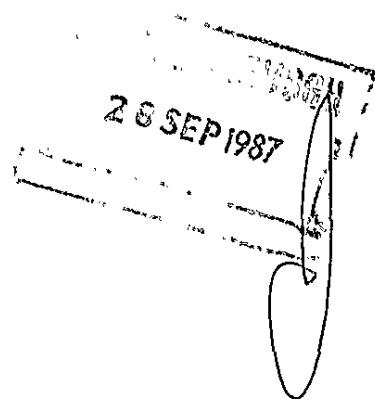


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FLAMINGO LAND LIMITED  
REPORT OF THE DIRECTORS  
AND  
FINANCIAL STATEMENTS  
FOR THE  
YEAR ENDED 31ST MARCH 1987

Shales  
CONSOLIDATED



FLAMINGO LAND LIMITED

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Company will be held at Kirby Misperton on Thursday, 6th August 1987 at 12 noon for the following purposes:-

1. To consider and if thought fit, adopt the Directors' Report and Financial Statements for the year ended 31st March 1987.
2. To re-elect a director.
3. To confirm the appointment of a director.
4. To re-appoint the auditors, Sharles, Chartered Accountants (formerly F.F. Sharles & Co.) as auditors.
5. To transact any other ordinary business of the company.

By Order of the Board

Joseph Friel

Secretary.

18 Sandyford Place,  
GLASGOW, G3 7NB.

5th August 1987.

FLAMINGO LAND LIMITED  
Report of the Directors  
for the Year ended 31st March 1987

The directors present herewith the audited financial statements for the year ended 31st March 1987.

RESULTS

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

DIVIDEND

The directors do not recommend 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

The director retiring is Maureen Gibb, who being eligible, offers herself for re-election. Trevor Pullen was appointed a director on 1st December 1986 and this appointment falls to be confirmed at the Annual General Meeting.

DIRECTORS' SHAREHOLDINGS

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

	<u>1987</u>	<u>1986</u>
Robert Dewar Gibb	2,500	2,500
Maureen Gibb	2,500	2,500

AUDITORS

Sharles, Chartered Accountants, are willing to continue in office and a resolution to re-appoint them will be proposed.

By Order of the Board

Joseph Friel

Secretary.

13 Sandyford Place,  
GLASGOW, G3 7NB.  
5th August 1987.

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 approved auditing standards.

As more fully explained in note 1, the company has not complied with Statement of Accounting Practice No. 12 concerning depreciation of freehold property.

Subject to this remark, in our opinion the financial statements, which have been prepared under the historical cost convention, give a true and fair view of the state of the company's affairs at 31st March 1987 and of its result and source and application of funds for the year then ended on that date, and comply with the Companies Act 1985.

SHARLES

Chartered Accountants.

GLASGOW.

5th August 1987.

SHARLES

FLAMINGO LAND LIMITED

Profit & Loss Account for Year ended 31st March 1987

	<u>Notes</u>	<u>1987</u> £	<u>1986</u> £
TURNOVER	2	3,139,374	2,419,990
Cost of Sales		<u>(603,601)</u>	<u>(501,728)</u>
GROSS PROFIT		2,535,773	1,918,262
Staff Costs		(805,761)	(843,334)
Administrative Expenses		<u>(1,811,250)</u>	<u>(1,183,719)</u>
NET OPERATING RESULT	3	(81,238)	(108,791)
Interest Received		29,935	43,431
Interest Payable	5	<u>(26,711)</u>	<u>(15,333)</u>
(LOSS) FOR YEAR BEFORE TAXATION		(78,014)	(80,693)
Taxation	6	<u>676</u>	<u>38,147</u>
(LOSS) FOR YEAR AFTER TAXATION		(77,338)	(42,546)
Retained Profit Brought Forward		<u>320,923</u>	<u>363,469</u>
RETAINED PROFIT CARRIED FORWARD		<u>243,585</u>	<u>320,923</u>

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 1987

	Notes	1987 £	1986 £
FIXED ASSETS			
Tangible Assets	7	1,741,939	1,473,089
CURRENT ASSETS			
Stocks	8	79,291	145,354
Investment	9	30,000	30,000
Debtors	10	183,740	139,677
Bank & Cash Balances		53,085	71,997
		346,116	387,028
CREDITORS: amounts falling due within one year	11	(1,794,470)	(1,443,044)
NET CURRENT (LIABILITIES)		(1,448,354)	(1,056,016)
TOTAL ASSETS LESS CURRENT LIABILITIES		293,585	417,073
PROVISION FOR LIABILITIES AND CHARGES			
Deferred Taxation	12	-	(46,150)
		293,585	370,923
CAPITAL AND RESERVES			
Called Up Share Capital	13	50,000	50,000
Reserves		243,585	320,923
		293,585	370,923

Director: R. Gibb  
Director: M. Gibb

*Robert Gibb*  
*M. Gibb*

5th August 1987.

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 Accounting 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

	<u>1987</u>	<u>1986</u>
	£	£
This is stated after charging/(crediting):		
Auditors' Remuneration	3,800	3,300
Directors' Remuneration (Note 4)		
Salaries	188,686	286,000
Pension Scheme	153,000	256,000
Depreciation	654,431	444,167
(Profit) on Sale of Fixed Assets	(15,171)	(6,598)
(Loss)/Gain on Exchange	(6,273)	1,392
Deferred Contributions Released	-	(2,142)
	<u>          </u>	<u>          </u>

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	12
Zoo, Pleasure Park and Mobile Homes	98	77
	—	—
	110	89
	—	—

Staff Costs during the year amounted to:

	1987	1986
	—	—
	£	£
Wages and Salaries	415,727	256,904
Social Security Costs	48,348	44,430
	—	—
	464,075	301,334
	—	—
	£	£

Directors' Remuneration amounted to:

Salaries	188,686	286,000
Pension Scheme	153,000	256,000
	—	—
	341,686	542,000
	—	—
	118,000	843,334
	—	—

Emoluments of the Chairman who was also the highest paid Director

137,230	175,000
—	—

The emoluments of the other Directors fell within the range:

£15,001 - £20,000	1	—
£50,001 - £55,000	1	—
£110,000 - £115,000	—	1

5. INTEREST PAYABLE

	1987	1986
	—	—
	£	£
Repayable within 5 years:		
Bank	7,823	3,188
Other	18,888	12,145
	—	—
	26,711	15,333
	—	—



FLAMINGO LAND LIMITED

Notes on the Financial Statements

6. TAXATION

	1987	1986
	£	£
The charge for the year comprises:		
United Kingdom Corporation Tax at 35%	45,200	-
Deferred Taxation at 35% (1986 - 40%)	(46,150)	(38,147)
Adjustment in respect of prior year	274	-
	<u>(676)</u>	<u>(38,147)</u>

The charge to United Kingdom Corporation Tax on the result for the year has been reduced as a result of consortium relief being available to the company.

7. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	Motor Vehicles	Fixtures & Fittings	Total
Cost				
At 1st April 1986	511,973	70,679	1,732,827	2,315,479
Additions during Year	-	79,559	859,589	939,148
Disposals during Year	-	(10,200)	(50,735)	(60,935)
At 31st March 1987	<u>511,973</u>	<u>140,038</u>	<u>2,541,681</u>	<u>3,193,692</u>
Depreciation				
At 1st April 1986	-	36,666	805,724	842,390
Disposals during Year	-	(5,000)	(40,068)	(45,068)
Charge for Year	-	32,424	622,007	654,431
At 31st March 1987	<u>-</u>	<u>64,090</u>	<u>1,387,663</u>	<u>1,451,753</u>
Net Book Value at 31st March 1987	<u>511,973</u>	<u>75,948</u>	<u>1,154,018</u>	<u>1,741,939</u>

8. STOCKS

	1987	1986
	£	£
Stocks consist of:		
Animals	20,000	20,000
Catering Food	2,102	22,122
Animal Food	2,764	1,722
Caravans	24,484	61,658
Provisions & Goods for Resale	1,475	960
Wines, Spirits & Cigarettes	3,890	5,166
Gifts & Souvenirs	24,320	33,269
Calor Gas	256	457
	<u>79,291</u>	<u>145,354</u>

FLAMINGO LAND LIMITED

Notes on the Financial Statements

9. INVESTMENT

The investment represents a 20% interest in Deeka Limited, a company registered in Scotland. The Directors are of the opinion that this investment is worth book value.

10. DEBTORS - due within one year

	<u>1987</u>	<u>1986</u>
	£	£
Trade Debtors	7,376	6,889
Other Debtors	118,954	114,357
Prepayments	57,140	18,157
Corporation Tax Recoverable	-	274
	<u>183,740</u>	<u>139,677</u>

11. CREDITORS - amounts falling due within one year

	<u>1987</u>	<u>1986</u>
	£	£
Bank Overdraft	455,400	224,880
Trade Creditors	822,947	758,187
Rents and Deposits Received in Advance	114,598	106,578
Other Taxes and Social Security Costs	9,761	123,865
Other Creditors	1,855	17,327
Accruals	144,709	12,207
Loan from Pension Fund	200,000	200,000
Corporation Tax	45,200	-
	<u>1,794,470</u>	<u>1,443,044</u>

The overdraft is guaranteed by two of the directors for £50,000 plus interest and is secured by a mortgage over the freehold property. The loan from the company's Self Administered Pension Fund is unsecured and bears interest at a rate linked to bank base rate.

FLAMINGO LAND LIMITED

Notes on the Financial Statements

12. DEFERRED TAXATION

	<u>1987</u>	<u>1986</u>
	<u>£</u>	<u>£</u>
The provision at 31st March 1987 comprises:		
Excess of capital allowances over depreciation provided in the accounts at 35% (1986 - 40%)	-	46,150

The full potential liability at 31st March 1987 was £nil.

13. SHARE CAPITAL

	<u>1987</u>	<u>1986</u>
	<u>£</u>	<u>£</u>
Authorised, Issued & Fully Paid		
Ordinary Shares of £1 each	50,000	50,000

14. CAPITAL EXPENDITURE SCHEMES

There were no commitments for capital expenditure at 31st March 1987 (1986 - £nil).

FLAMINGO LAND LIMITED

Statement of Source and Application of Funds  
for Year ended 31st March 1987

	1987	1986
	£	£
<b>SOURCE OF FUNDS</b>		
(Loss) on Ordinary Activities before Taxation	(78,014)	(80,693)
Adjustment for items not involving Movement of Working Capital:		
Depreciation	654,431	444,167
(Profit) on Disposal of Tangible Fixed Assets	(15,171)	(6,598)
Release from Deferred Income	-	(2,142)
<b>TOTAL GENERATED FROM OPERATIONS</b>	<b>561,246</b>	<b>354,734</b>
<b>FUNDS FROM OTHER SOURCES</b>		
Proceeds of Disposal of Tangible Fixed Assets	31,038	14,297
	<u>592,284</u>	<u>369,031</u>
<b>APPLICATION OF FUNDS</b>		
Purchase of Tangible Fixed Assets	<u>939,148</u>	<u>871,566</u>
<b>WORKING CAPITAL - (Decrease)</b>	<b>(346,864)</b>	<b>(502,535)</b>
<b>COMPONENTS OF INCREASE/(DECREASE) IN WORKING CAPITAL</b>		
Stocks	(66,063)	63,725
Debtors & Prepayments	44,337	42,972
Creditors	(75,706)	(696,468)
	<u>(97,432)</u>	<u>(589,771)</u>
<b>MOVEMENT IN NET LIQUID FUNDS</b>		
Bank & Cash	(249,432)	87,236
	<u>(346,864)</u>	<u>(502,535)</u>

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

FLAMINGO LAND LIMITED

Trading & Profit & Loss Account for Year ended 31st March 1987

	1987	1986
Zoo & Farm Income	1,536,387	1,187,990
Caravan Income	601,428	475,247
Less: Related Charges	126,741	102,734
	474,687	372,513
Catering Income	476,975	403,196
Less: Purchases	162,720	148,936
	314,255	256,260
Bar Income	152,444	129,477
Less: Purchases	72,382	64,721
	80,062	64,756
Sweet Shop Income	106,421	-
Less: Purchases	60,995	-
	45,426	-
Gift Shop Income	265,719	222,080
Less: Purchases	121,798	115,302
	143,921	106,778
Deferred Contributions Released	-	2,142
	2,594,738	1,990,439
Direct Expenses		
Purchases of Animals	2,325	2,903
Animal Foods & Bedding	41,283	36,785
Veterinary Fees & Expenses	1,244	1,891
Sundries	14,113	28,456
	58,965	70,035
	2,535,773	1,920,404

CARRIED FORWARD