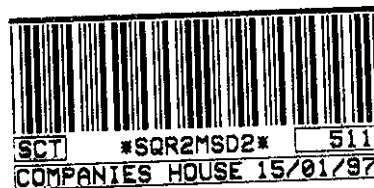


FLAMINGO LAND LIMITED

**REPORT OF THE DIRECTORS
AND
FINANCIAL STATEMENTS
FOR THE
YEAR ENDED 31ST MARCH 1996**

DS



FLAMINGO LAND LIMITED

Year ended 31st March 1996

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FLAMINGO LAND LIMITED

Year ended 31st March 1996

Directors: Mrs Maureen Ann Gibb
Trevor Albert Pullin
Mrs Denise Mary Pullin
Miss Vicky Gibb (appointed 9th May 1995)

Secretary: Joseph Friel
The Cross
Uddingston

Auditors: White & Hoggard
Certified Accountants
1-3 Wheelgate
Malton
North Yorkshire

Solicitors: Ellis Lakin & Co
Pickering
North Yorkshire

Bankers: Barclays Bank Plc
Pickering
North Yorkshire

**Registered
Office:** 11 Cloch Road
Gourock

Company No. 52543 (Registered in Scotland)

FLAMINGO LAND LIMITED

Directors' Report for the year ended 31st March 1996

The Directors present their report and the financial statements for the year ended 31st March 1996

Statement of Directors' Responsibilities

Company law requires the Directors to prepare financial statements for each financial year which 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping proper accounting records which 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 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The company's principal activity continues to be that of a Zoo and Pleasure Park and carrying on the business of selling and letting mobile homes and holiday homes.

Review of Business

The development of Pleasure Island Theme Park was completed during the year ended 31st March 1994 and this park is still developing. The directors are satisfied with the trading performance of both parks in the year and look forward to the future with confidence.

Dividends

No dividends are proposed.

Reserves

The loss after taxation of £440,616 (1995 - Loss £273,676) is deducted from Reserves of £1,605,480 leaving a balance of £1,164,864.

Fixed Assets

Movements in Fixed Assets are:

Additions	Buildings	286,699
	Motor Vehicles	58,956
	Fixtures, Fittings and Equipment	1,655,425
Disposals	Motor Vehicles	44,900
	Fixtures, Fittings and Equipment	178,544

FLAMINGO LAND LIMITED

Directors' Report for the year ended 31st March 1996 cont/...

Donations

Charitable Donations amounted to £100

Directors

The Directors who served during the year and their beneficial interests in the company's issued ordinary share capital were :

	Number of Shares 1996	Number of Shares 1995
Maureen Gibb	5000	2500
Trevor Pullin	-	-
Denise Pullin	-	-
Vicky Gibb	-	-

Auditors

The Auditors, White and Hoggard, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

This report was approved by the board on 1st November 1996 and signed on their behalf.



Mrs D Pullin
Director

Dated : 1st November 1996

FLAMINGO LAND LIMITED

Auditors' Report to the Shareholders of Flamingo Land Limited Year ended 31st March 1996

We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on pages 6.

Respective responsibilities of directors and auditors

As described on pages 1 and 2 the company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31st March 1996 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



**White & Hoggard
Registered Auditors**

**1-3 Wheelgate
Malton
North Yorkshire
YO17 0HT**

Date: 8th November 1996

FLAMINGO LAND LIMITED

Profit and Loss Account for the year ended 31st March 1996

	Notes	1996 £	1995 £
Turnover	2	9,999,255	8,918,338
Cost of Sales		(1,557,664)	(1,268,667)
Gross Profit		<hr/> 8,441,591	<hr/> 7,649,671
Staff Costs	4	(2,931,534)	(2,769,560)
Administrative Expenses		(5,788,268)	(4,871,170)
Net Operating Result	3	<hr/> (278,211)	<hr/> 8,940
Interest Received		96,978	56,945
Interest Payable	5	(187,858)	(172,454)
Loss for year before Taxation		<hr/> (369,091)	<hr/> (106,569)
Taxation	6	(71,525)	(167,107)
Loss for year after Taxation	14	<hr/> <u>(440,616)</u>	<hr/> <u>(273,676)</u>

The notes on pages 6 to 12 form part of these Accounts
Audit Report Page 3

FLAMINGO LAND LIMITED

Balance Sheet as at 31st March 1996

	Notes	1996 £	1995 £
Fixed Assets:			
Tangible Assets	7	5,742,302	6,177,668
		=====	=====
Current Assets:			
Stocks	8	329,184	200,178
Investment	9	91,600	91,600
Debtors	10	436,208	390,546
Bank and Cash Balances		142,210	36,665
		-----	-----
		999,202	718,989
Creditors: Amounts falling due within one year	11	(5,452,656)	(5,167,193)
		-----	-----
Net Current (Liabilities)		(4,453,454)	(4,448,204)
		=====	=====
Total Assets Less Current Liabilities		1,288,848	1,729,464
Provision for Liabilities and Charges:			
Deferred Taxation	12	-	-
		-----	-----
		1,288,848	1,729,464
		=====	=====
Capital and Reserves:			
Called up Share Capital	13	50,000	50,000
Reserves	14	1,238,848	1,679,464
		-----	-----
		1,288,848	1,729,464
		=====	=====

Mrs M Gibb)
) Directors
Mrs D Pullin)

Date: 1st November 1996

The notes on pages 6 to 12 form part of these Accounts
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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.

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.

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. (No provision required).

2. TURNOVER:

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

3. NET OPERATING RESULT:

	1996 £	1995 £
This is stated after charging/(crediting):		
Auditors' Remuneration	8,500	8,250
Directors Remuneration (Note 4)		
Salaries	816,890	689,645
Pension Scheme	163,841	385,064
Depreciation	2,397,236	2,365,163
Profit on Sale of Fixed Assets	(184,234)	(32,722)
Loss on Exchange	-	258
Deferred Contributions Released	(19,045)	(1,234)

FLAMINGO LAND LIMITED

Notes on the Financial Statements

4. EMPLOYEES:

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

	1996 No.	1995 No.
Office and Management	38	35
Pleasure Park, Zoo and Holiday Village	272	226
	<u>310</u>	<u>261</u>
	==	==

Staff Costs during the year amounted to:

	1996 £	1995 £
Wages and Salaries	1,817,183	1,573,342
Social Security Costs	115,225	105,969
Pension Scheme	18,305	15,540
	<u>1,950,713</u>	<u>1,694,851</u>
	=====	=====

£

£

Directors' Remuneration amounted to:

Salaries	816,980	689,645
Pension Scheme	163,841	385,064
	<u>980,821</u>	<u>1,074,709</u>
	=====	=====

Total	<u>2,931,534</u>	<u>2,769,560</u>
	=====	=====

Emoluments of the Chairman who was also the highest paid Director

375,000	380,000
=====	=====

The emoluments of the other Directors fell within the range:

£ 20,000 – £ 25,000	1	1
£ 25,000 – £ 40,000	1	1
£175,000 – £200,000	–	1
£200,000 – £300,000	1	–

FLAMINGO LAND LIMITED

Notes on the Financial Statements

5. INTEREST PAYABLE:

	1996 £	1995 £
Bank	298	18,871
Other	187,560	153,583
	<u>187,858</u>	<u>172,454</u>
	=====	=====

6. TAXATION:

The charge for the year comprises:

	£	£
United Kingdom Corporation Tax	63,947	163,197
Adjustment in respect of prior years	5,757	—
Income Tax on Investment Income	1,821	3,910
	<u>71,525</u>	<u>167,107</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 1995	3,038,294	232,901	16,193,243	19,464,438
Additions during year	286,699	58,956	1,655,425	2,001,080
Disposals during year	—	(100,246)	(169,645)	(269,891)
At 31st March 1996	<u>3,324,993</u>	<u>191,611</u>	<u>17,679,023</u>	<u>21,195,627</u>
	=====	=====	=====	=====
Depreciation:				
At 1st April 1995	—	180,842	13,105,928	13,286,770
Disposals during year	—	(61,036)	(169,645)	(230,681)
Charge for year	—	23,323	2,373,913	2,397,236
At 31st March 1996	<u>—</u>	<u>143,129</u>	<u>15,310,196</u>	<u>15,453,325</u>
	=====	=====	=====	=====
Net Book Value:				
At 31st March 1996	<u>3,324,993</u>	<u>48,482</u>	<u>2,368,827</u>	<u>5,742,302</u>
	=====	=====	=====	=====
At 31st March 1995	<u>3,038,294</u>	<u>52,059</u>	<u>3,087,315</u>	<u>6,177,668</u>
	=====	=====	=====	=====

FLAMINGO LAND LIMITED

Notes on the Financial Statements

8. STOCKS:

	1996 £	1995 £
Stocks consist of:		
Animals	20,000	20,000
Catering Food	50,151	6,996
Animal Food	3,397	3,974
Caravans	47,271	28,432
Provision and Goods for Resale	27,867	5,613
Wines and Spirits	23,022	8,059
Gifts and Souvenirs	143,308	125,185
Bingo Prizes	1,625	1,919
Staff Uniforms	12,543	-
	<u>329,184</u>	<u>200,178</u>
	=====	=====

9. INVESTMENT:

	1996 £	1995 £
a) Deeka Limited		
Shares at cost	50,000	50,000
Current Account	41,500	41,500
b) Pearcross Limited		
Shares at cost	100	100
Current Account	-	-
	<u>91,600</u>	<u>91,600</u>
	=====	=====

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 100% Shareholding in Pearcross Limited. The Company has not traded and the Directors are of the opinion that this investment is worth book value.

10 DEBTORS - due within one year:

	1996 £	1995 £
Trade Debtors	694	872
Other Debtors	336,418	315,086
Prepayments	99,096	74,588
	<u>436,208</u>	<u>390,546</u>
	=====	=====

FLAMINGO LAND LIMITED

Notes on the Financial Statements

11. CREDITORS – amounts falling due within one year:

	1996 £	1995 £
Bank Overdraft	342,238	582,702
Trade Creditors	1,740,177	1,504,125
Rents and Deposits Received in Advance	624,721	442,553
Other Taxes and Social Security Costs	58,682	55,556
Other Creditors	9,148	32,532
Accruals	445,018	786,528
Corporation Tax	69,703	163,197
Loan from :		
Pension Fund	1,500,000	1,500,000
Mrs M Gibb	435,000	100,000
Exors of R D Gibb	227,969	–
	<hr/>	<hr/>
	5,452,656	5,167,193
	=====	=====

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

12. DEFERRED TAXATION:

There is no provision required for Deferred Taxation

13. SHARE CAPITAL:

	1996 £	1995 £
Authorised, Issued and Fully Paid Ordinary Shares of £1 each	50,000	50,000
	=====	=====

14. RESERVES:

	Capital Reserve £	Retained Profit £	Total £
At 1st April 1995	73,984	1,605,480	1,679,464
(Loss) for year after Taxation	–	(440,616)	(440,616)
	<hr/>	<hr/>	<hr/>
At 31st March 1996	73,984	1,164,864	1,238,848
	=====	=====	=====

15. CAPITAL EXPENDITURE SCHEMES:

There were no commitments for capital expenditure at 31st March 1996.

FLAMINGO LAND LIMITED

Cash Flow Statement for the year ended 31st March 1996

	£	1996 £	£	1995 £
Net Cash Inflow from Operating Activities (Note 1)		1,816,575		2,554,500
Returns on Investments and Servicing of Finance				
Interest Received	96,978		56,945	
Interest Paid	(187,858)		(172,454)	
Net Cash(Outflow)/Inflow from Returns on Investments and Servicing of Finance		(90,880)		(115,509)
Taxation				
Corporation Tax (Paid) Repaid in year (including Advance Corporation Tax)	(163,197)		45,219	
Income Tax Paid	(1,822)		(3,910)	
Tax Repaid (Paid)		(165,019)		4,160
Investing Activities:				
Payments to acquire Tangible Fixed Assets	(2,001,080)		(1,157,821)	
Receipts from Sales of Tangible Fixed Assets	223,444		49,773	
Receipts from Loans Repaid	-		(6,000)	
Payments to acquire Shares	-		-	
Net Cash (Outflow) from Investment Activities		(1,777,636)		(1,114,048)
Net Cash Inflow/(Outflow) before Financing		(216,960)		1,366,252
Financing				
Loans	562,969		40,000	
Net Cash Inflow from Financing		562,969		40,000
Increase/(Decrease) in Cash and Cash Equivalents		346,009		1,406,252
		=====		=====

The notes on pages 6 to 12 form part of these Accounts
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FLAMINGO LAND LIMITED

Notes to the Cash Flow Statement for the year ended 31st March 1996

	1996	1995	
1. Reconciliation of operating profit to net cash inflow from operating activities.			
	£	£	
Operating Profits(Loss)	(278,211)	8,940	
Depreciation Charges	2,397,236	2,365,163	
Book Profit on Sale of Tangible Fixed Assets	(184,234)	(32,722)	
(Increase) in Stocks	(129,006)	(171,479)	
(Increase) in Debtors and Prepayments	(45,662)	(86,472)	
(Decrease)/Increase in Creditors	56,452	128,112	
	<hr/>	<hr/>	
Net Cash Inflow from Operating Activities	1,816,575	2,554,500	
	=====	=====	
2. Analysis of changes in cash and cash equivalents during the year			
Balance at 1st April 1995	(546,037)	(1,952,289)	
Net Inflow/(Outflow)	346,009	1,406,252	
	<hr/>	<hr/>	
Balance at 31st March 1996	(200,028)	(546,037)	
	=====	=====	
3. Analysis of the balances of cash and cash equivalents as shown in the Balance Sheet			
	1996	1995	Change
	£	£	year
			£
Cash at Bank and in Hand	142,210	36,665	105,545
Bank Overdrafts	(342,238)	(582,702)	240,464
	<hr/>	<hr/>	<hr/>
	(200,028)	(546,037)	346,009
	=====	=====	=====
4. Analysis of changes in financing during the year			
	Share Capital	Loans	
Balance at 1st April 1995	50,000	1,600,000	
Cash Inflow/(Outflow) from financing	—	562,969	
	<hr/>	<hr/>	
Balance at 31st March 1996	50,000	2,162,969	
	<hr/>	<hr/>	

The notes on pages 6 to 12 form part of these Accounts
Audit Report page 3

FLAMINGO LAND LIMITED

Trading and Profit and Loss Account for the year ended 31st March 1996

	1996 £	1995 £
INCOME:		
Pleasure Park & Zoo	5,159,374 =====	4,893,103 =====
Caravan and Holiday Village Income	1,918,623	1,935,032
Less: Related Charges	263,446	294,886
	<u>1,655,177</u> =====	<u>1,640,146</u> =====
Catering Income	1,265,048	670,022
Less: Purchases	432,291	228,161
	<u>832,757</u> =====	<u>441,861</u> =====
Bar Income	746,618	591,873
Less: Purchases	255,678	189,411
	<u>490,940</u> =====	<u>402,462</u> =====
Sweet Shop Income	249,756	225,409
Less: Purchases	126,655	123,524
	<u>123,101</u> =====	<u>101,885</u> =====
Gift Shop Income	587,991	581,830
Less: Purchases	310,781	307,433
	<u>277,210</u> =====	<u>274,397</u> =====
Key Man Insurance Compensation	52,800 =====	- =====
Loss of Income Compensation	- =====	19,835 =====
Deferred Contributions Released	19,045 =====	1,234 =====
Income carried forward	8,610,404 =====	7,774,923 =====

FLAMINGO LAND LIMITED

Trading and Profit and Loss Account for the year ended 31st March 1996 cont/...

	1996 £	1995 £
EXPENDITURE:		
Direct Expenses:		
Purchase of Animals	3,183	2,015
Animal Foods and Bedding	66,820	60,587
Veterinary Fees and Expenses	4,060	4,587
Sundries	94,750	58,063
	<u>168,813</u>	<u>125,252</u>
	=====	=====
Adminstration Expenses:		
Wages and Salaries	1,932,408	1,679,311
Hire and Rentals	184,640	212,553
Upkeep and Repairs	1,318,608	642,661
Laundry and Cleaning	145,628	120,547
Staff Welfare and Recruitment	1,862	22,204
Ride Inspection Fees	21,348	21,696
Licences	24,151	24,916
Sundry Expenses	23,236	20,376
Advertising, Brochures and Marketing Expenses	873,159	639,063
Heat and Light	172,013	155,693
Rates	190,327	181,843
Insurance	206,222	177,566
Motor Expenses	79,195	83,980
Travelling Expenses	10,349	3,725
Printing and Stationery	114,090	50,380
Telephone and Postages	66,325	59,356
Artists	51,380	42,039
Security Costs	24,308	16,466
	<u>5,439,249</u>	<u>4,154,375</u>
	=====	=====
Financial and Other Charges:		
Bank Interest	298	18,871
Other Interest	187,560	153,583
Bank Charges	35,888	40,897
Professional Fees	24,037	14,261
Auditors Remuneration	8,500	8,250
Directors' Remuneration	816,980	689,645
Directors' Pension Schemes	163,841	385,064
Staff Pension Scheme	18,305	15,540
Depreciation (Net of Book Profit)	2,213,002	2,332,441
	<u>3,468,411</u>	<u>3,658,552</u>
	=====	=====
Expenditure carried forward	<u>9,076,473</u>	<u>7,938,179</u>
	=====	=====

FLAMINGO LAND LIMITED**Trading and Profit and Loss Account for the year ended 31st March 1996 cont/...**

	1996 £	1995 £
Income brought forward	8,610,404	7,774,923
Expenditure brought forward	9,076,473	7,938,179
	<hr/>	<hr/>
Trading Loss for the year	(466,069)	(163,256)
Interest Received	96,978	56,945
Loss on Exchange	—	(258)
	<hr/>	<hr/>
Loss for year before Taxation	<u>(369,091)</u>	<u>(106,569)</u>