

**Registered no. 07107721**

**FLAMINGO LAND RESORT LTD**

**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2013**



**WHITE & HOGGARD**  
**1 WHEELGATE**  
**MALTON**  
**NORTH YORKSHIRE**  
**YO17 7HT**

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# **FLAMINGO LAND RESORT LTD**

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# **FLAMINGO LAND RESORT LTD**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013**

The directors present their report and the financial statements of the company for the year ended 31 March 2013

### **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.

### **Directors**

G S Gibb  
Mrs M A Gibb  
Mrs D M Pullin  
Miss V Gibb

### **Director acting as signatory**

G S Gibb

### **Registered Office**

1-3 Wheelgate  
Malton  
North Yorkshire  
YO17 7HT

### **Principal Activity**

The principal activity of the company throughout the year was that of pleasure park and zoo

### **Group's policy on payment of creditors**

The Group's 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 Group does not follow any code or standard of payment practice.

# FLAMINGO LAND RESORT LTD

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (CONT)

### Review of Business

The year to 31<sup>st</sup> March 2013 has seen turnover increase by 5.39% from £19.45m in the year ended 31<sup>st</sup> March 2012 to £20.51m in the year ended 31<sup>st</sup> March 2013. The directors attribute this to a number of factors not least the Capital expenditure incurred on new rides and attractions of £2.65m in the year, which is in addition to the expenditure incurred in the previous year of £2.56m. While the year ended 31<sup>st</sup> March 2012 saw the addition of the ride Air Force and completion of the Children's Planet play area, the year ended 31<sup>st</sup> March 2013 saw the addition rides Junior Twist and Vertical Swing and continued development of the Holiday Village. In addition work started on the new major ride "Hero" which opened to the public in summer 2013.

Although turnover increased during the year, operating profit reduced to £1.40m (from £2.37m in 2012). Key factors for this reduction are attributed to an increase in depreciation charges to £1.7m (2012 - £1.1m) and an increase in Repairs and renewals to £2.59m (2012 - £2.00m). Company policy has always been to depreciate rides and attractions on a straight line basis over a four year period and therefore the high level of Capital investment in recent years has led to an increase in depreciation charges. The increase in repair costs is simply attributed 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 and safety standards.

Key Performance Indicators – Flamingo Land is unique in that it combines three major attractions in one location and there is no other theme park directly comparable on a like for like basis. Flamingo land is further unique as it is a family owned and run operation. The following KPI's are however notable:

|                   |                          |
|-------------------|--------------------------|
| Turnover increase | - 5.9%                   |
| Gross Margins     | - 83.5% (2012 – 84.4%)   |
| Retained Profit   | - £0.72m (2012 - £1.63m) |

The company faces a number of risks and uncertainties and the directors believe that the key business risks are in respect of the competitive 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 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 but they believe that the company is in a good financial position and they remain 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. Indeed it can be noted from the Capital commitment at 31<sup>st</sup> March 2013 that the Company has committed £2.33m for a new ride that was opened in 2013 (Hero).

### 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.

# FLAMINGO LAND RESORT LTD

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (CONT)

### 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 through 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.

### Charitable Donations

During the year the Company made Charitable donations amounting to £19,915 (2012 - £19,397). These donations include £1,250 to local causes and £18,665 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.

### 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.

### Results and Dividends

The holding company has taken advantage of the Companies Act 2006 Section 408 and has not prepared its own Profit & Loss Account. The reported profit for the year was £235,000 dividend received which was then paid to shareholders by a dividend from the holding company.

The results of the year's trading and the financial position of the company are shown in the annexed accounts.

The company's profit for the year, after taxation, amounted to £ 954,493 (2012 - £ 1,864,985).

On 28<sup>th</sup> September 2012 a dividend was paid amounting to £ 235,000 (2012 - £ 235,000). No further dividend is proposed for the year.

### Directors

The present directors are as shown above. All served on the board throughout the year.

The company's Articles of Association do not require directors to retire by rotation.

### Insurance

During the year the company made payments to insure the directors against liabilities in relation to the company.

# FLAMINGO LAND RESORT LTD

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (CONT)

### 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 2013 | 1 April 2012 |
|-----------------------------------|---------------|--------------|
| G S Gibb<br>Ordinary Shares       | 5713          | 5713         |
| Mrs M A Gibb<br>Ordinary Shares   | -             | -            |
| Miss V Gibb<br>Ordinary Shares    | 4286          | 4286         |
| Mrs D M Pullin<br>Ordinary Shares | -             | -            |

### Statement of disclosure of information to auditors

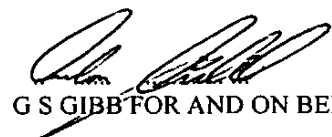
We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that -

- 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 RESORT LTD – DESIGNATED MEMBER

Date 17<sup>th</sup> February 2014

**FLAMINGO LAND RESORT LTD**  
**INDEPENDENT AUDITOR'S REPORT (GROUP)**  
**TO THE SHAREHOLDERS OF FLAMINGO LAND RESORT LTD**

We have audited the Group Financial Statements of Flamingo Land Resort Ltd for the year ended 31 March 2013 which comprise the Group Profit and Loss Account, the Group Balance Sheet, the Group Cash Flow Statement, the Parent Company Balance Sheet, the statement of total recognised gains and losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 21, 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 group financial statements and parent company financial statements**

In our opinion:

- the group financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2013 and of its profit for the year then ended,
- the parent company financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2013 and of its profit (Loss) for the year then ended
- the financial statements have been properly prepared in accordance with the Companies Act 2006

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

In our opinion the information given in 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 our audit

  
A W RICHARDSON (SENIOR STATUTORY AUDITOR)

for and on behalf of

**WHITE & HOGGARD**

Registered Auditors

Date 17<sup>th</sup> February 2014

1 WHEELGATE  
MALTON  
NORTH YORKSHIRE  
YO17 7HT

# FLAMINGO LAND RESORT LTD

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2013

|                                                      | Note | 2013<br>£    | 2012<br>£    |
|------------------------------------------------------|------|--------------|--------------|
| <b>TURNOVER</b>                                      | 2    | 20,507,281   | 19,457,292   |
| Cost of sales                                        |      | (3,644,481)  | (3,248,307)  |
| <b>GROSS PROFIT</b>                                  |      | 16,862,800   | 16,208,985   |
| Administrative expenses                              |      | (15,458,487) | (13,841,915) |
| <b>OPERATING PROFIT</b>                              | 3    | 1,404,313    | 2,367,070    |
| Other interest receivable and similar income         |      | 15,827       | 11,791       |
| Interest payable and similar charges                 | 6    | (26,853)     | (33,741)     |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |      | 1,393,287    | 2,345,120    |
| Tax on profit on ordinary activities                 | 7    | (438,794)    | (480,123)    |
|                                                      |      | 954,493      | 1,864,997    |
| <b>EXCEPTIONAL ITEMS</b>                             |      |              |              |
| Goodwill written off                                 | 10   | -            | (525,429)    |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                 |      | 954,493      | 1,339,568    |
| Dividends                                            | 8    | (235,000)    | (235,000)    |
| <b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>        |      | 719,493      | 1,104,568    |
| Retained profit brought forward                      |      | 3,722,529    | 2,617,961    |
| <b>RETAINED PROFIT CARRIED FORWARD</b>               |      | 4,442,022    | 3,722,529    |

There are no recognised gains or losses other than the profit for the financial year shown above

The annexed notes form part of these financial statements



## FLAMINGO LAND RESORT LTD

### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2013

|                                                        | Note | 2013<br>£ | 2012<br>£ |
|--------------------------------------------------------|------|-----------|-----------|
| Profit for the financial year from ordinary activities |      | 954,493   | 1,864,997 |
| Other Gains and Losses for the year                    | 10   | -         | (525,429) |
| Total recognised gains and losses for the year         |      | 954,493   | 1,339,568 |
| Dividends                                              | 7    | (235,000) | (235,000) |
| NET ADDITION TO SHAREHOLDERS FUNDS                     |      | 719,493   | 1,104,568 |

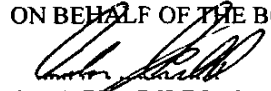
# FLAMINGO LAND RESORT LTD

## BALANCE SHEET AT 31 MARCH 2013

|                                              |        |                  | 2013<br>£               | 2012<br>£               |
|----------------------------------------------|--------|------------------|-------------------------|-------------------------|
| <b>FIXED ASSETS</b>                          |        |                  |                         |                         |
| Tangible assets                              | 9      |                  | 8,474,599               | 8,308,889               |
| Goodwill                                     | 10     |                  | -                       | -                       |
|                                              |        |                  | <u>8,474,599</u>        | <u>8,308,889</u>        |
| <b>CURRENT ASSETS</b>                        |        |                  |                         |                         |
| Stocks                                       | 10 (a) | 1,019,189        | 1,024,359               |                         |
| Debtors                                      | 11     | 1,118,899        | 862,614                 |                         |
| Investments                                  | 12     | 100              | 100                     |                         |
| Cash at bank and in hand                     |        | 933,428          | 913,295                 |                         |
|                                              |        | <u>3,071,616</u> | <u>2,800,368</u>        |                         |
| <b>CREDITORS</b>                             |        |                  |                         |                         |
| Amounts falling due within one year          | 13     | (6,165,600)      | (6,283,373)             |                         |
| <b>NET CURRENT ASSETS/(LIABILITIES)</b>      |        |                  | <u>(3,093,984)</u>      | <u>(3,483,005)</u>      |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |        |                  | <u>5,380,615</u>        | <u>4,825,884</u>        |
| <b>CREDITORS</b>                             |        |                  |                         |                         |
| Amounts falling due after more than one year | 14     |                  | (928,594)               | (1,093,356)             |
| <b>NET ASSETS</b>                            |        |                  | <u><u>4,452,021</u></u> | <u><u>3,732,528</u></u> |
| <b>CAPITAL AND RESERVES</b>                  |        |                  |                         |                         |
| Called up share capital                      | 15     |                  | 9,999                   | 9,999                   |
| Profit and loss account                      |        |                  | 4,442,022               | 3,722,529               |
| <b>SHAREHOLDERS' FUNDS</b>                   | 16     |                  | <u><u>4,452,021</u></u> | <u><u>3,732,528</u></u> |

These financial statements were approved by the board on 17<sup>th</sup> February 2014

ON BEHALF OF THE BOARD

  
G S GIBB - DIRECTOR  
COMPANY NO 07107721

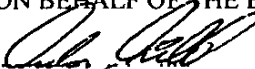
The annexed notes form part of these financial statements

# FLAMINGO LAND RESORT LTD

## PARENT COMPANY BALANCE SHEET AT 31 MARCH 2013

|                                                                                            | 2013<br>£   | 2012<br>£   |
|--------------------------------------------------------------------------------------------|-------------|-------------|
| <b>FIXED ASSETS</b>                                                                        |             |             |
| Investment (50,000 £1 Ordinary Shares in Flamingo Land Ltd)                                | 8,346,669   | 8,346,669   |
| <b>CURRENT ASSETS</b>                                                                      |             |             |
| <b>CREDITORS</b>                                                                           |             |             |
| Amounts falling due within one year                                                        | (2,000)     | (2,000)     |
| <b>NET CURRENT ASSETS/(LIABILITIES)</b>                                                    | (2,000)     | (2,000)     |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                                               | 8,344,669   | 8,344,669   |
| <b>CREDITORS</b>                                                                           |             |             |
| Amounts falling due after more than one year – Flamingo Land Ltd (wholly owned subsidiary) | (8,334,662) | (8,334,659) |
| <b>NET ASSETS</b>                                                                          | 10,007      | 10,010      |
| <b>CAPITAL AND RESERVES</b>                                                                |             |             |
| Called up share capital                                                                    | 9,999       | 9,999       |
| Profit and loss account                                                                    | 8           | 11          |
| <b>SHAREHOLDERS' FUNDS</b>                                                                 | 10,007      | 10,010      |

These financial statements were approved by the board on 17<sup>th</sup> February 2014  
ON BEHALF OF THE BOARD

  
G S GIBB - DIRECTOR  
Company No 07107721

The annexed notes form part of these financial statements

# FLAMINGO LAND RESORT LTD

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2013

|                                                        | Note        | 2013<br>£   | 2012<br>£   |
|--------------------------------------------------------|-------------|-------------|-------------|
| <b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>       | 21          | 2,793,005   | 2,330,693   |
| <b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b> |             |             |             |
| Interest received                                      | 15,827      | 11,791      |             |
| Interest paid                                          | (26,853)    | (29,944)    |             |
| Interest element of finance                            |             |             |             |
| Lease rental payments                                  | -           | (3,797)     |             |
|                                                        |             | (11,026)    | (21,950)    |
| <b>TAXATION</b>                                        |             | (503,603)   | (840,680)   |
| <b>CAPITAL EXPENDITURE</b>                             |             |             |             |
| Payments to acquire fixed assets                       | (2,654,590) | (2,564,993) |             |
| Receipts from sales of fixed assets                    | 759,687     | 1,099,680   |             |
|                                                        |             | (1,894,903) | (1,465,253) |
|                                                        |             | 383,473     | 2,810       |
| <b>ACQUISITIONS AND DISPOSALS</b>                      |             |             |             |
| Proceeds on disposal of Fixed Assets                   |             |             |             |
| Discontinued Operations                                |             | -           | -           |
| <b>EQUITY DIVIDENDS PAID</b>                           |             | (235,000)   | (235,000)   |
| <b>(DECREASE) INCREASE IN CASH</b>                     | 22          | 148,473     | (232,290)   |

The annexed notes form part of these financial statements

# **FLAMINGO LAND RESORT LTD**

## **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013**

### **1 ACCOUNTING POLICIES**

#### **COMPLIANCE WITH ACCOUNTING STANDARDS**

The accounts have been prepared in accordance with applicable accounting standards. There were no material departures from those standards.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

#### **Basis of Preparation of Financial Statements**

The financial statements have been prepared under the historical cost convention.

The effect of events in relation to the year ended 31 March 2013 which occurred before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31 March 2013 and of the results for the year ended on that date.

#### **Depreciation**

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

|                       |                     |
|-----------------------|---------------------|
| Freehold buildings    | - not depreciated   |
| Fixtures and fittings | - 25% annum of cost |
| Motor vehicles        | - 25% annum of cost |

Freehold buildings are not depreciated because the Directors consider the depreciation both on an annual basis and a cumulative basis to be not material due to the residual value of the freehold buildings.

#### **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.

#### **Leasing**

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

#### **Government grants**

Government grants received are treated as deferred credits and credited to profit and loss account over the estimated useful life of the relevant fixed assets.

# FLAMINGO LAND RESORT LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013 (CONT)

### 2 TURNOVER

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).

### 3 OPERATING PROFIT

Operating profit is stated after charging/(crediting)

|                                                                    | 2013<br>£                   | 2012<br>£                   |
|--------------------------------------------------------------------|-----------------------------|-----------------------------|
| Directors' emoluments                                              | 1,894,680                   | 845,954                     |
| Hire of plant and machinery - operating leases                     | 89,290                      | 108,829                     |
| Depreciation and amortisation of owned assets                      | 2,482,263                   | 2,009,702                   |
| Depreciation of assets held under finance leases and hire purchase | -                           | 113,893                     |
| Auditors' remuneration – Group                                     | 2,000                       | 4,000                       |
| Auditors' remuneration - Subsidiary                                | 16,250                      | 15,228                      |
| Auditors' remuneration - non-audit services                        | 8,375                       | 11,450                      |
| Profit on sale of fixed assets                                     | (753,072)                   | (1,013,893)                 |
|                                                                    | <u>                    </u> | <u>                    </u> |

### 4 DIRECTORS' REMUNERATION

|                       | 2013<br>£                   | 2012<br>£                   |
|-----------------------|-----------------------------|-----------------------------|
| Highest paid director |                             |                             |
| Emoluments            | 518,312                     | 627,000                     |
|                       | <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 (2012 - 1)

There are 2 directors to whom retirement benefits are accruing under defined benefit pension schemes in respect of qualifying services (2012 - 2)

# FLAMINGO LAND RESORT LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013 (CONT)

### 5 STAFF COSTS

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

|                               | 2013<br>Number    | 2012<br>Number    |
|-------------------------------|-------------------|-------------------|
| Management and administration | 27                | 27                |
| Production                    | 276               | 276               |
|                               | <u>303</u>        | <u>303</u>        |
|                               | <u><u>303</u></u> | <u><u>303</u></u> |

The aggregate payroll costs of these persons were as follows

|                     | 2013<br>£               | 2012<br>£               |
|---------------------|-------------------------|-------------------------|
| Wages and salaries  | 5,429,845               | 5,548,876               |
| Social security     | 501,757                 | 521,940                 |
| Other pension costs | 67,503                  | 73,893                  |
|                     | <u>5,999,105</u>        | <u>6,144,709</u>        |
|                     | <u><u>5,999,105</u></u> | <u><u>6,144,709</u></u> |

# FLAMINGO LAND RESORT LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013 (CONT)

### 6 INTEREST PAYABLE AND SIMILAR CHARGES

|                                                               | 2013<br>£     | 2012<br>£     |
|---------------------------------------------------------------|---------------|---------------|
| Other loans                                                   | 26,853        | 29,944        |
| Finance charges payable - finance leases and<br>hire purchase | -             | 3,797         |
|                                                               | <u>26,853</u> | <u>33,741</u> |



# FLAMINGO LAND RESORT LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013 (CONT)

### 7 TAXATION

| Analysis of charge in period              | 2013<br>£ | 2012<br>£ |
|-------------------------------------------|-----------|-----------|
| Current tax                               |           |           |
| UK corporation tax on profits of the year | 432,727   | 480,124   |
| Adjustments in respect of prior periods   | 6,067     | (1)       |
| Total current tax                         | 438,794   | 480,123   |
| Deferred Tax                              | -         | -         |
| Tax on profit on ordinary activities      | 438,794   | 480,123   |

#### (b) Factors affecting tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK

The differences are explained below

|                                                                                     | 2013<br>£ | 2012<br>£ |
|-------------------------------------------------------------------------------------|-----------|-----------|
| Profit on ordinary activities before tax                                            | 1,393,287 | 2,345,108 |
| Profit on ordinary activities multiplied by the standard rate of UK corporation tax | 334,389   | 609,728   |
| Effects of                                                                          |           |           |
| Expenses not deductible for tax purposes                                            | 32,046    | 4,685     |
| Capital allowances for period in excess of depreciation/book profits                | -         | (134,289) |
| Capital allowances for period less than depreciation/book profits                   | 66,292    | -         |
| Current tax charge for the period                                                   | 432,727   | 480,124   |

### 8 DIVIDENDS

|                     | 2013<br>£ | 2012<br>£ |
|---------------------|-----------|-----------|
| On ordinary shares  |           |           |
| Final dividend paid | 235,000   | 235,000   |

# FLAMINGO LAND RESORT LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012 (CONT)

### 9 TANGIBLE FIXED ASSETS

|                          | Land and<br>buildings<br>£ | Fixtures<br>and<br>fittings<br>£ | Motor<br>vehicles<br>£ | Total<br>£        |
|--------------------------|----------------------------|----------------------------------|------------------------|-------------------|
| <b>Cost</b>              |                            |                                  |                        |                   |
| At 1 April 2012          | 4,824,973                  | 37,414,202                       | 572,507                | 42,811,682        |
| Additions                | -                          | 2,641,340                        | 13,250                 | 2,654,590         |
| Disposals                | -                          | (1,629,915)                      | -                      | (1,629,915)       |
| At 31 March 2013         | <u>4,824,973</u>           | <u>38,425,627</u>                | <u>585,757</u>         | <u>43,836,357</u> |
| <b>Depreciation</b>      |                            |                                  |                        |                   |
| At 1 April 2012          | -                          | 34,183,852                       | 318,941                | 34,502,793        |
| Charge for the year      | -                          | 2,352,258                        | 130,006                | 2,482,264         |
| Elimination on disposals | -                          | (1,623,299)                      | -                      | (1,623,299)       |
| At 31 March 2013         | <u>-</u>                   | <u>34,912,811</u>                | <u>448,947</u>         | <u>35,361,758</u> |
| <b>Net book value</b>    |                            |                                  |                        |                   |
| At 31 March 2013         | <u>4,824,973</u>           | <u>3,512,816</u>                 | <u>136,810</u>         | <u>8,474,599</u>  |
| At 31 March 2012         | <u>4,824,973</u>           | <u>3,230,350</u>                 | <u>253,566</u>         | <u>8,308,889</u>  |

Net book value of land and buildings at 31 March 2013 comprised

|                             | 2013<br>£        | 2012<br>£        |
|-----------------------------|------------------|------------------|
| Freehold land and buildings | <u>4,824,973</u> | <u>4,824,973</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 2013 was £nil (2012 - £240,855) in respect of assets held under finance leases and hire purchase contracts.

# FLAMINGO LAND RESORT LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013 (CONT)

### 10 GOODWILL

|                                                                                     | 2013<br>£ | 2012<br>£ |
|-------------------------------------------------------------------------------------|-----------|-----------|
| Goodwill arose on the consolidation of the Group Accounts as follows -              |           |           |
| Price paid for shares in subsidiary                                                 | -         | -         |
| 50,000 £1 ordinary shares in subsidiary @ par                                       | -         | -         |
| Subsidiary reserves immediately prior to acquisition on 23 <sup>rd</sup> April 2010 | -         | -         |
|                                                                                     | -         | -         |
| Surplus represented by Goodwill                                                     | -         | -         |
| Goodwill written off                                                                | -         | 525,429   |

The Directors, after careful consideration have concluded that the Goodwill value that arose on consolidation was not representative of the parent company or it's subsidiary. Establishing a meaningful goodwill value is not an exact science and therefore rather than present the accounts with a figure that is not representative a decision has been taken to write off the goodwill established on consolidation during the year ended 31<sup>st</sup> March 2012.

This write off had no impact on the tax liabilities for the year.

### 10a STOCKS

|                                | 2013<br>£ | 2012<br>£ |
|--------------------------------|-----------|-----------|
| Stock for Resale & Consumables | 999,189   | 1,004,359 |
| Animals (Exotic)               | 20,000    | 20,000    |
|                                | 1,019,189 | 1,024,359 |

### 11 DEBTORS

#### Receivable within one year:

|                                | 2013<br>£ | 2012<br>£ |
|--------------------------------|-----------|-----------|
| Trade debtors                  | 592,215   | 209,921   |
| Other debtors                  | 136,912   | 330,569   |
| Prepayments and accrued income | 322,458   | 319,623   |
| Corporation tax recoverable    | 67,314    | 2,501     |
|                                | 1,118,899 | 862,614   |

# FLAMINGO LAND RESORT LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013 (CONT)

### 12 INVESTMENTS

|          | 2013<br>£  | 2012<br>£  |
|----------|------------|------------|
| At cost: |            |            |
| Listed   | -          | -          |
| Unlisted | 100        | 100        |
|          | <u>100</u> | <u>100</u> |

### 13 CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

|                                                              | 2013<br>£        | 2012<br>£        |
|--------------------------------------------------------------|------------------|------------------|
| Bank loans and overdrafts                                    | 399,538          | 363,116          |
| Obligations under finance leases and hire purchase contracts | -                | 150,698          |
| Trade creditors                                              | 2,196,027        | 2,703,311        |
| Social security and other taxes                              | 224,431          | 215,345          |
| Directors' loan accounts                                     | 5,686            | 3,005            |
| Other creditors                                              | 1,454,536        | 821,432          |
| Accruals and deferred income                                 | 1,885,382        | 2,026,466        |
|                                                              | <u>6,165,600</u> | <u>6,283,373</u> |

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

Obligations under finance leases and hire purchase contracts are secured by related assets

# FLAMINGO LAND RESORT LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013 (CONT)

### 14 CREDITORS – AMOUNTS DUE AFTER ONE YEAR

|                                                              | 2013<br>£      | 2012<br>£        |
|--------------------------------------------------------------|----------------|------------------|
| Pension Fund Loan                                            | 866,849        | 1,000,000        |
| Obligations under finance leases and hire purchase contracts | -              | -                |
| Other Loans                                                  | 61,745         | 93,356           |
|                                                              | <u>928,594</u> | <u>1,093,356</u> |

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

Obligations under finance leases and hire purchase contracts are secured by related assets

### Analysis of debt maturity

|                              | 2013<br>£        | 2012<br>£        |
|------------------------------|------------------|------------------|
| Amounts payable              |                  |                  |
| Within one year or on demand | 399,538          | 363,116          |
| Between one and two years    | 866,849          | 1,000,000        |
| Between two and five years   | -                | -                |
| In five years or more        | -                | -                |
|                              | <u>1,266,387</u> | <u>1,363,116</u> |

### Obligations under finance leases and hire purchase contracts

|                          | 2013<br>£ | 2012<br>£ |
|--------------------------|-----------|-----------|
| Amounts payable          |           |           |
| Within two to five years | -         | -         |
| After five years         | -         | -         |
|                          | <u>-</u>  | <u>-</u>  |

# FLAMINGO LAND RESORT LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013 (CONT)

### 15 SHARE CAPITAL

|                                    | 2013<br>£         | 2012<br>£         |
|------------------------------------|-------------------|-------------------|
| Allotted, called up and fully paid |                   |                   |
| 9,999 ordinary shares of £ 1 each  | 9,999             | 9,999             |
|                                    | <u>          </u> | <u>          </u> |

### 16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

|                                     | 2013<br>£         | 2012<br>£         |
|-------------------------------------|-------------------|-------------------|
| Profit for the financial year       | 954,493           | 1,339,568         |
| Dividends                           | (235,000)         | (235,000)         |
|                                     | <u>          </u> | <u>          </u> |
| Net addition to shareholders' funds | 719,493           | 1,104,568         |
| Opening shareholders' funds         | 3,722,529         | 2,617,961         |
|                                     | <u>          </u> | <u>          </u> |
| Closing shareholders' funds         | 4,442,022         | 3,722,529         |
|                                     | <u>          </u> | <u>          </u> |

### 17 CAPITAL COMMITMENTS

Commitments for capital expenditure at the end of the year were as follows

|                               | 2013<br>£         | 2012<br>£         |
|-------------------------------|-------------------|-------------------|
| Authorised and contracted for | 2,332,747         | 734,553           |
|                               | <u>          </u> | <u>          </u> |

### 18 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 summarised at note 13.

Flamingo Land Resort Ltd is a company controlled by Directors Mr G S Gibb and Miss V Gibb who received the dividend paid by the company during the year.

# FLAMINGO LAND RESORT LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013 (CONT)

### 19 RELATED PARTIES

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

In addition the Company continued to have the benefit of a loan of £1m from the Flamingo Land Ltd self administered pension fund. Interest was paid on this loan at a rate of 1.5% above bank base rate. There were no amounts of interest outstanding at either year end date. The loan was due to be repaid on 16<sup>th</sup> January 2013 however the trustees extended the repayment date to 30<sup>th</sup> September 2013 with interest being added at a rate of 2% above bank base rate. Following repayment of this loan, a further loan of £1m has been by the trustees. This loan is repayable by monthly instalments over a 5 year period. During the year ended 31<sup>st</sup> March 2013 the company paid interest on a loan of £500,000 advanced by a family trust. Interest was paid on the same terms as the pension fund loan. The loan from the family trust was repaid in full after 31<sup>st</sup> March 2013.

No contributions were made to the Flamingo Land Ltd self administered pension fund during the year (2012 – Nil)

### 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.

### 21 RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

|                                                   | 2013<br>£        | 2012<br>£        |
|---------------------------------------------------|------------------|------------------|
| Operating profit                                  | 1,404,313        | 2,367,070        |
| Depreciation charge                               | 2,482,264        | 2,123,595        |
| Profit on sale of fixed assets                    | (753,072)        | (1,013,893)      |
| Decrease/(increase) in stocks                     | 5,170            | (198,194)        |
| (Increase)/decrease in debtors                    | (191,475)        | 25,330           |
| Increase/(decrease) in creditors                  | (154,195)        | (973,215)        |
| Net cash inflow/outflow from operating activities | <u>2,793,005</u> | <u>2,330,693</u> |

# FLAMINGO LAND RESORT LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013 (CONT)

### 22 ANALYSIS OF NET (DEBT)/FUNDS

|                           | 2012<br>£                | Cash<br>flow<br>£        | Other<br>changes<br>£    | 2013<br>£                |
|---------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Cash at bank and in hand  | 913,295                  | 20,133                   | -                        | 933,428                  |
| Overdraft                 | (363,116)                | (36,422)                 | -                        | (399,538)                |
|                           |                          | <u>(16,289)</u>          |                          |                          |
| Debt due after 1 year     | (1,093,356)              | -                        | 164,762                  | (928,594)                |
| Current asset investments | 100                      | -                        | -                        | 100                      |
| Total                     | <u>(543,077)</u>         | <u>(16,289)</u>          | <u>164,762</u>           | <u>(394,604)</u>         |
|                           | <u><u>          </u></u> | <u><u>          </u></u> | <u><u>          </u></u> | <u><u>          </u></u> |

### 23 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET (DEBT)/FUNDS

|                                         | 2013<br>£                | 2012<br>£                |
|-----------------------------------------|--------------------------|--------------------------|
| Increase/(Decrease) in cash in the year | 148,473                  | (232,188)                |
| Net funds/(debt) at 1 April 2012        | (543,077)                | (310,889)                |
| Net (debt)/funds at 31 March 2012       | <u>(394,604)</u>         | <u>(543,077)</u>         |
|                                         | <u><u>          </u></u> | <u><u>          </u></u> |