(6,951,191)</u>	<u>(6,802,940)</u>
NET CURRENT ASSETS		<u>5,167,688</u>	<u>7,766,596</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS		23,216,599	19,500,606
Amounts falling due after more than one year	14	(2,498,948)	-
NET ASSETS		<u><u>20,717,651</u></u>	<u><u>19,500,606</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	50,000	50,000
Profit and loss account		20,667,651	19,450,606
SHAREHOLDERS' FUNDS		<u><u>20,717,651</u></u>	<u><u>19,500,606</u></u>

These financial statements were approved by the board on
ON BEHALF OF THE BOARD

20th March 2021

.....
G S GIBB, DIRECTOR
COMPANY No. SC052543

The annexed notes form part of these financial statements.

FLAMINGO LAND LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Called Up Share Capital	Retained Earnings	Total Equity
Balance at 31st March 2018	50,000	17,358,971	17,408,971
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>19,450,607</u>	<u>19,500,607</u>
Changes in Equity			
Dividends	-	-	-
Total Comprehensive Income	-	1,217,044	1,217,044
Balance at 31st March 2020	<u>50,000</u>	<u>20,667,651</u>	<u>20,717,651</u>

FLAMINGO LAND LTD
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Profit for the financial period before taxation		1,217,044	2,326,637
Adjustments for:			
Depreciation charges		3,266,498	3,817,789
Profit on sale of fixed assets		(927,556)	(85,825)
Interest paid		32,649	5,000
Interest received		(29,418)	(25,617)
Taxation		41,635	933,882
(Increase)/decrease in debtors		444,929	(356,994)
(Increase)/decrease in stocks		(238,298)	179,993
Increase/(decrease) in creditors		(190,832)	(1,635,863)
		<u>3,616,651</u>	<u>5,159,002</u>
Interest paid		(32,649)	(5,000)
Tax paid		(610,000)	(500,000)
Net cash inflow/(outflow) from operating activities		<u><u>2,974,002</u></u>	<u><u>4,654,002</u></u>
Cash flows from investing activities			
Sale of tangible fixed assets		1,009,626	484,252
Purchase of tangible fixed assets		(9,663,467)	(2,509,244)
Interest received		29,418	25,617
Net cash inflow/(outflow) from investing activities		<u><u>(8,624,423)</u></u>	<u><u>(1,999,375)</u></u>
Cash flows from financing activities			
Advance of borrowings		3,505,000	0
Repayment of borrowings		(328,868)	(87,500)
Equity dividends paid		0	(235,000)
Net cash inflow/(outflow) from investing activities		<u><u>3,176,132</u></u>	<u><u>(322,500)</u></u>
Increase/(decrease) in cash and cash equivalents		(2,474,289)	2,332,127
Cash equivalents at beginning of period		<u>3,517,222</u>	<u>1,185,095</u>
Cash equivalents at end of period		<u><u>1,042,933</u></u>	<u><u>3,517,222</u></u>

The annexed notes form part of these financial statements.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

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 2020

(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 (the new 10-Inversion Roller Coaster bought during the year ended 31 st March 2020 has not been depreciated in these financial statements as the asset was under construction at the year end and has not yet been brought into use)	-	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.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020 (CONT)

1. Significant accounting policies (continued)

(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.

(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.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

(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 2020

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.

During the year ended 31st March 2020 a significant amount of money was invested in a new theme park ride. While ongoing project costs in respect to this ride would be funded out of cash flow the company did secure a loan from the family Pension Fund of £3.4m. The loan was advanced on 1st October 2019 with repayments being made on a monthly basis to facilitate the loan being repaid in full by 1st September 2024. The directors consider the loan repayments to be completely manageable within current cash flow and do not consider that the presence of this loan has any impact on the going concern basis of accounting.

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.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

3. Operating profit

Operating profit is stated after charging/(crediting):		
	2020	2019
	£	£
Directors' emoluments (including pension contributions)	740,173	1,157,680
Hire of plant and machinery – operating leases	364,496	252,865
Depreciation and amortisation of owned assets	3,266,498	3,817,789
Auditors' remuneration	21,750	21,575
Auditors' remuneration – non-audit services	10,310	9,945
Profit on sale of fixed assets	(927,555)	(85,825)
	<u> </u>	<u> </u>

4 Directors Remuneration

	2020	2019
	£	£
Highest paid director:		
Emoluments	469,969	465,974
	<u> </u>	<u> </u>

There is one director to whom retirement benefits are accruing under a money purchase pension scheme in respect of qualifying services (2019 - 1).

There are 2 directors to whom retirement benefits are accruing under defined benefit pension schemes in respect of qualifying services (2019 - 2).

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

5. Staff Costs

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

	2020 Number	2019 Number
Management and administration	30	27
Production	436	389
	<u>466</u>	<u>416</u>

The aggregate payroll costs of these persons were as follows:

	2020 £	2019 £
Wages and salaries	9,167,938	8,098,041
Social security	635,269	544,361
Other pension costs	239,328	499,681
	<u>10,042,535</u>	<u>9,142,083</u>

6. Interest payable and similar charges

	2020 £	2019 £
Other loans	<u>32,649</u>	<u>5,000</u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

7. Taxation

Analysis of charge in period	2020 £	2019 £
Current tax:		
UK corporation tax on profits of the year	41,691	943,984
Adjustments in respect of prior periods	(56)	(10,102)
Total current tax	<u>41,635</u>	<u>933,882</u>
Deferred tax	-	-
Tax on profit on ordinary activities	<u><u>41,635</u></u>	<u><u>933,882</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:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>1,258,679</u>	<u>3,260,518</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19 % (19%)	239,149	619,498
Effects of		
Expenses not deductible/(deductible) for tax purposes	(47,025)	(31,345)
Depreciation for year in excess of capital allowances	-	355,831
Capital allowances for year in excess of depreciation	(150,433)	-
Adjustments to charge in respect of previous periods	(56)	(10,102)
Current tax charge for year	<u><u>41,635</u></u>	<u><u>933,882</u></u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

8. Dividends

	2020 £	2019 £
On ordinary shares		
Final dividend paid	-	235,000
	<u> </u>	<u> </u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

9. Tangible Fixed Assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2019	6,634,973	54,309,581	516,258	61,460,812
Additions	1,449,848	8,043,830	169,789	9,663,467
Disposals	-	(614,993)	(187,579)	(802,572)
At 31 March 2020	<u>8,084,822</u>	<u>61,738,418</u>	<u>498,468</u>	<u>70,321,708</u>
Depreciation				
At 1 April 2019	-	49,373,054	353,748	49,726,802
Charge for the year	-	3,179,207	87,291	3,266,498
Elimination on disposals	-	(579,818)	(140,684)	(720,502)
At 31 March 2020	<u>-</u>	<u>51,972,443</u>	<u>300,354</u>	<u>52,272,797</u>
Net book value				
At 31 March 2020	<u>8,084,822</u>	<u>9,765,975</u>	<u>198,114</u>	<u>18,048,911</u>
At 31 March 2019	<u>6,634,973</u>	<u>4,936,527</u>	<u>162,510</u>	<u>11,734,010</u>

Net book value of land and buildings at 31 March 2020 comprised:

	2020 £	2019 £
Freehold land and buildings	<u>8,084,822</u>	<u>6,634,973</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 2020 was £nil (2019 - £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 2020

10. Stocks

	2020 £	2019 £
Stock for Resale & Consumables	1,735,318	1,497,020
Animals (Exotic)	20,000	20,000
	<u>1,755,318</u>	<u>1,517,020</u>

11. Debtors

Receivable within one year:

	2020 £	2019 £
Trade debtors	132,759	122,347
Other debtors	178,144	337,316
Prepayments and accrued income	247,984	544,153
Corporation tax recoverable	175,655	-
	<u>734,542</u>	<u>1,003,816</u>

Receivable after one year:

	2020 £	2019 £
Amounts owed by group undertakings	8,334,657	8,334,657
	<u>8,334,657</u>	<u>8,334,657</u>
Total debtors	<u>9,069,199</u>	<u>9,338,473</u>

12. Investments

	2020 £	2019 £
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 2020

13. Creditors – amounts due within one year

	2020 £	2019 £
Bank loans and overdrafts	931,985	200,192
Trade creditors	2,635,299	2,533,477
Social security and other taxes	396,100	242,778
Other creditors	4,160	467,677
Accruals and deferred income	2,983,647	2,966,106
Corporation Tax payable	-	392,710
	<u>6,951,191</u>	<u>6,802,940</u>

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

14. Creditors – amounts due after one year

	2020 £	2019 £
Pension Fund Loan	2,415,426	-
Other Loans	83,522	-
	<u>2,498,948</u>	<u>-</u>

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

Analysis of debt maturity

	2020 £	2019 £
Amounts payable:		
Within one year or on demand	931,985	200,192
Between one and two years	693,971	-
Between two and five years	1,804,977	-
	<u>3,430,933</u>	<u>200,192</u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

15. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
50,000 ordinary shares of £ 1 each	50,000	50,000
	<u> </u>	<u> </u>

16. Reconciliation of net debt

	At 1 st April 2019 £	Cash Flows £	At 31 st March 2020 £
Cash at bank and on hand	3,713,941	(2,419,679)	1,294,262
Bank overdraft	(200,192)	(51,137)	(251,329)
Cash & cash equivalents	<u>3,513,749</u>	<u>(2,470,816)</u>	<u>1,042,933</u>
Borrowings	-	(3,179,604)	(3,179,604)
	<u> </u>	<u>(3,179,604)</u>	<u>(3,179,604)</u>
Net debt	<u>3,513,749</u>	<u>(5,650,420)</u>	<u>(2,136,671)</u>

17. 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 between the Directors and the Company from time to time throughout the year. The balance at the beginning of the year (£10,927) is included in other debtors and was repaid on 27th June 2019. The balance at the end of the year (£29,678) is also included in other debtors and was repaid on 30th June 2020.

No dividend was paid in the year (2019 - £235,000).

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

18. Related parties

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

The Company received a loan from the Flamingo Land Self-Administered Pension Fund on 1st October 2019 amounting to £3.4m. The loan, which was advanced to assist in the purchase of the new roller coaster is repayable by monthly instalments over a five year period with the final instalment payable on 1st September 2024. Interest is being charged at a rate of 2% per annum (based on 1.25% above bank base rate).

DewarGibb Limited is a company owned by directors G S Gibb and Miss V Gibb and owns the freehold property at Kirbymisperton which is being converted by the company into hotel accommodation and a restaurant. Once the project has been completed the company will pay DewarGibb Ltd a rent for the occupation of the premises however at this stage there have been no transactions between Dewar Gibb Ltd and the company.

Contributions were made to the Flamingo Land Ltd self-administered pension fund for two of the directors during the year amounting to £Nil (2019 - £320k).

Flamingo Land Ltd is a wholly owned subsidiary of Flamingo Land Resort Ltd (see note 19 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.

19. Capital Commitments

	2020 £	2019 £
Contracted but not provided in the financial statements	-	-
	<u> </u>	<u> </u>

20. 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.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

21. 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 2020

	2020 £	2019 £
Cash at bank and on hand	1,294,262	3,713,941
Bank overdraft	(251,329)	(200,192)
Cash and cash equivalents	<u>1,042,933</u>	<u>3,513,749</u>

22. Post Balance Sheet events

The only significant post balance sheet event is the impact of COVID-19 on the trading activity of the company throughout the 2020 season. The effect of this on the company throughout 2020 has been set out in full in the Strategic Report which is included with these final statements. The usual monthly management accounts have been prepared and while turnover has of course dropped as a result of the inability of the company to trade during periods of lockdown the management accounts for the first nine months of the year do indicate that the company remained in profit throughout that period.

23. Statutory Information

Flamingo Land Ltd is a private company limited by shares and is incorporated in Scotland. The address of the registered office is given in the company information on page 4 of these financial statements. The nature of the company's operations and principal activities is that of a theme park and holiday village.