

Registered no. 00052543

**FLAMINGO LAND LTD**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2017**



**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 2017

The directors present their report and the audited financial statements of the company for the year ended 31<sup>st</sup> March 2017.

### Review of Business and Key Performance Indicators

The statutory Profit and Loss account (Statement of Comprehensive Income) shows a profit before tax of £1,335,504 (2016 - £1,008,500).

Turnover has increased by 12.28% from £24.8m to £27.8m in the year ended 31<sup>st</sup> March 2017. The directors attribute this primarily to improvements in three key areas of the business including general park admissions, the holiday village and related activities, and catering services and sales. As reported last year significant investment had been made in the holiday village facilities and it is clear from these reports that the company is seeing rewards for this investment.

The company invested a further amount of £4.07m (net of sales) in tangible fixed assets during the year. Major items include an area of land in Scotland which it is envisaged may present an opportunity to develop the company's leisure activities facility further (the cost of this asset at 31<sup>st</sup> March 2017 including research and project development amounted to £959k). This project is still in a very early stage and no contracts have been entered into and no planning permissions have been sought. Various projects around the theme park have been completed in the year including the Pirate Show Ship (£600k) which is used daily for presenting exciting live shows in the newly refurbished Plaza area (£200k). The company also started development of a new entertainment centre (The Hub) which in 2017 became an integral part of a 300m self-drive Kart racing circuit which will also feature access from a new electric mono rail linking directly to the animal collection. Work on the hub complex had incurred expenditure of £395k (Atrium) and £370k (Restaurant) by 31<sup>st</sup> March 2017. The holiday village was also extended further to create more sites for additional caravans and to improve the Spa and Sales office (£380k). At 31<sup>st</sup> March 2017 there were capital commitments (see note 18 to the accounts) representing part of the cost of creating the kart racing attraction, the mono rail and a new Peter Rabbit themed area of the park.

Operating profit has increased from £1m to £1.34m. While Turnover has shown a significant increase the Company continues with the established policy of ensuring that the park is well maintained. As a consequence Repair and Upkeep costs were £2.5m (2016 - £2.36m). 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 continues with the existing policy of depreciating rides and attractions on a straight line basis over a four year period. Other significant cost increases include Wages and salaries (excluding directors) up from £6.42m to £7.75m (the Company continues to invest in staff and their welfare), and advertising has increased to £2.61m from £2.54m.

**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	- 12.28% (2016 – (2.48%))
Gross Margins	- 82.85% (2016 – 82.65%)
Comprehensive Income	- £0.82m (2016 - £0.61m)
Operating Profit	- £1.34m (2016 - £1.00m)
Wages Costs (exc Directors)	- 27.88% of turnover (2016 – 25.93%)
Repairs and Renewals	- 9.03% of turnover (2016 – 9.43%)

# FLAMINGO LAND LTD

## STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2017 (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 to keep the theme park at the forefront of the sector of the leisure industry in which it operates.

  
.....  
MRS D M PULLIN

Date: 11<sup>th</sup> December 2017

# FLAMINGO LAND LTD

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2017

The directors present their report and the financial statements of the company for the year ended 31 March 2017.

### Dividends

As detailed in note 8 a total dividend of £235,000 (2016 - £235,000) was paid during the year. This was paid 28<sup>th</sup> March 2017. This is the only and final dividend payment for the year

### Directors

The Directors shown below held office for the whole period from 1<sup>st</sup> April 2016 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 2017 (CONT)

### Charitable Donations

During the year the Company made Charitable donations amounting to £64,935 (2016 - £54,503). These donations include £1,550 to local causes and £33,288 to a Wildlife conservation project in Tanzania which is being undertaken by a local University and is 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. A political donation of £25000 was made in the year to the Conservative Party (2016 nil)

### 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 2017	1 April 2016
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 2017 (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: 11<sup>th</sup> December 2017

# FLAMINGO LAND LTD

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FLAMINGO LAND LTD

We have audited the financial statements of Flamingo Land Ltd for the year ended 31 March 2017 which comprises the Statement of Comprehensive Income, Balance Sheet, the Statement of changes in Equity, Cash Flow Statement, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

### Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on pages 3-5 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

### Scope of the audit

A description of the scope of an audit is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### Opinion on financial statements

In our opinion:

- give a true and fair view of the state of the company's affairs at 31<sup>st</sup> March 2017 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;

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

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

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

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

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

.....  
A W RICHARDSON (SENIOR STATUTORY AUDITOR)

for and on behalf of

**WHITE & HOGGARD**

Statutory Auditors

Date:

12<sup>th</sup> December 2017

1 WHEELGATE  
MALTON  
NORTH YORKSHIRE  
YO17 7HT



# FLAMINGO LAND LTD

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 £	2016 £
<b>TURNOVER</b>	1b	27,819,949	24,778,072
Cost of sales		(4,769,803)	(4,298,057)
<b>GROSS PROFIT</b>		23,050,146	20,480,015
Administrative expenses		(21,706,280)	(19,476,075)
<b>OPERATING PROFIT</b>	3	1,343,866	1,003,940
Other interest receivable and similar income		6,638	19,732
Interest payable and similar charges	6	(15,000)	(15,172)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,335,504	1,008,500
Tax on profit on ordinary activities	7	(517,197)	(396,617)
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>		818,307	611,883

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 2017

	Note	2017 £	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	9	12,510,804	11,175,236
<b>CURRENT ASSETS</b>			
Stocks	10	1,244,798	1,571,677
Debtors	11	10,221,832	10,421,389
Investments	12	100	100
Cash at bank and in hand		1,150,676	2,809,317
		<u>12,617,406</u>	<u>14,802,483</u>
<b>CREDITORS</b>			
Amounts falling due within one year	13	(8,618,322)	(9,846,970)
<b>NET CURRENT ASSETS</b>		<u>3,999,084</u>	<u>4,955,513</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES CREDITORS</b>			
Amounts falling due after more than one year	14	(74,305)	(278,473)
<b>NET ASSETS</b>		<u><u>16,435,583</u></u>	<u><u>15,852,276</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	50,000	50,000
Profit and loss account		16,385,583	15,802,276
<b>SHAREHOLDERS' FUNDS</b>		<u><u>16,435,583</u></u>	<u><u>15,852,276</u></u>

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

11<sup>th</sup> DÉCEMBRE 2017

.....  
G S GIBB - DIRECTOR  
COMPANY No. 00052543

The annexed notes form part of these financial statements.

# FLAMINGO LAND LTD

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

	Called Up Share Capital	Retained Earnings	Total Equity
<b>Balance at 31<sup>st</sup> March 2015</b>	50,000	15,425,393	15,475,393
<b>Changes in Equity</b>			
Dividends	-	(235,000)	(235,000)
Total Comprehensive Income	-	611,883	611,883
<b>Balance at 31<sup>st</sup> March 2016</b>	<u>50,000</u>	<u>15,802,276</u>	<u>15,852,276</u>
<b>Changes in Equity</b>			
Dividends	-	(235,000)	(235,000)
Total Comprehensive Income	-	818,307	818,307
<b>Balance at 31<sup>st</sup> March 2017</b>	<u>50,000</u>	<u>16,385,583</u>	<u>16,435,583</u>

**FLAMINGO LAND LTD**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2017**

	Note	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Profit for the financial period before taxation		1,343,866	1,003,940
Adjustments for:			
Depreciation charges		4,228,484	3,709,059
Profit on sale of fixed assets		(1,493,544)	(841,707)
(Increase)/decrease in stocks		326,879	(407,130)
(Increase)/decrease in debtors		232,361	(1,107,860)
Increase/(decrease) in creditors		(545,619)	1,557,838
Tax paid		(550,000)	(757,914)
<b>Net cash inflow/(outflow) from operating activities</b>		<u>3,542,427</u>	<u>3,156,226</u>
<b>Cash flows from investing activities</b>			
Interest received		6,638	19,732
Interest paid		(15,000)	(15,172)
Purchase of tangible fixed assets		(5,790,655)	(4,364,649)
Sale of tangible fixed assets		1,720,147	872,098
<b>Net cash inflow/(outflow) from investing activities</b>		<u>(4,078,870)</u>	<u>(3,487,991)</u>
<b>Cash flows from financing activities</b>			
Equity dividends paid		(235,000)	(235,000)
<b>Net cash inflow/(outflow) from investing activities</b>		<u>(235,000)</u>	<u>(235,000)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		(771,443)	(566,765)
Cash and cash equivalents at beginning of period	20	1,270,551	1,837,316
Cash and cash equivalents at end of period	20	<u>499,108</u>	<u>1,270,551</u>

The annexed notes form part of these financial statements.

# FLAMINGO LAND LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

### 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 31<sup>st</sup> 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 2017 (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.

# FLAMINGO LAND LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

### 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.

#### *(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.

# FLAMINGO LAND LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

### 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):

	2017	2016
	£	£
Directors' emoluments	1,301,255	988,720
Hire of plant and machinery – operating leases	220,661	117,376
Depreciation and amortisation of owned assets	4,228,484	3,709,059
Auditors' remuneration	18,500	17,750
Auditors' remuneration - non-audit services	13,250	11,020
Profit on sale of fixed assets	(1,493,544)	(841,707)
	<u>                    </u>	<u>                    </u>



# FLAMINGO LAND LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

### 4 Directors Remuneration

	2017 £	2016 £
Highest paid director:		
Emoluments	<u>827,779</u>	<u>586,096</u>

There is one director to whom retirement benefits are accruing under a money purchase pension scheme in respect of qualifying services (2016 - 1).

There are 2 directors to whom retirement benefits are accruing under defined benefit pension schemes in respect of qualifying services (2016 - 2).

# FLAMINGO LAND LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

### 5. Staff Costs

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

	2017 Number	2016 Number
Management and administration	27	27
Production	370	346
	<u>397</u>	<u>373</u>

The aggregate payroll costs of these persons were as follows:

	2017 £	2016 £
Wages and salaries	8,406,582	6,836,282
Social security	702,119	603,716
Other pension costs	132,776	119,936
	<u>9,241,477</u>	<u>7,559,934</u>

### 6. Interest payable and similar charges

	2017 £	2016 £
Other loans	15,000	15,172
	<u>15,000</u>	<u>15,172</u>

# FLAMINGO LAND LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

### 7. Taxation

Analysis of charge in period	2017 £	2016 £
Current tax:		
UK corporation tax on profits of the year	517,197	376,604
Adjustments in respect of prior periods	-	20,013
Total current tax	<u>517,197</u>	<u>396,617</u>
Deferred tax	-	-
Tax on profit on ordinary activities	<u><u>517,197</u></u>	<u><u>396,617</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 (20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>1,335,504</u>	<u>1,008,500</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (20%)	267,101	201,700
Effects of		
Expenses not deductible for tax purposes	66,977	21,609
Depreciation for year in excess of capital allowances	183,119	153,295
Adjustments to charge in respect of previous periods	-	20,013
Current tax charge for year	<u><u>517,197</u></u>	<u><u>396,617</u></u>

# FLAMINGO LAND LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

### 8. Dividends

	2017 £	2016 £
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 2017

### 9. Tangible Fixed Assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2016	5,401,120	46,009,719	386,771	51,797,610
Additions	971,941	4,624,985	193,729	5,790,655
Disposals	(12,862)	(1,436,262)	(125,600)	(1,574,724)
At 31 March 2016	<u>6,360,199</u>	<u>49,198,442</u>	<u>454,900</u>	<u>56,013,541</u>
<b>Depreciation</b>				
At 1 April 2016	-	40,372,551	249,824	40,622,375
Charge for the year	-	4,124,696	103,787	4,228,483
Elimination on disposals	-	(1,253,921)	(94,200)	(1,348,121)
At 31 March 2017	<u>-</u>	<u>43,243,326</u>	<u>259,411</u>	<u>43,502,737</u>
<b>Net book value</b>				
At 31 March 2017	<u>6,360,199</u>	<u>5,955,116</u>	<u>195,489</u>	<u>12,510,804</u>
At 31 March 2016	<u>5,401,120</u>	<u>5,637,169</u>	<u>136,947</u>	<u>11,175,236</u>

Net book value of land and buildings at 31 March 2017 comprised:

	2017 £	2016 £
Freehold land and buildings	<u>6,360,199</u>	<u>5,401,127</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 2017 was £nil (2016 - £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 2017

### 10.Stocks

	2017 £	2016 £
Stock for Resale & Consumables	1,224,798	1,551,677
Animals (Exotic)	20,000	20,000
	<u>1,244,798</u>	<u>1,571,677</u>

### 11.Debtors

#### Receivable within one year:

	2017 £	2016 £
Trade debtors	168,534	164,997
Other debtors	261,408	432,766
Prepayments and accrued income	1,332,600	1,397,140
Corporation tax recoverable	124,633	91,829
	<u>1,887,175</u>	<u>2,086,732</u>

#### Receivable after one year:

	2017 £	2016 £
Amounts owed by group undertakings	<u>8,334,657</u>	<u>8,334,657</u>
<b>Total debtors</b>	<u>10,221,832</u>	<u>10,421,389</u>

### 12.Investments

	2017 £	2016 £
<b>At cost:</b>		
Listed	-	-
Unlisted	100	100
	<u>100</u>	<u>100</u>

# FLAMINGO LAND LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

### 13. Creditors – amounts due within one year

	2017 £	2016 £
Bank loans and overdrafts	577,363	1,260,394
Trade creditors	4,069,238	3,839,070
Social security and other taxes	105,369	103,324
Other creditors	1,243,870	1,125,722
Accruals and deferred income	2,622,482	3,518,460
	<u>8,618,322</u>	<u>9,846,970</u>

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

### 14. Creditors – amounts due after one year

	2017 £	2016 £
Pension Fund Loan	66,666	266,667
Other Loans	7,639	11,806
	<u>74,305</u>	<u>278,473</u>

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

### Analysis of debt maturity

	2017 £	2016 £
Amounts payable:		
Within one year or on demand	577,363	1,260,394
Between one and two years	66,666	266,667
Between two and five years	-	-
In five years or more	-	-
	<u>644,029</u>	<u>1,527,061</u>

# FLAMINGO LAND LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

### 15. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
50,000 ordinary shares of £ 1 each	50,000	50,000
	<u>50,000</u>	<u>50,000</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 and end of the year are included in other debtors (£46,016 - 2017, and £16,536 - 2016). The loan at 31<sup>st</sup> March 2017 was repaid in full on 30<sup>th</sup> April 2017.

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

No contributions were made to the Flamingo Land Ltd self-administered pension fund during the year (2016 - 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 2017

### 18. Capital Commitments

	2017 £	2016 £
Contracted but not provided in the financial statements	1,205,520	387,447
	<u>                    </u>	<u>                    </u>

### 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 31<sup>st</sup> March 2017

	2017 £	2016 £
Cash at bank and on hand	777,480	1,753,088
Loans	(278,372)	(482,537)
	<u>                    </u>	<u>                    </u>
	499,108	1,270,551
	<u>                    </u>	<u>                    </u>

#### Year Ended 31<sup>st</sup> March 2016

	2016 £	2015 £
Cash at bank and on hand	1,753,088	2,524,022
Loans	(482,537)	(686,706)
	<u>                    </u>	<u>                    </u>
	1,270,551	1,837,316
	<u>                    </u>	<u>                    </u>