

Registered no. SC052543

FLAMINGO LAND LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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





FLAMINGO LAND LTD

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FLAMINGO LAND LTD

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report and the audited financial statements of the company for the year ended 31st March 2021.

Review of Business and Key Performance Indicators

The statutory Profit and Loss account (Statement of Comprehensive Income) shows a profit before tax of £3,955,323 (2020 - £1,258,679).

Turnover decreased during the year from £29.59m in the year ended 31st March 2020 to £15.16m. This of course is directly attributable to the impact of Covid 19 and the national lockdowns that took place during 2020. Indeed the first national lockdown was announced just before the park was due to open for the 2020 season.

The full impact of Covid 19 on the company during this particular accounting period is discussed separately within this strategic report.

Inevitably, with such a significant reduction in turnover, the 2020 season was a very difficult season for management and staff and of course the customers of the theme park and holiday village. At the start of the season, as was reported in last year's financial statements, the company had two major projects under way as follows:

1. Hotel and Restaurant
2. 10- Inversion Roller Coaster

As there was so much uncertainty in the Spring of 2020, particularly at the start of the first national lockdown, the company decided to put both of these projects on hold until such time as cash flow allowed work on the projects to be resumed. In the event work on both of these projects resumed immediately after the 2021 season and the directors look forward to both projects being completed and opened during the 2022 trading season.

The directors are grateful to the support offered by the Government and Local Authority through the grants that were made available throughout the period covered by these financial statements and in particular the job retention scheme grant (which has undoubtedly saved a number of jobs), grants from the local authority, and the fact that no business rates were required to be paid during the accounting period. The company was also able to raise a loan of £5m from the bank and by 31st March 2021 had repaid £1.5m of this loan with the balance of the loan being repaid during the year ended 31st March 2022.

Having regard for the huge amount of uncertainty at the start of the accounting period the directors are very pleased with the results for the year which enable them to look forward to the future with renewed confidence after such a period of uncertainty.

FLAMINGO LAND LTD

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Operating profit has increased (from £1.26m to £4.00m). As indicated earlier in this report two major capital projects had to be put on hold during the period covered by these financial statements and although the company has an established policy of ensuring that the park is well maintained, and continued with that policy during the year ended 31st March 2021, it did have to reduce certain areas of planned expenditure due to the uncertainty that existed throughout most of the trading period. As a consequence the cost of upkeep and repairs reduced by £2.55m. There were other significant overhead cost reductions including wages and salaries (reduced by £3.77m as of course with the park being closed there was no requirement to engage temporary seasonal staff). Advertising costs also reduced by £1m for obvious reasons. The cost of Business Rates was also significantly reduced (by £507k) due to the Government's support measures. Although upkeep and repair costs were kept to a minimum the company continued to ensure that they complied with all relevant Health and Safety Standards. The company also continues with the existing policy of depreciating rides and attractions on a straight line basis over a four year period. It should however be noted that expenditure on the new 10-Inversion Roller Coaster has not been subject to any depreciation in these financial statements (or the financial statements for the year ended 31st March 2020) as the roller coaster was in construction at the year end date and as such had not been brought into use.

Key Performance Indicators Flamingo Land is unique in that it combines three major attractions in one location and is further unique as it is a family owned and run operation. The following KPI's are notable although, when viewing these KPI's, it should of course be understood that any significant variances have to be looked at in light of the impact of Covid 19 on turnover and operating costs.

Turnover (decrease)/increase	-	(48.76%)	(2020 – (7.65%))
Gross Margins	-	86.55%	(2020 – 83.06%)
Comprehensive Income	-	£3.26m	(2020 - £1.22m)
Operating Profit	-	£4.00m	(2020 - £1.26m)
Wages Costs (excl. Directors)	-	35.35%	of turnover (2020 – 31.04%)
Repairs and Renewals	-	4.37%	of turnover (2020 – 10.87%)

FLAMINGO LAND LTD

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021 (CONT)

Business Risks

The company faces a number of risks and uncertainties and the directors believe that the key business risks are in respect of the competitive nature of the leisure industry and the need to maintain a high standard of rides and attractions to satisfy customer demand. The directors are confident that the substantial levels of investment the company has carried out in recent years will enable the company to continue to trade profitably and intend to continue to add new rides and attractions. There are a number of other risks involved including (1) the need to ensure that the Health and Safety aspects of the park are maintained at the current high standard which is of particular importance in view of the rides and attractions available to the public and (2) the vagaries of the British weather. In view of the risks and uncertainties the directors are aware that the development of the company may be influenced by factors outside their control.

The directors anticipate that the business environment will remain competitive and they believe that the company is in a good financial position and are confident that the company will maintain its market share of the leisure industry.

Impact of COVID-19

As indicated earlier in this report the first national lockdown resulting from Covid 19 was announced just as the company was preparing to open for the 2020 season. The impact of Covid 19 on turnover was of course dramatic with turnover falling by £14.43m from £29.59m in 2020 to £15.16m in 2021. The company took immediate steps to react to the first national lockdown and inevitably had to furlough the vast majority of the workforce and place on hold two major capital projects that were nearing completion until such time as cash flow allowed work on these projects to resume. The company was also able to quickly secure a loan of £5m from their banker and agree a deferral of loan repayments due on a loan from another source. Due to a combination of government support (the Job Retention Scheme in particular), postponing the work on the two capital projects that were underway, and other overhead cost savings that the company elected to make, cash flow did improve once the park was able to resume operations and the company was able to repay £1.5m to their bankers earlier than was anticipated. This was largely due to the fact that the business plan prepared in support of the loan had taken a worst case scenario view that the company would enjoy little or no trading during the Summer of 2020 when in actual fact operations were able to resume earlier than expected. The company continues to be conscious of the impact of Covid 19 and continues to strive to ensure that the park is a Covid free environment.

Future Developments

The company has been keen to continue the conversion and development of the hotel project and to continue to construct the world class 10-Inversion Roller Coaster and the directors are pleased to report that both of these projects will be opening during the course of 2022 season. As always the directors will endeavour to make sure that the theme park and holiday village continues to be well maintained and they will continue to invest in order to keep the holiday village and other attractions at the park at the usual high standard that Flamingo Land Ltd offers.

.....
G S GIBB

Date: 28th March 2022

FLAMINGO LAND LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (CONT)

The directors present their report and the financial statements of the company for the year ended 31 March 2021.

Dividends

As detailed in note 8 a total dividend of £60,000 (2020 - £ Nil) was paid during the year.

Directors

The Directors shown below held office for the whole period from 1st April 2020 to the date of this report (unless otherwise stated).

G S Gibb
Mrs M A Gibb
Mrs D M Pullin (resigned 22nd September 2020)
Miss V Gibb

Director acting as signatory

G S Gibb

Registered Office

The Cross
Uddingston
G71 7ES

Principal Activity

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

Financial Instruments

The company has a normal level of exposure to price, credit, liquidity and cash flow risks arising from trading activities which are conducted in sterling. The company does not enter into any hedging transactions although, from time to time, if an attraction or asset is being acquired from a country other than the UK, and the supplier requires payment to be made in their own currency rather than sterling, then the directors may choose to acquire the currency required to complete the transaction in order to limit their exposure to any movement/fluctuation in exchange rates. The company otherwise makes use of the usual financial instruments that a normal trading company would use including bank funding, creditors, and finance leases.

Employees

The Company's policy is to consult and discuss with employees through regular meetings, matters likely to affect employees' interests. Information of matters of concern to employees is given thorough the Staff Handbook which is regularly updated, and through regular bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Company's performance.

Disabled Employees

Disabled persons are employed by the company when they appear to be suited to a particular position. The aptitude and abilities of disabled persons are more easily met in certain aspects of the company's business and every effort is made to ensure that they are given full and fair consideration.

FLAMINGO LAND LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (CONT)

Charitable Donations

During the year the Company made Charitable donations amounting to £6,023 (2020 - £59,170). These donations include £25 to local causes and £5,998 to a Wildlife conservation project in Tanzania which is being undertaken by a local University. The donations to the Tanzanian projects are both 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.

Policy on payment of creditors

The company policy in relation to all of its suppliers is to settle the terms of payment when agreeing the transaction and to abide by those terms, provided that it is satisfied that the supplier has provided the goods and service in accordance with the agreed terms and conditions. The company does not follow any code or standard of payment practice.

Insurance

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

Directors' Interests

The interests of the directors in the shares of the company at the beginning and end of the year, were as follows:

	31 March 2021	1 April 2020
G S Gibb Ordinary Shares	-	-
Mrs M A Gibb Ordinary Shares	-	-
Miss V Gibb Ordinary Shares	-	-
Mrs D M Pullin Ordinary Shares	-	-

Mr G S Gibb and Miss V Gibb are directors and controlling shareholders of Flamingo Land Resort Ltd. This company owns the whole of the issued share capital in Flamingo Land Ltd

FLAMINGO LAND LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (CONT)

UK Greenhouse gas emissions and energy use data

Environmental activity

The Directors are aware of their responsibility to report on the company's annual gas emissions and energy use.

The company has worked for some time with an advisor and as a result of this has invested both financially and in terms of physical measures in order to improve energy efficiency.

The Directors Report for the year ended 31st March 2020 included a summary of a number of key successes in respect to the accounting period ended 31st March 2020.

Unfortunately the report that has been commissioned for inclusion in the Directors Report for the year ended 31st March 2021 is not yet available and cannot therefore be included in these financial statements however the directors plan to revise this aspect of the Directors Report when a full summary of the company's UK greenhouse gas emissions and energy use data for this accounting period is available and will file updated accounts at a later date.

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.

FLAMINGO LAND LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (CONT)

Statement of disclosure of information to auditors

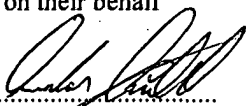
We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:-

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps we ought to have as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, White & Hoggard, have indicated their willingness to accept re-appointment under Sections 489(2), 489(4) and 491(1) of the Companies Act 2006.

Approved by the Members and
Signed on their behalf


.....
G S Gibb for and on behalf of Flamingo Land Ltd

Date: 28th March 2022

FLAMINGO LAND LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FLAMINGO LAND LTD

Opinion

We have audited the financial statements of Flamingo Land Ltd for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial position, Statement of Changes in Equity, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Strategic Report and the Report of the Directors, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

FLAMINGO LAND LTD

AUDITORS' REPORT TO THE MEMBERS OF FLAMINGO LAND LTD (CONT)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Report of the Directors.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

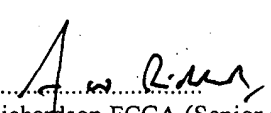
In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.


A W Richardson FCCA (Senior statutory auditor)
for and on behalf of
WHITE & HOGGARD
Statutory Auditors
1 Wheelgate
Malton
North Yorkshire
YO17 7HT

Date: 29th March 2022

FLAMINGO LAND LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
TURNOVER	1b	15,162,148	29,592,420
Cost of sales		(2,284,082)	(5,284,772)
GROSS PROFIT		12,878,066	24,307,648
Administrative expenses		(11,082,444)	(23,045,738)
		1,795,622	1,261,910
Other Operating Income	3a	2,210,241	-
OPERATING PROFIT	3b	4,005,863	1,261,910
Other interest receivable and similar income	6a	5,726	29,418
Interest payable and similar charges	6b	(56,266)	(32,649)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,955,323	1,258,679
Tax on profit on ordinary activities	7	(694,556)	(41,635)
COMPREHENSIVE INCOME FOR THE YEAR		3,260,767	1,217,044

The company's turnover and expenses all relate to continuing operations.

The annexed notes form part of these financial statements.

FLAMINGO LAND LTD

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	9	15,857,515	18,048,911
CURRENT ASSETS			
Stocks	10	631,004	1,755,318
Debtors	11	9,158,901	9,069,199
Investments	12	1,016	100
Cash at bank and in hand		8,793,045	1,294,262
		<u>18,583,966</u>	<u>12,118,879</u>
CREDITORS			
Amounts falling due within one year	13	(5,181,993)	(6,951,191)
NET CURRENT ASSETS		<u>13,401,973</u>	<u>5,167,688</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>29,259,488</u>	<u>23,216,599</u>
CREDITORS			
Amounts falling due after more than one year		(5,341,070)	(2,498,948)
NET ASSETS		<u><u>23,918,418</u></u>	<u><u>20,717,651</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	50,000	50,000
Profit and loss account		23,868,418	20,667,651
SHAREHOLDERS' FUNDS		<u><u>23,918,418</u></u>	<u><u>20,717,651</u></u>

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

28th March 2022

.....
G S GIBB - DIRECTOR
COMPANY No. SC052543

The annexed notes form part of these financial statements.

FLAMINGO LAND LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Called Up Share Capital	Retained Earnings	Total Equity
Balance at 31st March 2019	50,000	19,450,607	19,500,607
Changes in Equity			
Dividends	-	-	-
Total Comprehensive Income	-	1,217,044	1,217,044
Balance at 31st March 2020	<u>50,000</u>	<u>20,667,651</u>	<u>20,717,651</u>
Changes in Equity			
Dividends	-	(60,000)	(60,000)
Total Comprehensive Income	-	3,260,767	3,260,767
Balance at 31st March 2021	<u>50,000</u>	<u>23,868,418</u>	<u>23,918,418</u>

FLAMINGO LAND LTD
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Profit for the financial period before taxation		3,955,323	1,258,679
Adjustments for:			
Depreciation charges		2,088,295	3,266,498
Profit on sale of fixed assets		(703,441)	(927,556)
Interest paid		56,266	32,649
Interest received		(5,726)	(29,418)
(Increase)/decrease in Investment		(916)	-
(Increase)/decrease in debtors		(265,357)	444,929
(Increase)/decrease in stocks		1,124,314	(238,298)
Increase/(decrease) in creditors		(2,566,609)	(190,832)
		<u>3,682,149</u>	<u>3,616,651</u>
Interest paid		(56,266)	(32,649)
Tax paid		(120,000)	(610,000)
Net cash inflow/(outflow) from operating activities		<u><u>3,505,883</u></u>	<u><u>2,974,002</u></u>
Cash flows from investing activities			
Sale of tangible fixed assets		915,065	1,009,626
Purchase of tangible fixed assets		(108,522)	(9,663,467)
Interest received		584	29,418
Net cash inflow/(outflow) from investing activities		<u><u>807,127</u></u>	<u><u>(8,624,423)</u></u>
Cash flows from financing activities			
Advance of borrowings		5,000,000	3,505,000
Repayment of borrowings		(1,502,898)	(328,868)
Equity dividends paid		(60,000)	0
Net cash inflow/(outflow) from investing activities		<u><u>3,437,102</u></u>	<u><u>3,176,132</u></u>
Increase/(decrease) in cash and cash equivalents		<u>7,750,112</u>	<u>(2,474,289)</u>
Cash equivalents at beginning of period		<u>1,042,933</u>	<u>3,517,222</u>
Cash equivalents at end of period	21	<u><u>8,793,045</u></u>	<u><u>1,042,933</u></u>

The annexed notes form part of these financial statements.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1. Significant accounting policies

(a) Basis of accounting

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value in accordance with the accounting policies set out below.

These financial statements have been prepared in compliance with FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

Flamingo Land Ltd meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the disclosure exemption available to it. Exemptions have been taken in relation to financial investments and remuneration of key management personnel.

(b) Revenue recognition

The company's turnover represents the value, excluding Value Added Tax, of goods and services supplied to customers during the year. Turnover is recognised in the accounts on a trading season basis. Any income received for the following trading season and any associated direct costs are deferred until the following accounting period (there are occasions when the park opens for business before 31st March).

(c) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

(d) Taxation

Current tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax recognises the future tax consequences of transactions and events recognized in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in different periods from those in which they are recognized in the financial statements. Unrelieved tax losses and other deferred tax assets are recognized only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

(e) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and any accumulated impairment losses. Cost includes costs directly attributable to making an asset capable of operating as intended.

With the exception of land and buildings (see next paragraph) depreciation is provided on tangible fixed assets at the following annual rates in order to write off the costs less an estimated residual value of each asset over its expected useful life.

Freehold buildings	- not depreciated
Fixtures and fittings (the new 10-Inversion Roller Coaster bought during the year ended 31 st March 2020 has once again not been depreciated in these financial statements as the asset continues to be under construction at the year end and has not yet been brought into use)	- 25% per annum of cost
Motor vehicles	- 25% per annum of cost

In the opinion of the directors, the market value of freehold land and buildings was not significantly different from book value. In arriving at that opinion the directors have had regard for the fact that there are several freehold properties on the site and a fully equipped holiday village which offers substantial facilities and enjoys the benefit of full planning permission for a large number of caravan pitches including a permanent residential site. The directors therefore consider that depreciating freehold properties both on an annual basis and on a cumulative basis to be not material due to the residual value of the freehold properties. This is a departure from the Companies Act 2006 which requires all properties to be depreciated. The directors consider that to depreciate them would not allow the Financial Statements to give a true and fair view.

(f) Stocks

Stocks have been valued at the lower of cost and net realisable value. Cost is determined on a first in first out basis and, where appropriate, due allowance is made for obsolete and slow moving items.

When stocks are sold, the carrying amount of those stocks is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of stocks to net realisable value and all losses of stocks are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of stocks is recognised as a reduction in the amount of stocks recognised as an expense in the period in which the reversal occurs.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (CONT)

1. Significant accounting policies (continued)

(g) Trade and other debtors

Trade and other debtors with no stated interest rate are initially recognised at the transaction price including transaction costs. Subsequently they are measured at amortised cost using the effective interest rate method, less impairment.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

(i) Impairment

Assets not measured at fair value are assessed for indicators of impairment at the end of each reporting period. If such indication exists, the recoverable amount of the asset, or the assets cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognized in profit and loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation reserve adjustment.

(j) Trade and other creditors

Trade and other creditors are initially recognised at the transaction price and are thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(k) Loans and borrowings

Interest-bearing loans and borrowings are recognised initially at fair value including transaction costs. Subsequently they are recognised at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

(l) Leased assets

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

(m) Foreign currencies

The financial statements are presented in Sterling, which is also the functional currency of the Company. Transactions in currencies other than the functional currency of the Company are recorded at the rate of exchange on the date the transaction occurred. Monetary items denominated in other currencies are translated at the rate prevailing at the end of the reporting period. All differences are taken to profit and loss. Non-monetary items that are measured at historic cost in a foreign currency are not retranslated.

(n) Employee benefits

Short-term employee benefits are recognised as an expense in the period they are incurred.

The obligations for contributions to defined contribution scheme are recognised as an expense in the period they are incurred. The assets of the scheme are held separately from those of the Company in an independently administered fund.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

(o) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation arising as a result of a past event if it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

(p) Related parties

For the purpose of these financial statements, a party is considered to be related to the Company if the party has the ability, directly or indirectly, through one or more intermediaries, to control the Company or exercise significant influence over the company in making financial and operating policy decisions, or has joint control over the Company.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the company.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

2. Critical accounting judgements and key sources of estimation uncertainty

The following judgements and estimates have been made in the process of applying the accounting policies.

The director's judgement is that, overall, the risk of assumption and uncertainty concerning the future and other key sources of estimation causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is low.

Estimated residual value of fixed assets

The directors consider that there is overall a minimal residual value of Fixtures and fittings (and vehicles) remaining at the end of the depreciation period.

Valuation of land and buildings

As described in note 9 to the financial statements, land and buildings are stated at original cost price.

In the opinion of the directors, the market value of freehold land and buildings was not significantly different from book value. Any temporary structures erected on the freehold land are added to Fixtures and Fittings and depreciated in accordance with the company's depreciation policy.

Loan to holding company

Included in Debtors (see note 11) is a loan to the Holding Company. While there are no immediate plans for repayment the Directors consider the loan to be recoverable in the long term as the Holding Company owns the whole of the issued share capital in Flamingo Land Ltd.

Going Concern

The company is able to operate with very limited reliance on long term borrowing and, as a consequence has no exposure to long term loan commitments or other finance arrangements. Projects are carefully costed and future capital expenditure is planned within anticipated cash flow.

During the year ended 31st March 2020 a significant amount of money had been invested in a new theme park ride which is currently under construction. In order to finance part of the cost of the ride the company did secure a loan of £3.4m from the family pension fund which was advanced on 1st October 2019 with repayments being made on a monthly basis to facilitate full repayment of the loan by 1st September 2024. As a result of the pandemic the company was granted a loan repayment holiday of twelve months with repayments recommencing on 1st April 2021. Subsequently the loan was repaid in full on 3rd February 2022 and was replaced by a new loan of £3.2m on 7th February 2022 over a repayment term of five years with a final monthly instalment due to be repaid on 7th February 2027. The directors continue to consider that the loan repayments are completely manageable within current cash flow and they do not consider that the presence of the loan has any impact on the going concern basis of accounting.

The company also received a CBIL-S loan from their bankers of £5m during the accounting period ended 31st March 2021 however by 31st March 2021 a sum of 1.5m had been repaid leaving a total balance outstanding at 31st March 2021 in the sum of £3.5m. Monthly repayments of this loan commenced on 31st May 2021 however the company has been able to repay this loan in full during the accounting period ended 31st March 2022. As a consequence the presence of this bank loan does not have any impact on the going concern basis of accounting.

The Directors have considered various courses of action that could be undertaken in the event that market conditions deteriorate. These courses of action include the potential to reduce non-essential ongoing costs and the curtailment of elective capital expenditure. These factors, including the flexibility that is available to the Directors in being selective on future spending plans by ensuring that they remain within anticipated cash flows, allows the Directors to have a reasonable expectation that the company will have adequate resources to continue in operational existence for a period of at least twelve months from the signing of these financial statements. Accordingly they continue to adopt the going concern basis in preparing these financial statements.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

3a Other Operating profit	2021	2020
	£	£
Job Retention Scheme Grants	1,936,852	-
Local Authority Support Grants	23,389	-
Business Interruption Insurance	250,000	-
	<u>2,210,241</u>	<u>-</u>

3b Operating Profit

Operating profit is stated after charging/(crediting):

	2021	2020
	£	£
Directors' emoluments (including pension contributions)	697,011	740,173
Hire of plant and machinery – operating leases	128,587	364,496
Depreciation and amortisation of owned assets	2,088,295	3,266,498
Auditors' remuneration	22,925	21,750
Auditors' remuneration – non-audit services	16,310	10,310
Profit on sale of fixed assets	(703,441)	(927,555)
	<u> </u>	<u> </u>

4 Directors Remuneration

	2021	2020
	£	£
Highest paid director:		
Emoluments	<u>459,040</u>	<u>459,040</u>

There is one director to whom retirement benefits are accruing under a money purchase pension scheme in respect of qualifying services (2020 - 1).

There are 2 directors to whom retirement benefits are accruing under defined benefit pension schemes in respect of qualifying services (2020 - 2).

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

5. Staff Costs

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

	2021 Number	2020 Number
Management and administration	24	30
Production	216	436
	<u>240</u>	<u>466</u>

The aggregate payroll costs of these persons were as follows:

	2021 £	2020 £
Wages and salaries	5,566,193	9,167,938
Social security	409,871	635,269
Other pension costs	188,346	239,328
	<u>6,164,410</u>	<u>10,042,535</u>

6a Other interest receivable and similar income

	2021 £	2020 £
Bank interest receivable	584	29,418
Interest on taxation	5,142	-
	<u>5,726</u>	<u>29,418</u>

6b Interest payable and similar charges

	2021 £	2020 £
Other loans	<u>56,266</u>	<u>32,649</u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

7. Taxation

Analysis of charge in period	2021 £	2020 £
Current tax:		
UK corporation tax on profits of the year	694,388	41,691
Adjustments in respect of prior periods	168	(56)
Total current tax	<u>694,556</u>	<u>41,635</u>
Deferred tax	-	-
Tax on profit on ordinary activities	<u>694,556</u>	<u>41,635</u>

Factors affecting tax charge for the period

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>3,955,323</u>	<u>1,258,679</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19 % (19%)	751,511	239,149
Effects of		
Expenses not deductible/(deductible) for tax purposes	2,326	(47,025)
Depreciation for year in excess of capital allowances	-	-
Capital allowances for year in excess of depreciation	(59,449)	(150,433)
Adjustments to charge in respect of previous periods	168	(56)
Current tax charge for year	<u>694,556</u>	<u>41,635</u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

8. Dividends

	2021 £	2020 £
On ordinary shares		
Final dividend paid	60,000	-
	<u> </u>	<u> </u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

9. Tangible Fixed Assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2020	8,084,822	61,738,418	498,468	70,321,708
Additions	26,536	(7,872)	89,858	108,522
Disposals	-	(564,883)	(174,784)	(739,667)
At 31 March 2021	<u>8,111,357</u>	<u>61,165,665</u>	<u>413,542</u>	<u>69,690,564</u>
Depreciation				
At 1 April 2020	-	51,972,443	300,354	52,272,797
Charge for the year	-	2,023,773	64,522	2,088,295
Elimination on disposals	-	(483,098)	(44,945)	(528,043)
At 31 March 2021	<u>-</u>	<u>53,513,118</u>	<u>319,931</u>	<u>53,833,049</u>
Net book value				
At 31 March 2021	<u>8,111,357</u>	<u>7,652,547</u>	<u>93,611</u>	<u>15,857,515</u>
At 31 March 2020	<u>8,084,822</u>	<u>9,765,975</u>	<u>198,114</u>	<u>18,048,911</u>

Net book value of land and buildings at 31 March 2021 comprised:

	2021 £	2020 £
Freehold land and buildings	<u>8,111,357</u>	<u>8,084,822</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 2021 was £nil (2020 - £nil) in respect of assets held under finance leases and hire purchase contracts.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

10.Stocks

	2021 £	2020 £
Stock for Resale & Consumables	611,004	1,735,318
Animals (Exotic)	20,000	20,000
	<u>631,004</u>	<u>1,755,318</u>

11.Debtors

Receivable within one year:

	2021 £	2020 £
Trade debtors	126,890	132,759
Other debtors	280,178	178,144
Prepayments and accrued income	417,176	247,984
Corporation tax recoverable	-	175,655
	<u>824,244</u>	<u>734,542</u>

Receivable after one year:

	2021 £	2020 £
Amounts owed by group undertakings	<u>8,334,657</u>	<u>8,334,657</u>
Total debtors	<u>9,158,901</u>	<u>9,069,199</u>

12.Investments (unlisted)

	2021 £	2020 £
At cost:		
Listed	-	-
Unlisted	<u>1,016</u>	<u>100</u>
	<u>1,016</u>	<u>100</u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

13. Creditors – amounts due within one year

	2021 £	2020 £
Bank loans and overdrafts	1,335,638	931,985
Trade creditors	885,918	2,635,299
Social security and other taxes	119,925	396,100
Other creditors	76,297	4,160
Accruals and deferred income	2,370,457	2,983,647
Corporation Tax payable	393,758	-
	<u>5,181,993</u>	<u>6,951,191</u>

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

14. Creditors – amounts due after one year

	2021 £	2020 £
Pension Fund Loan	2,402,112	2,415,426
Bank Loan	2,858,333	-
Other Loans	80,625	83,522
	<u>5,341,070</u>	<u>2,498,948</u>

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

Analysis of debt maturity

	2021 £	2020 £
Amounts payable:		
Within one year or on demand	1,335,638	931,985
Between one and two years	1,407,554	693,971
Between two and five years	3,933,516	1,804,977
	<u>6,676,708</u>	<u>3,430,933</u>

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

15. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
50,000 ordinary shares of £ 1 each	50,000	50,000
	<u> </u>	<u> </u>

16. Reconciliation of net debt

	At 1 st April 2020 £	Cash Flows £	At 31 st March 2021 £
Cash at bank and on hand	1,294,262	7,498,783	8,793,045
Bank overdraft	(251,329)	251,329	-
Cash & cash equivalents	<u>1,042,933</u>	<u>7,750,112</u>	<u>8,793,045</u>
Borrowings	<u>(3,179,604)</u>	<u>(3,497,104)</u>	<u>(6,676,708)</u>
Net Debt	<u>(2,136,671)</u>	<u>4,253,008</u>	<u>2,116,337</u>

17. 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 between the Directors and the Company from time to time throughout the year. The balance at the beginning of the year (£29,678) is included in other debtors and was repaid on 30th June 2020. The balance at the end of the year (£20,336) is included in other creditors.

A dividend of £60,000 was paid in the year (2020 - £nil).

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

18. Related parties

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

The Company received a loan from the Flamingo Land Self-Administered Pension Fund on 1st October 2019 amounting to £3.4m. The loan, which was advanced to assist in the purchase of the new roller coaster is repayable by monthly instalments over a five year period with the final instalment payable on 1st September 2024. Interest is being charged at a rate of 2% per annum (based on 1.25% above bank base rate). Although the company received a repayment holiday in 2020 as a result of the impact of the pandemic on the business repayments on this loan resumed on 1st April 2021. The original loan was repaid on 3rd February 2022 and replaced with a loan of £3.2m on 7th February 2022 which is repayable by monthly instalments with a final instalment due on 7th February 2027.

DewarGibb Limited is a company owned by directors G S Gibb and Miss V Gibb and owns the freehold property at Kirbymisperton which is being converted by the company into hotel accommodation and a restaurant. Once the project has been completed the company will pay DewarGibb Ltd a rent for the occupation of the premises however at this stage there have been no transactions between DewarGibb Ltd and the company.

Contributions were made to the Flamingo Land Ltd self-administered pension fund for two of the directors during the year amounting to £Nil (2020 - £Nil).

Flamingo Land Ltd is a wholly owned subsidiary of Flamingo Land Resort Ltd (see note 19 below). Current assets (see note 11) include a loan made by Flamingo Land Ltd to Flamingo Land Resort Ltd. The company is taking advantage of the exemption allowed under FRS102 not to disclose the terms and conditions of this long term loan.

Other Related party transactions

The total remuneration for key management personnel is detailed in Note 3.

19. Capital Commitments

	2021 £	2020 £
Contracted but not provided in the financial statements	-	-
	<u> </u>	<u> </u>

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. This Company owns the whole of the issued share Capital of Flamingo Land Ltd. Mr G S Gibb and Miss V Gibb own 57.14% and 42.86% respectively of the issued share capital in Flamingo Land Resort Ltd.

FLAMINGO LAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

21. Cash and cash equivalents

The amount disclosed on the Cash Flow Statements in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year Ended 31st March 2021

	2021 £	2020 £
Cash at bank and on hand	8,793,045	1,294,262
Bank overdraft	-	(251,329)
Cash and cash equivalents	8,793,045	1,042,933

22. Post Balance Sheet events

Following the impact of COVID-19 throughout the 2020 season the company was pleased to be able to return to a more normal trading season in 2021. At the end of that season the company was able to confidently resume work on the hotel project and the 10-Inversion Roller Coaster and anticipates that both these projects will be fully operational during the 2022 season. In addition the company has been able to fully repay the remaining balance of the bank loan that was advanced during 2020 to assist cash flow that had been adversely impacted by the effects of the pandemic. The loan from the pension fund was repaid in full on 3rd February 2022 and was immediately replaced by a loan of £3.2m which is scheduled for repayment (by monthly instalments) on 7th February 2027.

23. Statutory Information

Flamingo Land Ltd is a private company limited by shares and is incorporated in Scotland. The address of the registered office is given in the company information on page 4 of these financial statements. The nature of the company's operations and principal activities is that of a theme park and holiday village.