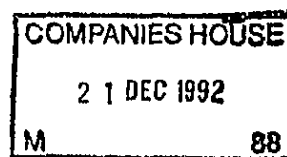


FLAMINGO LAND LIMITED



SC 82543.

REPORT OF THE DIRECTORS
AND
FINANCIAL STATEMENTS
FOR THE
YEAR ENDED 31ST MARCH 1992



FLAMINGO LAND LIMITED

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FLAMINGO LAND LIMITED

Report of the Directors for the year ended 31st March 1992

The Directors present herewith the audited financial statements for the year ended 31st March 1992.

Results:

The results for the year are set out in the Profit and Loss Account on page 3.

Dividend:

The Directors do not recommend the payment of a dividend for the year.

Principal Activity:

The principal activity of the Company is operating a zoo and pleasure park and carrying on the business of selling and letting mobile homes and holiday homes.

Changes in Fixed Assets:

The movement in Tangible Fixed Assets is set out in Note 7.

Directors:

The Directors of the company during the year were:-

Robert Dewar Gibb
Maureen Gibb
Trevor Pullin
Denise Pullin

The director retiring is Trevor Pullin, who being eligible, offers himself for re-election.

Directors' Shareholdings:

According to the register kept by the company, the directors have interests in the company's shares as follows:-

	1992	1991
Robert Dewar Gibb	2,500	2,500
Maureen Gibb	2,500	2,500

Auditors:

White & Hoggard offer themselves for re-appointment as auditors and a resolution to re-appoint them will be proposed at the Annual General Meeting.

By Order of the Board

Mrs D Pullin
Director

9th July 1992

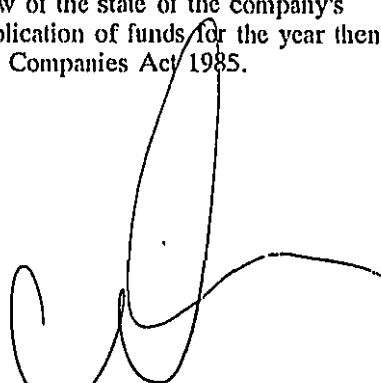
REPORT OF THE AUDITORS
to the Members of
Flamingo Land Limited

We have audited the financial statements on pages 3 to 10 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st March 1992 and of its result and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

1-3 Wheelgate
Malton
North Yorkshire

9th July 1992



WHITE & HOGGARD
Certified Accountants
Registered Auditors

FLAMINGO LAND LIMITED

Profit and Loss Account for the year ended 31st March 1992

	Notes	1992 £	1991 £
Turnover	2	8,345,224	7,793,405
Cost of Sales		(1,398,494)	(1,470,066)
Gross Profit		6,946,730	6,323,339
Staff Costs	4	(2,361,314)	(2,148,588)
Administrative Expenses		(3,508,009)	(3,243,177)
Net Operating Result	3	1,077,407	931,574
Interest Received		153,989	206,931
Interest Payable	5	(66,537)	(39,696)
Profit for year before Taxation		1,164,859	1,098,809
Taxation	6	(443,891)	(391,371)
Profit for year after Taxation	14	720,968	707,438

The notes on pages 5 to 9 form part of these Accounts
Audit Report Page 2

FLAMINGO LAND LIMITED

Balance Sheet as at 31st March 1992

	Notes	1992 £	1991 £
Fixed Assets:			
Tangible Assets	7	3,844,303 =====	4,406,366 =====
Current Assets:			
Stocks	8	129,174	284,827
Investment	9	93,549	68,500
Debtors	10	174,721	319,667
Bank and Cash Balances		1,078,961	1,180,737
		<u>1,476,405</u>	<u>1,853,731</u>
Creditors: Amounts falling due within one year	11	<u>(3,260,743)</u>	<u>(4,922,406)</u>
Net Current (Liabilities)		<u>(1,784,338)</u> =====	<u>(3,068,675)</u> =====
Total Assets Less Current Liabilities		2,059,965	1,337,691
Provision for Liabilities and Charges:			
Deferred Taxation	12	—	—
		<u>2,059,965</u> =====	<u>1,337,691</u> =====
Capital and Reserves:			
Called up Share Capital	13	50,000	50,000
Reserves	14	2,009,965	1,287,691
		<u>2,059,965</u> =====	<u>1,337,691</u> =====

R. Gibb)
M. Gibb) Directors

Robert Gibb
M. Gibb

9th July 1992

The notes on pages 5 to 9 form part of these Accounts
Audit Report page 2

FLAMINGO LAND LIMITED

Notes on the Financial Statements

1. ACCOUNTING POLICIES:

Stocks:

Stocks have been valued at the lower of cost and net realisable value except for animals which have been valued at £20,000 being the original cost at date of acquisition of Flamingo Land by the Company. The costs of subsequent purchases of animals are charged to Profit and Loss Account in the year of purchase. Proceeds from sales of animals are credited to Profit and Loss Account in the year of sale.

Depreciation:

Depreciation on motor vehicles and fixtures and fittings is provided at 25% on a straight line basis over their expected useful lives.

Properties are maintained out of revenue and no depreciation is provided on freehold properties which in the opinion of the directors are worth not less than their book values. In this respect the Company does not comply with Statement of Standard Account Practice No. 12.

Deferred Taxation:

Provision is made for deferred taxation at current tax rates on the excess of the net book values over the written down tax values of fixed assets eligible for capital allowances.

Grants:

Grants received under the Land Drainage Scheme are deducted from the cost of the works.

2. TURNOVER:

Turnover is stated at invoiced value, exclusive of V.A.T.

3. NET OPERATING RESULT:

	1992 £	1991 £
This is stated after charging/(crediting):		
Auditors' Remuneration	4,750	5,000
Directors Remuneration (Note 4)		
Salaries	579,334	487,789
Pension Scheme	500,102	498,773
Depreciation	1,303,204	1,241,357
(Gain) on Sale of Fixed Assets	(132,083)	(44,489)
(Gain)/Loss on Exchange	(1,738)	6,786
Deferred Contributions Released	(757)	(3,000)
Loss on Investments	8,748	-

FLAMINGO LAND LIMITED

Notes on the Financial Statements

4. EMPLOYEES:

The average weekly number of employees during the year was made up as follows:

	No.	No.
Office and Management	12	18
Zoo, Pleasure Park and Mobile Homes	223	225
	—	—
	235	243
	==	==

Staff Costs during the year amounted to:

	1992 £	1991 £
Wages and Salaries	1,156,963	1,037,844
Social Security Costs	111,624	110,980
Pension Scheme	13,291	13,202
	—	—
	1,281,878	1,162,026
	—	—
	£	£

Directors' Remuneration amounted to:

Salaries	579,334	487,789
Pension Scheme	500,102	498,773
	—	—
	1,079,436	986,562
	—	—
	2,361,314	2,148,588
	=====	=====

Emoluments of the Chairman who was also the highest paid Director

300,000	294,094
=====	=====

The emoluments of the other Directors fell within the range:

£ 20,000 - £ 25,000	—	2
£ 25,000 - £ 35,000	2	—
£145,000 - £150,000	—	1
£150,000 - £175,000	1	—

5. INTEREST PAYABLE:

	1992 £	1991 £
Repayable within 5 years:		
Bank	784	4,710
Other	65,573	34,986
	—	—
	66,357	39,696
	=====	=====

FLAMINGO LAND LIMITED

Notes on the Financial Statements

6. TAXATION:

	1992 £	1991 £
The charge for the year comprises:		
United Kingdom Corporation Tax @ 33% (1991 - 34%)	435,263	395,127
Adjustment in respect of prior years	8,628	(3,756)
	<u>443,891</u>	<u>391,371</u>
	=====	=====

The charge to United Kingdom Corporation Tax on the result for the year may be reduced as a result of consortium relief available to the Company.

7. TANGIBLE FIXED ASSETS:

	Freehold Land and Buildings	Motor Vehicles	Fixtures and Fittings	Total
	£	£	£	£
Cost:				
At 1st April 1991	1,788,229	249,903	7,076,629	9,114,761
Additions during year	71,909	4,825	676,124	7,528,858
Disposals during year	-	(8,600)	(131,779)	(140,379)
	<u>1,860,138</u>	<u>246,128</u>	<u>7,620,974</u>	<u>9,727,240</u>
	=====	=====	=====	=====
At 31st March 1992	1,860,138	246,128	7,620,974	9,727,240
	<u>1,860,138</u>	<u>246,128</u>	<u>7,620,974</u>	<u>9,727,240</u>
	=====	=====	=====	=====
Depreciation:				
At 1st April 1991	-	185,385	4,523,010	4,708,395
Disposals during year	-	(7,300)	(121,361)	(128,661)
Charge for year	-	29,481	1,273,722	1,303,203
	<u>-</u>	<u>207,566</u>	<u>5,675,371</u>	<u>5,882,937</u>
	=====	=====	=====	=====
At 31st March 1992	-	207,566	5,675,371	5,882,937
	<u>-</u>	<u>207,566</u>	<u>5,675,371</u>	<u>5,882,937</u>
	=====	=====	=====	=====
Net Book Value:				
At 31st March 1992	1,860,138	38,562	1,945,603	3,844,303
	<u>1,860,138</u>	<u>38,562</u>	<u>1,945,603</u>	<u>3,844,303</u>
	=====	=====	=====	=====
At 31st March 1991	1,788,229	64,518	2,553,619	4,406,366
	<u>1,788,229</u>	<u>64,518</u>	<u>2,553,619</u>	<u>4,406,366</u>
	=====	=====	=====	=====

8. STOCKS:

	1992 £	1991 £
Stocks consist of:		
Animals	20,000	20,000
Catering Food	983	44,892
Animal Food	4,067	2,766
Caravans	19,146	23,210
Provision and Goods for Resale	1,880	21,551
Wines, Spirits and Cigarettes	6,073	23,435
Gifts and Souvenirs	77,074	148,973
	<u>129,174</u>	<u>284,827</u>
	=====	=====

FLAMINGO LAND LIMITED

Notes on the Financial Statements

9. INVESTMENT:

	1992 £	1991 £
a) Deeka Limited		
Shares at cost	50,000	50,000
Current Account	23,500	18,500
b) Pearcross Limited		
Shares at cost	49	-
Current Account	20,000	-
	<hr/>	<hr/>
	93,549	68,500
	=====	=====

a) Deeka Limited is a Company registered in Scotland. The Directors are of the opinion that this investment is worth book value.

b) The Company owns a 49% Shareholding in Pearcross Limited which was incorporated on 18th November 1991 to acquire a pleasure park at Cleethorpes. The Directors are of the opinion that this investment is worth book value.

10 DEBTORS - due within one year:

	1992 £	1991 £
Trade Debtors	16,588	21,489
Other Debtors	118,622	210,611
Prepayments	39,511	87,567
	<hr/>	<hr/>
	174,721	319,667
	=====	=====

11. CREDITORS - amounts falling due within one year:

	1992 £	1991 £
Bank Overdraft	367,199	127,241
Trade Creditors	226,295	831,479
Rents and Deposits Received in Advance	328,412	312,280
Other Taxes and Social Security Costs	48,183	40,564
Other Creditors	34,203	37,649
Accruals	1,051,358	1,954,991
Loan from Pension Fund	750,000	1,000,000
Corporation Tax	455,093	618,202
	<hr/>	<hr/>
	3,260,743	4,922,406
	=====	=====

The overdraft is secured by a mortgage over the freehold property.

FLAMINGO LAND LIMITED

Notes on the Financial Statements

12. DEFERRED TAXATION:

There is no provision required for Deferred Taxation

13. SHARE CAPITAL:

	1992 £	1991 £
Authorised, Issued and Fully Paid		
Ordinary Shares of £1 each	50,000 =====	50,000 =====

14. RESERVES:

	Capital Reserve £	Retained Profit £	Total £
At 1st April 1991	72,678	1,215,013	1,287,691
Addition	1,306	-	1,306
Profit for year after Taxation	-	720,968	720,968
	=====	=====	=====
At 31st March 1992	73,984 =====	1,935,981 =====	2,009,965 =====

15. CAPITAL EXPENDITURE SCHEMES:

There were no commitments for capital expenditure at 31st March 1992 (1991 - Nil), however the Company has a 49% Shareholding in Pearcross Limited which was incorporated on 18th November 1991 and has acquired the Lease of a Pleasure Park at Cleethorpes. Flamingo Land Limited is developing the Pleasure Park and this is anticipated to cost £4.5 million. Development work commenced in April 1992 and the Pleasure Park should open to the public in 1993.

FLAMINGO LAND LIMITED

Statement of Source and Application of Funds for the year ended 31st March 1992

	1992 £	1991 £
SOURCE OF FUNDS:		
Profit on Ordinary Activities before Taxation	1,164,859	1098,809
Adjustment for items not involving Movement of Working Capital		
Depreciation	1,303,204	1241,357
(Gain) on Disposal of Tangible Fixed Assets	(132,083)	(44,489)
TOTAL GENERATED FROM OPERATIONS	2,335,980	2295,677
FUNDS FROM OTHER SOURCES:		
Proceeds of Disposal of Tangible Fixed Assets	143,799	47,239
Loans Received from Pension Fund	500,000	1,500,000
E.T.B. Further Grant Advance Released	1,306	-
	2,981,085	3,842,916
APPLICATION OF FUNDS:		
Purchase of Tangible Fixed Assets	(752,858)	(2,400,845)
Tax Paid	(607,000)	(94,600)
Repayment of Loan to Pension Fund	(750,000)	(500,000)
	(2,109,858)	(2,995,445)
WORKING CAPITAL - Increase/(Decrease)	871,227	847,471
COMPONENTS OF INCREASE/(DECREASE) IN WORKING CAPITAL:		
Stocks	(155,653)	75,233
Investment	25,049	5,000
Debtors and Prepayments	(144,946)	190,690
Creditors	1,488,511	(830,977)
	1,212,961	(560,054)
MOVEMENT IN NET LIQUID FUNDS:		
Bank and Cash	(341,734)	1,407,525
	871,227	847,471

The notes on pages 5 to 9 form part of these Accounts
Audit Report page 2

FLAMINGO LAND LIMITED

Trading and Profit and Loss Account for the year ended 31st March 1992

	1992 £	1991 £
Zoo and Farm Income	4,021,849	3,676,977
	=====	=====
Caravan Income	1,704,903	1,514,402
Less: Related Charges	297,070	348,656
	-----	-----
	1,407,833	1,165,746
	=====	=====
Catering Income	1,174,303	1,284,346
Less: Purchases	380,755	441,087
	-----	-----
	793,548	843,259
	=====	=====
Bar Income	547,700	439,686
Less: Purchases	191,300	160,050
	-----	-----
	356,400	279,636
	=====	=====
Sweet Shop Income	223,695	206,782
Less: Purchases	115,437	102,691
	-----	-----
	108,258	104,091
	=====	=====
Gift Shop Income	648,023	649,987
Less: Purchases	314,556	319,899
	-----	-----
	333,467	330,088
	=====	=====
Flamingo Land Inn Income	24,751	21,225
Less: Purchases	9,782	10,638
	-----	-----
	14,969	10,587
	=====	=====
Deferred Contributions Released	757	3,000
	=====	=====
	7,037,081	6,413,384
	=====	=====
Direct Expenses:		
Purchases of Consumable Equipment	-	-
Purchase of Animals	6,211	5,833
Animal Foods and Bedding	56,618	56,555
Veterinary Fees and Expenses	6,354	5,806
Sundries	21,168	21,851
	-----	-----
	90,351	90,045
	=====	=====
Carried forward	6,946,730	6,323,339
	=====	=====

FLAMINGO LAND LIMITED

Trading and Profit and Loss Account for the year ended 31st March 1992 cont/...

	1992 £	1991 £
Brought forward	6,946,730	6,323,339
Administration Expenses:		
Wages and Salaries	1,268,587	1,148,824
Hires and Rentals	129,055	119,586
Upkeep and Repairs	893,152	726,215
Laundry and Cleaning	106,324	85,686
Staff Welfare and Recruitment	22,335	25,655
Sundry Expenses	58,893	60,285
Advertising, Brochures and Marketing Expenses	481,683	391,602
Heat and Light	144,182	117,641
Rates	99,136	190,279
Insurance	118,797	105,188
Motor Expenses	60,904	50,929
Travelling Expenses	19,689	11,123
Printing and Stationery	41,014	39,557
Telephone and Postages	40,104	40,454
Artists	21,454	29,938
Security Costs	6,679	1,637
	3,511,988	3,144,599
Financial and Other Charges:		
Bank Interest	784	4,710
Other Interest	65,753	34,986
Bank Charges	37,857	29,416
Professional Fees	43,870	9,332
Auditors Remuneration and Expenses	4,750	5,000
Directors' Remuneration	579,334	487,789
Directors' Pension Schemes	500,102	498,773
Staff Pension Scheme	13,291	13,202
Depreciation	1,303,204	1,241,357
	2,548,945	2,324,565
Trading Profit for year	885,797	854,175
Interest Received	153,989	206,931
Gain on Sale of Fixed Assets	132,083	44,489
(Loss) on Investments	(8,748)	-
Gain/(Loss) on Exchange	1,738	(6,786)
Profit for year before Taxation	1,164,859	1,098,809