



Twycross Zoo - East Midland Zoological  
Society Limited  
(limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended  
31 December 2020

Company Number 1060956  
Registered Charity Number 501841

# Twycross Zoo - East Midland Zoological Society Limited

Co No: 1060956

Registered Charity No: 501841

Year ended 31 December 2020

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## ADMINISTRATION, OFFICERS AND ADVISORS

### REGISTERED OFFICE

Norton Grange  
Norton-Juxta-Twycross  
Atherstone  
Warwickshire, CV9 3PX

### REGISTERED NUMBER

1060956

### CHARITY NUMBER

501841

### COMMITTEE (TRUSTEES)

The Trustees of the charitable company, who are directors for the purpose of company law, who served during the year and up to the date of this report are:

Rt. Hon. G W Hoon (Chairman)

G C W England,

J P Helas

Resigned 28 June 2021

D J Keep

Resigned 28 June 2021

G A Middleton

H J Mitchell

J Thornell

L A Wall

H S Dua

Appointed 15 July 2021

E A Hardwick-Smith

Appointed 28 June 2021

D J Meek

Appointed 28 June 2021

T B Payne

Appointed 28 June 2021

### KEY MANAGEMENT PERSONNEL

S Redrobe OBE

Chief Executive and Company Secretary

L Biffin

Appointed Company Secretary 1 September 2020

Chief Finance Officer and Company Secretary

K Clarke

Resigned 11 August 2020

Chief Operations Officer

### AUDITOR

Ernst & Young LLP

1 Colmore Square

Birmingham

B4 6HQ

### BANKERS

Metro Bank plc

Southampton Row

London

WC1B 5HA

# Twycross Zoo - East Midland Zoological Society Limited

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## REPORT OF THE TRUSTEES

The Trustees present their annual report and the audited financial statements for the year ended 31 December 2020.

## CONSTITUTION

Twycross Zoo – East Midland Zoological Society Limited ("Twycross Zoo" and "the Zoo") is a private company limited by guarantee (incorporated in England and Wales with company registration number 1060956) governed by adopted Articles of Association as amended 24 June 2019. The Trust is also constituted as a registered charity with the Charity Commission – charity registration number 501841.

The Board of Trustees ("the Board") confirm that the financial statements comply with current generally accepted accounting principles and those of the governing documents.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

The board of directors are the trustees of the charity supported by the executive management team who together comprise the key management personnel of the charity. The executive management team are in charge of directing and controlling, running and operating the Zoo on a day to day basis. All Trustees give their time freely and no registered director received remuneration in the year.

### Method of appointment, induction and training of Trustees

The Board appoint new Trustees as and when they see fit in order to maintain an appropriate range of skills and experiences amongst the members. New Trustees undergo an extensive Induction Programme and briefing sessions on the organisation, its aims and objectives. They are provided with a copy of the constitution, roles and responsibilities of being a Trustee at Twycross Zoo, most current annual statutory accounts, annual report, management accounts, the current business plan, management structures, policies relating to health & safety, equal opportunities, animal collection plan, economic impact assessment and development assessment.

Throughout the year, Trustees meet with the Chief Executive Officer and her team for regular updates regarding the performance and strategic delivery of the Zoo. In addition, Trustees attend events held during the year which gives them the opportunity to meet with management within the organisation as well as visitors to the zoo.

### Indemnity Insurance

The Trust maintains indemnity insurance on behalf of its Trustees.

### Organisational Structure

The Board of Trustees meet on a quarterly basis and call special General Meetings as and when these are required. In addition, the Chairman visits the Zoo regularly to review activities within the Zoo and also meets with the Chief Executive Officer on a regular basis.

Oversight is provided by a structure of Committees delegated by the main Board. These Committees include Finance and Audit & Risk who meet quarterly and Animal Conservation & Education who convene bi-annually.

The Finance Committee reviews current financial performance and ensures that future plans are properly costed and adequate funding is identified prior to being presented to the Board. The Finance Committee agrees the meeting frequency and dates in advance based on the needs of the organisation. This has resulted in meetings being held on a quarterly basis since 2019 and the Finance Committee members receiving management information on a monthly basis.

During the year the Chief Financial Officer left the company and was not replaced so the Executive Team is currently made up of the Chief Executive Officer ("CEO") and the Chief Operations Officer who reports to the CEO. The CEO is also Company Secretary. The Executive Team was charged with management of daily operations and with proposing policy to the Board of Trustees. This process was managed by quarterly Board meetings with Trustees which are formally minuted.

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## REPORT OF THE TRUSTEES (continued)

### Pay policy for staff

All Trustees give their time freely and no trustees, with the exception of out of pocket expenses, received remuneration in the year.

The pay of staff is reviewed annually and subject to financial performance, an increase may be awarded. In view of the nature of the charity, methodology and benchmarking is gained from inside and outside the industry and similar roles are also used to assess pay and rewards. These include:

- benchmarking against pay levels in other similar organisations
- market rate analysis conducted where similar roles operate.

All staff under 21 years of age are paid in excess of the National Minimum Wage and those staff over 21 years of age are paid in excess of the National Living Wage. During 2020, pay rates were adjusted in line with minimum pay legislation (2019: 1% to 2% general pay increase). In addition, exceptional discretionary increases were made where benchmarking showed rates out of step and failing to retain staff in certain key roles would have proved a risk to the business. Where necessary a market addition is paid but limited to the highest benchmarked salary for a comparable role.

## STRATEGIC REPORT

### PRINCIPAL OBJECTIVES AND ACTIVITIES

The charity's principal charitable objectives include the enhancement of animal welfare, conservation, education, research and recreation for the visiting public. The group also carries out retail and catering activities to generate additional income through its subsidiary company, Zoo Park (Twycross) Limited.

The Trust owns and manages Zoological Gardens at Norton-Juxta-Twycross in Warwickshire covering an area of some 95 acres.

The Trust's aims and objectives are:

- Life Sciences - Practice professional standards of animal care and welfare and develop environmental enrichment programmes to give the animals a fulfilled life, both physically and mentally.
- Conservation - Incorporate the animals, wherever possible, into regional and global breeding programmes to aid species conservation. Support sound genetic management and co-operative policies to maintain the genetic diversity of species in its care and support appropriate field programmes and reintroduction projects.
- Education - Develop formal and informal education programmes for all sectors of society regarding wildlife and its conservation (biodiversity).
- Research - Encourage the scientific study of animals in areas that further animal welfare and conservation.
- Financial Resilience - Generate an income to fulfil the above and for the provision of facilities in the Zoo for the recreation and enjoyment, education and cultural enrichment of its visitors.

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### REPORT OF THE TRUSTEES (continued)

#### *Life Sciences*

The high quality of work carried out at Twycross Zoo has been recognised by the industry body, the British and Irish Association of Zoos and Aquariums (BIAZA). For the first time there was no annual BIAZA conference held in 2020, due to the unprecedented impact of the coronavirus pandemic. Twycross Zoo did however still receive five awards:

- BIAZA Gold Award in Animal Husbandry, Care and Breeding for "An institutional programme to advance wound management in primates via positive reinforcement training"
- BIAZA Silver Award in Behaviour and Welfare for "Zoo keepers develop Qualitative Behaviour Assessment tool at Twycross Zoo"
- BIAZA Silver Award in Education for "Training the next generation of wild animal health professionals"
- BIAZA Silver Award in Conservation for "Capacity building and first successful reintroduction of Geoffroy's spider monkeys in Belize"
- BIAZA Bronze Award in Exhibits for "Return of the Tigers"

These awards recognise the diversity of the work involved in ensuring that animal welfare is at the heart of all we do, be that at Twycross Zoo or in the wider global community.

Although the financial impact of the pandemic has taken its toll on the Zoo's ability to implement all of the expected developments and plans for 2020, work has not ground to a complete standstill. With the support of our loyal customer base, both while we were in lockdown in the first half of the year and once we were able to re-open, it has still been possible to complete some upgrades and improvements.

The Aldabran tortoise outdoor enclosure was enlarged significantly, with improved viewing opportunities for our younger visitors and the addition of a dedicated area that will enable paid for encounters to take place. On a smaller scale, while the Zoo was closed during imposed lockdowns, the animal team have used the time to refresh some of the animal enclosures.

Several vivariums for a variety of small reptile, amphibian and invertebrate species were installed in the indoor visitor area of Gibbon Forest. Once we are permitted to open indoor areas to our visitors these will provide an added extra element to this popular area.

Twycross Zoo participates in over 45 coordinated global breeding programmes and as such a number of new babies were born during 2020. The following is a selection of births that were part of European breeding programmes:

- 5 primates including:
  - 1 Diana monkey,
  - 1 dusky leaf monkey,
  - 1 Francois langur,
  - 1 variegated spider monkey
  - 1 White cheeked gibbon,
- Additional animals that were born and hatched during the year were:
  - 4 Humboldt penguins,
  - 2 Kirk's dik-dik,
  - 1 scarlet ibis,
  - 2 Victoria crowned pigeons.

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### REPORT OF THE TRUSTEES (continued)

The Trustees remain committed to a continued programme of enclosure developments and improvements for the welfare of animals within the care of Twycross Zoo, as well as improving the enrichment activities for our animals and to promote their natural animal behaviours. Planning for upgrades to an empty ape enclosure took place during the year, ready for works to commence in 2021. Once completed this will result in a new facility for our breeding group of bonobos, the only ones in the UK.

#### *Conservation*

Twycross Zoo is fully committed to accelerating global conservation efforts via a number of approaches. The Zoo is home to many endangered species, with a large number of them being part of conservation breeding programs, which ensure that genetically viable populations continue to be effectively managed. Once again, the pandemic, with its resulting impact on the airline industry and road movement between the UK and the rest of the world, prevented many planned animal transfers as part of those programmes throughout the year. We were able to realise a small number of moves, including a 2½ year old male Eastern black rhino from Germany, an exchange of Michie's tufted deer with two other German zoos and a female vicuna from Belfast.

Twycross Zoo's commitment to species management is evident in the Zoo's continued representation at both national and international level through its involvement in key working groups and committees focusing on species management and welfare. We continue to be members of European and international organisations, including the British and Irish Association of Zoos and Aquariums (BIAZA), the European Association of Zoos and Aquaria (EAZA), the World Association of Zoos and Aquariums (WAZA) and the International Union for Conservation of Nature (IUCN). Furthermore, Twycross Zoo remains active as a conservation partner of GRASP-UN, which is the only non-human species-focused UN programme.

The Zoo's continued participation in worldwide managed species programmes, including EEP (EAZA Ex situ Programmes) and ESB (European Studbooks) ensures the continued genetic health of the animals and populations. The Zoo also co-ordinates the European breeding programme for the siamang gibbon and participates in a number of others, including for the bonobo, one of the four great apes and only kept by Twycross Zoo in the UK. The curator, Neil Dorman is an elected member of several EEP Species Committees, including for bonobo, black rhino and both Amur and snow leopard and our Veterinary Services Manager, Phillipa Dobbs is veterinary advisor of the siamang gibbon EEP.

The financial impact of Covid-19 has had a significant impact on our ability to support in-situ conservation projects during 2020. Focus had to be on maintaining the exemplary levels of animal welfare within our own collection. It was with great regret that we had to suspend payments made by The Zoo's Conservation Welfare Fund to support our conservation partners in 2020. We hope that we can match our 2019 level of funding in 2021, providing critical support to projects around the globe that are having a direct impact on species and habitat conservation.

In the early part of 2020, Twycross Zoo did manage to provide financial aid to one of our key partners, West African Primate Conservation Action (WAPCA). WAPCA are working to protect one of the IUCN's 25 key biodiversity hotspots, which cover only 1.4% of the world's surface but are home to more than 60% of all animal and plant species found on this planet. Home to seven of the most threatened primate species in the world, including the White-thighed Black & White Colobus monkey and critically endangered Roloway monkey. As Twycross Zoo is renowned for its unique primate collection it is important that we contribute to the preservation of this unique habitat and the species within it. WAPCA work to protect the Guinean forest against illegal logging, which has led to extensive deforestation and prevent extensive bush meat hunting. They also run an ex-situ breeding programme to try to maintain genetic diversity and ensure the long-term survival of these threatened primate species.

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### REPORT OF THE TRUSTEES (continued)

Twycross Zoo is home to all four great ape species and one of our longstanding conservation partners is Ape Action Africa, who are responsible for the largest African sanctuary for chimpanzees and gorillas in Cameroon. We have managed to provide support through donating much needed drugs for veterinary use within the sanctuary. The sanctuary rescued orphaned apes displaced by the pet and bush meat trades. Twycross Zoo has provided both financial aid, charitable donations such as staff uniforms and drugs and veterinary and captive care expertise. During 2020 this support was restricted to charitable donations and the provision of remote expertise.

#### *Education*

Twycross Zoo has had an established education programme for over several decades which continuously grows and widens the remit to engage with all visitors so they are able to gain an appreciation of the natural world, its diversity and challenges. The Zoo's education programmes range from Early Years, through the curriculum key stages up to Master's Level programmes.

There is a long-standing partnership between the University of Nottingham and the Twycross Zoo veterinary department of over ten years and the Zoo is heavily involved in the clinical training of final year veterinary students. Twycross Zoo hosts students that take the final year elective of Zoo, Wildlife and Exotic Animal Medicine. Veterinary students have the opportunity to apply methods used during their course in a practical setting, including collecting data and conducting animal welfare audits.

To complement the relationship with the University of Nottingham Vet School, Twycross Zoo also supports the veterinary nurse programme of Nottingham Trent University. Launched in 2018 this relationship continues to strengthen with Twycross Zoo providing clinical training and placements for veterinary nurse students.

Twycross Zoo also offers specialist teaching for undergraduate and masters level students. Current provision includes contributing to the MSc in Primate Behaviour and Conservation (University of Wolverhampton); MSc in Endangered Species (Nottingham Trent University) and MSc Animal Nutrition (University of Nottingham).

In partnership with the University of Wolverhampton, Twycross Zoo is the lead industry partner for the Erasmus plus funded InterZoo partnership. There are 3 university partners and 3 zoo partners from across Europe, bringing together expertise to develop a formal international post graduate professional qualification. As part of a two-year programme Twycross Zoo are leading the development of the International Management of Zoo based conservation alongside the University of Wolverhampton. This is a great opportunity for Twycross Zoo to lead the way in terms of providing continuous professional development across the zoo sector.

Under the auspices of the European College of Zoological Medicine, an additional veterinary specialist training programme is also in place; the Zoo is currently training two veterinary residents, both due to complete this year.

In 2020, 4,000 people (2019: 41,000) attended a formal taught programme. This decline in numbers is reflecting multiple local and national lockdowns experienced in 2020. Such circumstances stimulated us to move our delivery of formal and informal education online, delivering virtual school sessions and developing educational content for our social media platforms and Zoo website, thus still reaching thousands with our conservation message.

Our programmes are developed to be curriculum and syllabi linked; with a number of tertiary education providers choosing the Zoo as an educational element of their specialised programmes. The Zoo also started a successful home educator programme, in which it is now able to connect with a previously unavailable group of pupils and their parents. This programme was developed around the national curriculum and the specific needs and expectation of home educating families.



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### REPORT OF THE TRUSTEES (continued)

The Zoo delivers to all stages of education's National Curriculum through a range of informal and formal environmental educational programmes for Zoo visitors, pre-school, primary, secondary and tertiary students, teachers and lecturers, community groups and external parties through outreach.

Twycross Zoo's award-winning Education programme offers a variety of discovery opportunities for all ages. Due to pandemic, we were unable to renew the Learning Outside the Classroom Quality Badge, that we now aim to renew for 2021 when we can start teaching again. We are a member of the International Zoo Educators Association. In addition to the curriculum offer, there is also a range of "out-of-school" learning activities for ages 8 to young adults via "Zooniversity", "Wildlife Warriors", "Conservation Rangers" and "Zoo Club".

In 2020, our Education department was able to publish two separate articles under the International Zoo Educators Association, one in IZE Journal and one as part of their newly introduced online IZE articles category.

The pandemic led to the cancellation of our programme of interactive conservation talks in 2020. Many of these are delivered by special guests including our conservation and university partners. As we build capacity in 2021 and restrictions lift we will look to relaunch this important public engagement with science programme.

Informal public educational talks are also an engagement means delivered via a series of daily talks throughout the day, throughout the Zoo and via our website and social media. During 2019, over 80,000 visitors attended the informal educational talks and a further 52,000 visited our staffed enclosures for a close encounter with some of our animals. Sadly, once 2020 pandemic-related restrictions were put in place, we were unable to deliver public educational talks, but we continued to engage with the public in our staffed enclosures while the Zoo remained open.

2020 has had a detrimental impact on zoo-based education. Despite all that, we persisted and explored multiple options of continuing to offer virtual school sessions, putting even more educational weight into our social media and website content. Public educational talks and staffed enclosures engagement for our visitors have started in 2021, following Government guidelines and we continue to engage with our different audiences via our social media and upskill our staff so they can provide valuable learning opportunities.

#### *Research*

Twycross Zoo has continued to support research as far as possible throughout the pandemic, which has also allowed for some novel research activities to take place. Working with Nottingham Trent University and Harper Adams University in a multi-zoo study Twycross Zoo conducted research into the impact of the absence of visitors and subsequent reintroduction of visitors post lockdown on zoo animals. The paper attracted the imagination of the world press and will be followed by a further publication focusing on different species.

In 2020 Twycross Zoo participated in 33 research projects across a wide range of scientific disciplines including veterinary science, conservation genetics, conservation science, animal behaviour and welfare and ape cognition. Of these projects, 16 were at Bachelor's degree level (2019:26), 7 at Master's level (2019:14) and 3 at PhD level (2019:5). The remaining projects were part of funded research projects including a Leverhulme funded project with Birkbeck University London in a new collaboration. Covid-19 significantly reduced our capacity for research in 2020, with several projects experiencing significant delays. Research at Twycross Zoo in 2020 has resulted in 6 scientific publications in peer reviewed journals (2019:8), 3 conference presentations (2019: 33) and 1 poster presentation.

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### REPORT OF THE TRUSTEES (continued)

Twycross Zoo has continued to support high quality impactful research, by investing in collaborative PhD activity. Twycross Zoo is co-supervisor of 2 current PhD students launched in 2019 with the University of Leicester and University of Wolverhampton. The first is focused in conservation genetics to combat the illegal wildlife trade and the latter focused on novel enrichment to improve the welfare of captive primates. Twycross Zoo has pledged further support for the University of Nottingham this year by funding a PhD student through the Research Council's Industrial Collaborative Award in Science and Engineering (ICASE). This is a high profile award primarily funded by the Research Council which supports knowledge exchange between academia and industry. This study will contribute to the work of the Ape Heart project by looking at the links between ape heart health and Vitamin D levels.

Twycross Zoo continues to lead the Ape Heart Project for the benefit of apes in the European Association of Zoos and Aquaria (EAZA). The AHP continues to contribute internationally leading research to the topic of ape heart health, publishing 3 book chapters and 1 peer reviewed journal article in 2020. The programme is Chaired by Twycross Zoo's Dr Sharon Redrobe OBE with Clinical Lead of Phillipa Dobbs and partners with the University of Nottingham and the University of Birmingham supported by; Dr Mike Martin, MVB, DVC, MRCVS; PhD student Sophie Moittie, LicVet, MRCVS; Professor Kate White MA VetMB DVA Dipl ECVA MRCVS; Clinical Associate Professor Kerstin Baiker Dr.med.vet, Dipl ECVP, MRCVS, SFHEA and Dr Melissa Grant, PhD, SFHEA.

The Zoo continues to run the joint veterinary Doctorate of Veterinary Medicine (PhD level training) programme with the University of Nottingham School of Veterinary Medicine and Science, which encompasses clinical and research elements. The current PhD student, Sophie Moittie is in her final year but this programme will continue to build research capacity and support to the Ape Heart Project.

Twycross Zoo continues to build relationships to support science led research that will ultimately help preserve and protect endangered species both within ex-situ and ex-situ conservation settings. Twycross Zoo has maintained several Memorandum's of Understanding (MoU) with university partners in a bid to build more strategic links, these include the University of Nottingham, University of Birmingham, Nottingham Trent University, University of Leicester, University of Wolverhampton and more recently Keele University. In 2020 Twycross Zoo continued to align itself with University partners that could support future strategic goals. A relationship with Oxford Brookes University, who have a strong primate focus has been developed, with a particular interest in collaboration around the future National Science and Conservation Centre Development. We are also working with Harper Adams, who in partnership with Keele University launched the Harper Keele Veterinary School in 2020.

The Zoo's on-site research facilities include a library and information technology with standard software, internet access as well as access to zoo animal records and a database of zoo-specific documents such as studbooks.

#### *Financial*

##### *See also Financial Review Section*

Twycross Zoo experienced very difficult trading conditions in 2020 due to closures caused by the pandemic. The financial resilience that had been built up in the preceding years was put to the test. The Zoo accessed Government support through Covid Business Interruption Loans and the Covid Job Retention Scheme, with over £400k of government support received.

Although the requirements of the animals under our care did not change and the costs remained constant, the reduction in the number of visitors from 648k in 2019 to 415k in 2020 had a severe impact on income. Staff in customer facing operations were furloughed and other cost reducing measures were introduced, including the postponement of major investment in new attractions. Support was also received from key suppliers who were able to suspend regular charges for short periods during the height of the pandemic. The support from the public through the later months of the year through online retail and membership purchases and other fundraising and donations was vital to the sustainability of the zoo.

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### REPORT OF THE TRUSTEES (continued)

Overall, income including Government Support was £9.9m (2019: £11.8m). The net surplus is £290k (2019: £515k) The Total Funds increased in the year by £230k (2019: £433k) to £23.5m (2018: £23.3m).

#### PUBLIC BENEFIT

The launch of Twycross Zoo's 2030 vision at the House of Lords in October 2019, reinforced Twycross Zoo's commitment to the conservation and sustainability of our planet that we share with other animals.

The initiatives to reduce waste on the Zoo site started in 2019 continued to focus on reducing plastic waste and conserving other natural resources.

The programme of engagement with international conservation projects was significantly reduced by the financial and travel limitations imposed by the Covid pandemic restrictions, but Zoo staff continued to raise awareness of the plight of endangered species through various communication channels.

Twycross Zoo partnerships will continue with a number of in-situ projects, including:

- Ape Action Africa (AAA) based in Cameroon, which rescues confiscated primates, working closely with the Cameroonian Government. AAA cares for over 300 primates including chimpanzees and gorillas. We support this charity with donations, medicines and importantly also visits from our specialist vets and ape specialists, in order to support and train AAA staff and assist in the project's work.
- Fauna and Flora; Cao Vit Gibbon Conservation Project in Vietnam
- Wildlife Vets International; Amur Leopards in the Russian Far East,
- Lola ya Bonobo, Democratic Republic Congo; bonobo rescue centre
- AEECL (The Association Européenne pour l'Etude et la Conservation des Lémuriens); a consortium of European Zoos and universities that have joined forces to carry out conservation and research projects for Madagascar's highly endangered lemurs.
- WAPCA (West African Primate Conservation Action) based in Ghana, they work to monitor critically endangered primate populations, provide community patrol groups that deter illegal activity in the forests and have developed a breeding programme for critically endangered captive primates.
- Wildtracks, Belize – a primate and manatee rescue and rehabilitation facility in Central America, which has one of the highest success rate of releasing injured or confiscated wildlife back to their natural habitat.
- Borneo Nature Foundation – a significant research, conservation and education organisation based in Indonesia and working with a variety of wildlife, including orang utans and gibbons.

#### Internal Operations

The Charity owns the whole of the issued share capital of Zoo Park (Twycross) Limited whose activities include the management of retail shops, cafeterias and conference facilities within the Himalaya building as well as additional retail and cafeterias facilities around the Zoo. The aim of the subsidiary is to generate funds to donate to the financial viability of the charity. The subsidiary company pays rent to the charity in respect of the buildings and assets utilised by the shops and cafeterias.

The Retail Strategy continued to deliver a sound retail product offer. Retail performed well under difficult circumstances during 2020, despite the prolonged closures, including online sales. Catering is delivered in partnership with a catering specialist. The catering partnership was put in place in January 2017 and has now completed four years of trading. The collaborative approach with our catering partner has allowed us to respond to the business conditions and prepare for reopening to ensure we were able to recover from the long periods of closure quickly and efficiently. Retail and Catering turnover totalled £2,624k (2019: £3,900k) and profit £639k (2019: £834k)

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## REPORT OF THE TRUSTEES (continued)

### Key Performance Indicators

Key Performance Indicators are set to monitor and measure progress and achievements throughout the year. The Zoo's executive team monitors and reviews on a regular basis the charity's key performance indicators against budget and prior year performance which include: -

- Admissions Revenue
- EBITDA
- Retail spend
- Catering spend
- Total visitors
- Education visits
- Memberships

Regular monitoring of the KPI's ensured the Zoo was able to achieve its financial, education and charitable objectives throughout the year.

### FINANCIAL REVIEW

The annual Financial Statements for the year to 31 December 2020 are set out at pages 18 to 46. The Trustees financial objectives are to make a surplus each year. In 2020, a surplus was made of £289,710 (2019: £514,671).

#### *Capital Expenditure*

Capital investment in the Zoo's habitat and visitor experience is the strategic priority of the Trustees. In a difficult year, fixed asset additions were £605k (2019 £2,334k) with the plans for development postponed in light of the uncertainty caused by the pandemic. No major habitat developments were undertaken and expenditure was incurred on improving existing facilities for some animals, including the Aldabran tortoise enclosure, and a new accommodation block for staff.

#### *Income and Expenditure*

Admissions and related income was £6.4m (2019: £7.8m) a reduction of 18%. Supporters of the Zoo responded to our appeals for funds with significant levels of donations through the year. Donations and Legacies received were £449k (2019: £25K). Total Expenditure reduced to £9.6m (2019: £11.3m). Staff costs were significantly reduced as seasonal staff were not employed while the Zoo was closed and other cost saving measures were introduced.

#### *Visitor Numbers*

Visitor numbers were severely curtailed due to the closure of the Zoo as a consequence of Covid restrictions. The number of visitors grew by 11% between 2018 and 2019 to 648k. There was a reduction of 36% in 2020 to 415k.

#### *Zoo Park (Twycross) Limited*

The Zoo's trading subsidiary, Zoo Park (Twycross) Limited provides retail and catering facilities across the site reported a turnover of £2.6m (2019: £3.9m). The surplus of £639k (2019: £834k) was 23% below 2019 and is included in the Group surplus.

#### *Going Concern*

The Trustees have carefully considered the financial plans of the organisation and concluded that it is appropriate to prepare the accounts on a Going Concern basis. Further details are set out in the Accounting Policies section of the Financial Statements on pages 21 and 22.

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### REPORT OF THE TRUSTEES (continued)

#### PLANS FOR THE FUTURE

The Zoo's master plan was implemented in 2015, but has been interrupted by the impact of the Covid pandemic. The master plan will resume as soon as possible with new animal exhibits, a vibrant zoological arena and quality visitor facilities designed to attract increasing numbers of visitors. Planned developments will raise the profile of the Zoo as a major contributor to animal conservation, the advancement of scientific research and a major regional tourist attraction.

#### RISK MANAGEMENT

The Zoo has a formal risk management strategy in place to assess business risks across the organisation. The Zoo continually reviews the major risks that it faces and has developed systems to monitor and control these risks to mitigate any impact they may have on the Zoo in the future.

The principle risks and uncertainties facing the Zoo's ongoing success are:

Risk Description	Impact/Consequence	Mitigation
Downturn in the UK and / or global economy adversely affecting the UK tourist and leisure industry	<ul style="list-style-type: none"> <li>Visitor number reduction</li> <li>Loss of revenue</li> <li>Lack of financing facilities</li> <li>Unable to invest in the Zoo's development programme</li> <li>Unable to maintain the current Zoo site</li> <li>Unable to maintain animal collection</li> <li>Lose core staff</li> </ul>	<ul style="list-style-type: none"> <li>Ensure as many costs as possible can be flexed with visitor numbers</li> <li>Engage with a strong targeted marketing campaign</li> <li>Exploit the drive time markets</li> <li>Keep the Zoo exhibits refreshed</li> <li>Provide "Value added" for the ticket price</li> </ul>
The Zoo does not retain its Zoo licence	<ul style="list-style-type: none"> <li>Zoo closure is enforced</li> </ul>	<ul style="list-style-type: none"> <li>Maintain required standards as dictated by the Zoo Licensing Act</li> <li>Carryout regular desktop compliance reviews</li> <li>Carryout regular training</li> </ul>
There are insufficient cash funds available to cash flow the Zoo's business plan	<ul style="list-style-type: none"> <li>The Zoo could be declared bankrupt by unpaid creditors</li> </ul>	<ul style="list-style-type: none"> <li>Maintain an adequate set level of working capital.</li> <li>Cash reserves forecasts are set aside to enable cash flow management.</li> <li>Carryout regular cash forecasting of available cash to determine adequate levels.</li> </ul>
Cash covenants are breached	<ul style="list-style-type: none"> <li>Reputational damage with funders</li> <li>Not able to deliver the Zoo Development plan impacting negatively on visitor revenue</li> </ul>	<ul style="list-style-type: none"> <li>Regular reviews of covenants carried out and reported to Board and Committee</li> <li>Regular reviews of cash forecasting reported to Committee</li> <li>Regular Debt reviews carried out</li> <li>Profit protection plan monitored</li> </ul>
Breach of Health & Safety statutory regulations	<ul style="list-style-type: none"> <li>The Zoo licence is revoked by the Local Authority</li> <li>Investigation and prosecution by Health &amp; Safety Executive</li> <li>The Zoo incurs criminal charges and financial penalties</li> </ul>	<ul style="list-style-type: none"> <li>Contract with a "Critical" partner to provide compliance assurance</li> <li>Ensure adequate H&amp;S policies in place which are implemented</li> <li>Regular and appropriate H&amp;S training for staff</li> </ul>
IT infrastructure is not adequate to support the business operation	<ul style="list-style-type: none"> <li>There is a breakdown of IT equipment due to age and / or inadequacy of the equipment</li> <li>Breach of IT security of the data held and / or loss of data</li> <li>Loss of revenue</li> <li>Reputational damage</li> </ul>	<ul style="list-style-type: none"> <li>Ensure sound and capable IT infrastructure and support</li> <li>Utilise in-house and outsourced solutions for growth and delivery</li> <li>Long term planning to replace / upgrade solutions</li> <li>Take timely and regular system back-ups / replications appropriate to the data and operation</li> <li>Policy for data storage which is adhered to including an "off-site" option.</li> <li>Frequent "patching" with "provider issued" patching to guard against unauthorised access</li> <li>Develop "resilience" in to the system to ensure business continuity.</li> <li>Carryout annual scoping exercises to ensure current IT infrastructure is adequate</li> </ul>

## Twycross Zoo - East Midland Zoological Society Limited

Co No: 1060956

Registered Charity No: 501841

Year ended 31 December 2020

### REPORT OF THE TRUSTEES (continued)

Risk Description	Impact/ Consequence	Mitigation
Board Members and Exec (Strategic Team) will not have sufficient skill or experience to manage the organisation's affairs.	<ul style="list-style-type: none"><li>Decisions made which are not thought through with high quality rigor damage the organisation's sustainability and reputation.</li></ul>	<ul style="list-style-type: none"><li>Review Board skill sets annually to ensure appropriateness and fit to strategic objectives</li><li>Carryout regular Board training in key strategic areas</li><li>Ensure regular governance updates</li><li>Ensure Strategic team have at least an annual strategy day to review and develop strategic plans and direction</li></ul>

### RELATIONSHIPS WITH OTHER CHARITABLE BODIES

The Trust maintains active links and co-operates with other Zoos and animal welfare bodies throughout the world in the furtherance of the Charity's aims and objectives. These include BIAZA (British and Irish Association of Zoos and Aquariums), EAZA (European Association of Zoos and Aquaria), WAZA (World Association of Zoos and Aquariums) and GRASP-UN (Great Apes Survival Partnership - UN).

### VOLUNTEERS

The Board of Trustees wish to record its gratitude to the numerous volunteers for their contribution to the Trust during the year.

### RESERVES POLICY

The Trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted spending expenditure. The Trustees consider that this level has been met and will provide sufficient funds to respond to short term funding requirements and to ensure that support costs are covered. This aim has been maintained throughout the year.

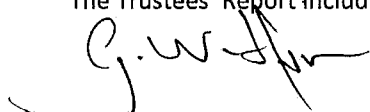
The balance held as unrestricted funds at 31 December 2020 was £20.6m (2019: £20.2m), of which £2.6m (2019: £2.3m) are regarded as free reserves, after allowing for funds designated for fixed assets and the revaluation reserve.

It is acknowledged by the organisation that it needs to maintain cash reserves that cover operating costs for a minimum of 3 months, estimated at £1.5m. Cash and bank reserves at 31 December 2020 were £6.7m (2019: £2.7m). The current level of reserves is therefore above the value needed.

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as company directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report including the Strategic Report was approved on behalf of the board by:



Rt Hon G W Hoon  
Chairman

Date: 31st August 2021

## Twycross Zoo - East Midland Zoological Society Limited

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### STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also directors of Twycross Zoo-East Midlands Zoological Society Limited for the purposes of company law) are responsible for preparing the Trustees' Report and Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# Twycross Zoo - East Midland Zoological Society Limited

Co No: 1060956

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Year ended 31 December 2020

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TWYXCROSS ZOO – EAST MIDLAND ZOOLOGICAL SOCIETY LIMITED**

### **Opinion**

We have audited the financial statements of Twycross Zoo – East Midland Zoological Society Limited for the year ended 31<sup>st</sup> December 2020 which comprise Consolidated Statement of Financial Activities, Consolidated Group and Company Balance Sheet, Consolidated Statement of Cashflows and the related notes 1 to 26, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 “The Financial Reporting standard applicable in the UK and Republic of Ireland”.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> December 2020 and of its incoming resources and application of resources, including its income and expenditure, 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 below. We are independent of the charitable 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**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern at least until 31 August 2022.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the trustee's ability to continue as a going concern.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report.

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

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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.



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**INDEPENDENT AUDITOR'S REPORT (continued)**

We have nothing to report in this regard.

**Opinion on other matter 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 trustees' report, which includes the directors' report and the strategic report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements

**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have identified no material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept or 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable 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 management either intends to liquidate the charitable company or to cease operations, or has 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.

***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material

## Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

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### INDEPENDENT AUDITOR'S REPORT (continued)

misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006).
- We understood how the Company is complying with those frameworks by making enquiries of management, including those charged with governance, to understand how the Company maintains and communicates its policies and procedures in these areas. We corroborated our enquiries through review of board minutes.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, through internal team conversations and inquiry of management, including those charged with governance. We considered the risk of management override by sampling from the entire population of journals, identifying specific transactions which did not meet our expectations based on specific criteria, and investigated these to gain an understanding and then agree them to source documentation.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures included verifying that material transactions were recorded in compliance with FRS 102 and, where appropriate, Companies Act 2006.

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

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Ernst & Young LLP*

**Andy Williams (Senior statutory auditor)**

**for and on behalf of Ernst & Young LLP, Statutory Auditor**

**Birmingham**

**31st August 2021**

# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Consolidated Income and Expenditure Account) for the year ending 31 December 2020

		2020				2019
	Notes	Unrestricted	Restricted	Endowment	Total	Total
		£	£	£	£	£
<b>INCOMING RESOURCES</b>						
FROM GENERATED FUNDS						
Voluntary						
Donations & Gifts	2	449,439	-		449,439	25,450
CHARITABLE ACTIVITIES						
Life Science, Education and Conservation Welfare	3	6,443,066	500		6,443,566	7,844,728
Activities For Generating Funds						
Retail & Catering	4	2,624,400	-		2,624,400	3,900,263
Government Business		403,953	-		403,953	-
Support Grants						
Interest Received		5,525	-		5,525	-
<b>TOTAL INCOMING RESOURCES</b>		<b>9,926,383</b>	<b>500</b>	<b>-</b>	<b>9,926,883</b>	<b>11,770,441</b>
<b>RESOURCES EXPENDED</b>						
COST OF GENERATING FUNDS						
Retail & Catering	4/5	(1,714,500)			(1,714,500)	(2,676,145)
CHARITABLE ACTIVITY						
Life Science, Education and Conservation Welfare	5/18	(7,708,207)	(132,524)		(7,840,731)	(8,528,835)
GOVERNANCE COSTS		(42,215)			(42,215)	(50,789)
CORPORATION TAX	8	(39,727)			(39,727)	-
<b>TOTAL RESOURCES EXPENDED</b>		<b>(9,504,649)</b>	<b>(132,524)</b>	<b>-</b>	<b>(9,637,173)</b>	<b>(11,255,769)</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		<b>421,734</b>	<b>(132,024)</b>	<b>-</b>	<b>289,710</b>	<b>514,671</b>
Other recognised gains and losses						
Actuarial loss on revaluation of pension		(60,000)			(60,000)	(82,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>361,734</b>	<b>(132,024)</b>	<b>-</b>	<b>229,710</b>	<b>432,671</b>
FUND BALANCES BROUGHT FORWARD AT 1 JANUARY	18/19	20,238,108	2,949,030	100,000	23,287,138	22,854,466
FUND BALANCES CARRIED FORWARD AT 31 DECEMBER	18/19	20,599,842	2,817,006	100,000	23,516,848	23,287,137

Income and net income for the year arise from the Group's continuing operations. No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Consolidated Statement of Financial Activities.

# Twycross Zoo - East Midland Zoological Society Limited

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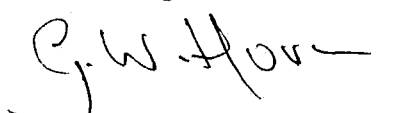
Year ended 31 December 2020

## CONSOLIDATED GROUP AND COMPANY BALANCE SHEET

As at 31 December 2020

	Notes	Group		Company	
		2020	2019	2020	2019
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible Assets	11	80,652	150,531	80,652	150,531
Tangible Assets	12	27,530,539	28,054,353	27,530,539	28,054,353
Investments	13	-	-	72,500	72,500
		<u>27,611,191</u>	<u>28,204,884</u>	<u>27,683,691</u>	<u>28,277,384</u>
<b>CURRENT ASSETS</b>					
Stocks	14	125,549	97,096	0	0
Debtors	15	995,904	989,097	1,243,463	1,757,693
Cash at Bank & In Hand		6,733,046	2,710,999	5,605,864	1,301,170
		<u>7,854,499</u>	<u>3,797,191</u>	<u>6,849,327</u>	<u>3,058,863</u>
<b>CREDITORS : Amounts falling due within one year</b>	16	(2,192,143)	(1,638,227)	(1,713,594)	(1,426,523)
<b>NET CURRENT LIABILITIES</b>		<u>5,662,357</u>	<u>2,158,964</u>	<u>5,135,733</u>	<u>1,632,340</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>33,273,548</u>	<u>30,363,848</u>	<u>32,819,424</u>	<u>29,909,724</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	17	(9,756,700)	(7,076,710)	(9,756,700)	(7,076,710)
<b>NET ASSETS</b>		<u><u>23,516,848</u></u>	<u><u>23,287,138</u></u>	<u><u>23,062,724</u></u>	<u><u>22,833,014</u></u>
<b>FUNDS</b>					
Endowment Fund	18	100,000	100,000	100,000	100,000
Restricted Funds	18	2,817,006	2,949,030	2,817,006	2,949,030
Unrestricted Funds					
Designated	18	17,543,478	17,123,410	17,543,478	17,123,410
Other	18	1,204,124	1,204,124	750,000	750,000
Revaluation Reserve	18	1,852,240	1,910,574	1,852,240	1,910,574
		<u><u>23,516,848</u></u>	<u><u>23,287,138</u></u>	<u><u>23,062,724</u></u>	<u><u>22,833,014</u></u>

The financial statements on pages 18 to 46 have been approved by the board and authorised for issue on 31<sup>st</sup> August 2021 and are signed on its behalf by:

  
Rt Hon G W Hoon - Chairman

# Twycross Zoo - East Midland Zoological Society Limited

Co No: 1060956

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Year ended 31 December 2020

## CONSOLIDATED STATEMENT OF CASHFLOWS For the year ended 31 December 2020

	Notes	2020 £	2019 £
CASHFLOWS FROM OPERATING ACTIVITIES			
NET CASH PROVIDED BY OPERATING ACTIVITIES	22	1,768,189	1,905,311
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash paid to acquire intangible and tangible fixed assets		(605,726)	(1,103,601)
		<u>(605,726)</u>	<u>(1,103,601)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash inflows from new bank borrowings		3,000,000	5,535,583
Repayments of bank borrowings and repayment of principal amounts of finance leases and capital creditors		(140,416)	(5,815,613)
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES		<u>2,859,584</u>	<u>(280,030)</u>
Change in cash and cash equivalents in the reporting period	22	<u>4,022,047</u>	<u>521,680</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	22	<u>6,733,046</u>	<u>2,710,999</u>

# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

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## ACCOUNTING POLICIES

### BASIS OF ACCOUNTING

Twycross Zoo – East Midland Zoological Society Limited is a charitable company and a public benefit entity. Therefore, the financial statements have been prepared under the historical cost accounting rules. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) and are in accordance with applicable accounting standards, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

As permitted by section 408 of the Companies Act 2006 the income and expenditure account of the parent company has not been separately presented in the financial statements.

The separate charitable company statement of financial activities for the year ended 31 December 2020 shows gross incoming resources of £7.2m (2019: £7.9m) and a total profit of £262k (2019: profit of £514k)

### BASIS OF CONSOLIDATION

The group financial statements consolidate the financial statements of the company and its subsidiary undertaking on a line by line basis using acquisition accounting, eliminating intercompany balances and transactions. The financial statements are presented in the form of Group financial statements.

### GOING CONCERN

The Group's net income for the period is £329k (2019: £515k) and has net current assets of £5,662k (2019: £2,159k).

In determining whether the Group's annual financial statements can be prepared on a going concern basis, the Trustees have considered the Group's business activities, together with the factors likely to affect its future development, performance and position, including the impact of the Covid-19 pandemic. The review also includes the financial position of the Company and the wider Group that the Company is part of, their short term and long-term cash flows, liquidity position and borrowing facilities.

The going concern assessment covers the period up to 31 August 2022. The base case forecast used in the assessment assumes pre-pandemic levels of trading up to April 2022, which are below the levels of trading experienced in the period where the zoo has been open to visitors throughout 2020 and 2021 to date, followed by increased activity between April and August 2022 following the opening of a new attraction. Reverse stress tests have been modelled which demonstrated there is sufficient liquidity in all severe but plausible downsides considered. A two-month forced closure in the busier months of April and May 2022 would result in a breach of one of the covenants but mitigating actions could be implemented which would enable the Group to withstand the closure without breaching the covenant. Furthermore, the Trustees consider a Spring closure to be a remote possibility with any future closures being in winter, when demand is lower, if at all.

The key factors considered by the Trustees in making the assessment of going concern were as follows:

- The implications of social and economic conditions on the Group's revenues and profits, with particular reference to the potential for further trading restrictions as part of measures to address the Covid pandemic, including more periods of Zoo closure.
- The funds available to the Zoo through the £5.7m loan facility with an extended termination date of December 2039 and the £4.3m Coronavirus Business Interruption Loan (CBIL) which has been agreed post year end and is repayable over 10 years from 2023.

## Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

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### ACCOUNTING POLICIES (continued)

- The agreement of the Group's lender to waive covenant tests attaching to the loan facility up to June 2022 and ongoing discussions with the bank providing confidence that further support will be provided in the future.
- Positive trading experience since the Zoo re-opened in April, with visitor numbers and yields being above budget and an expectation that this will continue given the restrictions on international travel throughout the summer holidays.
- Prudent financial planning assumptions for the remainder of the year to ensure resources are directed towards critical activities.

The Trustees have assessed the financial position of the organisation, plans for the period to 31 August 2022 and the mitigating actions available and after making enquiries the Trustees are confident that the Group and Company can continue in operational existence at least until 31 August 2022. For these reasons, the Trustees continue to adopt the going concern basis for the preparation of these financial statements and in preparing the financial statements they do not include any adjustments that would be required if they were prepared on a basis other than going concern.

#### INCOME

Income is recognised when the charity has entitlement to the funds; any performance conditions attached to the item(s) of income have been met; it is probable that the income will be received; and the amount can be measured reliably.

Income from government and other grants, including financial support through Coronavirus Business Interruption Loans and the Coronavirus Job Retention Scheme, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from gate admissions is recognised at point of entry. Income from the sale of annual passes is deferred and recognised evenly over the period that the pass is valid. Income from legacies is recognised at the point of receipt.

# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

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## ACCOUNTING POLICIES (continued)

### DONATED SERVICES AND FACILITIES

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

### INVESTMENT INCOME

Investment income is included in income when receivable.

### FUND ACCOUNTING

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific artistic projects being undertaken by the Charity.

### EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is included in the Statement of Financial Activities on an accruals basis net of value added tax.

Expenditure is classified under the following activity headings:

- Costs of raising funds are those costs incurred in the trading activities of the retail and catering functions.
- Expenditure on charitable activities includes costs associated with animals, education and conservation and includes both the direct costs and support costs relating to these activities.
- Support costs include central functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Zoo's activities. Support costs have been allocated to activity cost categories on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

### INTANGIBLE FIXED ASSETS AND AMORTISATION

Intangible fixed assets are stated at historical cost less accumulated amortisation.

Amortisation is provided to write off the cost less the estimated residual value of intangible fixed assets over their estimated useful lives as follows:

IT software- 10% - 25% per annum



# Twycross Zoo - East Midland Zoological Society Limited

Co No: 1060956

Registered Charity No: 501841

Year ended 31 December 2020

## ACCOUNTING POLICIES (continued)

### TANGIBLE FIXED ASSETS AND DEPRECIATION

Land and Buildings were revalued at adjusted depreciation replacement cost as at the 31<sup>st</sup> December 2018. This revalued the Land and Buildings at £25,774,675 at that date. The revaluation was conducted in accordance with FRS102 guidance in order to reflect more accurately the value of Land and Buildings assets owned by Twycross Zoo. The net difference between the 2018 written down value and the revaluation as at 31<sup>st</sup> December 2018 was recorded within the revaluation reserve. The difference between the depreciation based on the revalued carrying value and the depreciation based on the original cost is released from the revaluation reserve to other unrestricted funds each year.

Depreciation of fixed assets are charged by equal annual instalments commencing with the year of acquisition at rates estimated to write off their cost. Assets in the course of construction are disclosed separately at a value equal to costs incurred to date. Once completed, they are reclassified and depreciated using the Group's depreciation policy below. No residual values are typically considered.

Freehold land and buildings revalued as at 31/12/2018	Variable dependant on asset life
Tools, plant and equipment	-10% - 20% per annum
Furniture and equipment	-10% - 15% per annum
Motor vehicle	-10% - 20% per annum
IT equipment	-10% - 25% per annum

Assets in the course of construction are transferred to the relevant asset category on the date of completion and depreciated from that date.

### STOCKS

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less costs of disposals.

### DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

# Twycross Zoo - East Midland Zoological Society Limited

Co No: 1060956

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Year ended 31 December 2020

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## ACCOUNTING POLICIES (continued)

### ZOO ANIMALS

Most of the Zoo's animals are part of international breeding programmes and are "on loan" and as such, are not owned by Twycross Zoo. No valuation is made of the animal collection at the end of each year. Where appropriate, purchases and sales appear in the financial statements as revenue items in the year in which they arise.

### LEASED ASSETS

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as though they had been purchased outright. The amount capitalised is the present value of the minimum lease payments during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements and the interest is charged to the Statement of Financial Activities (SOFA) in proportion to the remaining balance outstanding,

### TAXATION

The charity is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation and Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. Its trading company usually donates the whole of its taxable profits to the Society each year, and tax relief is granted on the transfer if it is completed in compliance with current tax legislation.

### RETIREMENT BENEFITS

The Charity runs a stakeholder pension scheme. The amount charged in respect of pension costs is the employer's contributions payable for the year. The pension scheme is a defined contribution scheme.

The Company has put arrangements in place via an Employer Financed Retirement Benefits Scheme (EFRBS) for an ex-employee with a pension entitlement contained within their employment contract. The Company's obligations under this EFRBS will not be funded, however they will constitute liabilities of the Company payable when due and therefore are disclosed in the Company's accounts.

### INVESTMENTS

Investments are stated at fair value. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

### RECOGNITION OF LIABILITIES

Liabilities are recognised when there is a legal or constructive obligation.

### CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The defined benefit obligation is accounted for using a method that relies on actuarial assumptions to estimate the liability for inclusion in the financial statements. These actuarial assumptions include discount rates, inflation rate and mortality rates

# Twycross Zoo - East Midland Zoological Society Limited

Co No: 1060956

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Year ended 31 December 2020

## Notes to the Accounts

### 1. COMPARATIVE SOFA

#### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Consolidated Income and Expenditure Account) for the year ending 31 December 2019

	2019			
	Unrestricted	Restricted	Endowment	Total
	£	£	£	£
<b>INCOMING RESOURCES</b>				
FROM GENERATED FUNDS				
Voluntary				
Donations & Gifts	21,950	3,500		25,450
CHARITABLE ACTIVITIES				
Life Science, Education and Conservation Welfare	7,829,856	14,872		7,844,728
Activities For Generating Funds				
Retail & Catering	3,900,263	-		3,900,263
Government Business Support Grants	-			-
Investment Income	-	-		-
<b>TOTAL INCOMING RESOURCES</b>	<b>11,752,069</b>	<b>18,372</b>	<b>-</b>	<b>11,770,441</b>
<b>RESOURCES EXPENDED</b>				
COST OF GENERATING FUNDS				
Retail & Catering	2,676,145			2,676,145
CHARITABLE ACTIVITY				
Life Science, Education and Conservation Welfare	8,579,624			8,579,624
GOVERNANCE COSTS				-
OTHER RESOURCES EXPENDED				-
<b>TOTAL RESOURCES EXPENDED</b>	<b>11,255,769</b>	<b>-</b>	<b>-</b>	<b>11,255,769</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>	<b>496,300</b>	<b>18,372</b>	<b>-</b>	<b>514,672</b>
Other recognised gains and losses				
Actuarial loss on revaluation of pension liability	(82,000)			(82,000)
Corporation Tax	-			-
<b>NET MOVEMENT IN FUNDS</b>	<b>414,300</b>	<b>18,372</b>	<b>-</b>	<b>432,672</b>
FUND BALANCES BROUGHT FORWARD AT 1 JANUARY	19,823,808	2,930,658	100,000	22,854,466
FUND BALANCES CARRIED FORWARD AT 31 DECEMBER	20,238,108	2,949,030	100,000	23,287,138

# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

## Notes to the Accounts (continued)

### 2. DONATIONS AND LEGACIES

	2020 £	2019 £
Donations & Gifts	372,095	9,681
Legacies	<u>77,343</u>	<u>15,769</u>
	<u>449,439</u>	<u>25,450</u>

### 3. CHARITABLE ACTIVITIES

	2020 £	2019 £
Unrestricted Income		
Gate Admissions and Donations	5,204,575	6,061,840
Gift Aid	582,508	675,729
Membership and adoptions	471,011	567,331
Educational visits	7,338	79,411
Other Income	<u>177,633</u>	<u>445,545</u>
	6,443,066	7,829,856
Restricted Income		
Research and Conservation Grants	<u>500</u>	<u>14,872</u>
	<u>6,443,566</u>	<u>7,844,728</u>

# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

## Notes to the Accounts (continued)

### 4. RETAIL AND CATERING

#### RETAIL & CATERING

	2020	2019
	£	£
Turnover	2,624,400	3,900,263
Government Grants	46,585	
Cost of Sales	(1,500,378)	(2,417,946)
Gross Profit	1,170,607	1,482,318
Administrative Expenses	(492,162)	(648,226)
Corporation Tax	(39,727)	-
Net Profit	638,718	834,092
Reconciliation to SOFA		
Cost of sales	1,500,378	2,417,946
Administrative Expenses	492,162	648,226
	1,992,540	3,066,171
Less rent payable to parent	(262,440)	(352,034)
Less auditor's remuneration analysed as governance costs	(15,600)	-
Less other costs recharged		(37,992)
	1,714,500	2,676,145

# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

## Notes to the Accounts (continued)

### 5. ANALYSIS OF TOTAL EXPENDITURE

	Retail & Catering Costs £	Life Science, education and conservation welfare costs £	2020 Total Costs £	2019 Total Costs £
<b>COSTS DIRECTLY ALLOCATED TO ACTIVITIES</b>				
Life Science	-	438,158	438,158	565,982
Building Expenses	-	1,514,860	1,514,860	1,646,050
Retail & Catering	1,500,378	-	1,500,378	2,441,282
Advertising & Publicity	-	639,379	639,379	623,858
Legal & Professional	-	101,403	101,403	191,578
	<u>1,500,378</u>	<u>2,693,799</u>	<u>4,194,177</u>	<u>5,468,750</u>
<b>SUPPORT COSTS ALLOCATED TO ACTIVITIES</b>				
Staff Costs	198,497	2,642,533	2,841,030	3,200,590
Office Expenses	15,624	805,122	820,747	732,737
Irrecoverable Vat	-	255,615	255,615	461,263
Depreciation	-	1,138,144	1,138,144	1,082,853
Fixed Asset Disposal	-	-	-	-
Finance Costs	-	305,518	305,518	258,787
Other support costs	-	-	-	-
	<u>214,122</u>	<u>5,146,932</u>	<u>5,361,054</u>	<u>5,736,230</u>
<b>2020 Totals</b>	<u>1,714,500</u>	<u>7,840,731</u>	<u>9,555,231</u>	<u>11,204,980</u>
<b>2019 Totals</b>	<u>2,676,145</u>	<u>8,528,835</u>		<u>11,204,980</u>

# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

## Notes to the Accounts (continued)

### 6. NET INCOME

	2020	2019
	£	£
Net income is stated after charging:		
Operating lease rentals		
- plant and machinery	48,538	29,124
Auditors' remuneration		
- for audit services	39,000	39,000
- for non-audit services		-
Depreciation of tangible fixed assets		
-leased assets	14,351	14,351
-owned assets	1,115,190	1,048,582
Amortisation of intangible assets	69,878	34,271
Cost of stock recognised as an expense	<u>418,661</u>	<u>561,466</u>

### 7. INTEREST EXPENDITURE

	2020	2019
	£	£
Interest on bank loans and overdrafts	236,609	215,299
Other bank, interest and finance lease charges	61,910	34,488
Pension net interest expense (note 25)	<u>7,000</u>	<u>9,000</u>
	<u>305,518</u>	<u>258,787</u>

# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

## Notes to the Accounts (continued)

### 8. TAXATION

#### Twycross Zoo East Midlands Zoological Society (The Company)

	2020	2019
	£	£
Current tax:		
UK corporation tax on profits of period	-	-
Factors affecting tax charge for the period	-	-

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

#### Zoo Park (Twycross) Ltd

Profit on ordinary activities before taxation of Zoo Park (Twycross) Ltd	678,455	834,092
Tax at 19% (2019: 19%) on profit	128,906	158,477
Exempt under gift aid	<u>(89,179)</u>	<u>(158,477)</u>
Corporation tax	<u>39,727</u>	<u>-</u>

The trading subsidiary, Zoo Park (Twycross) Limited, usually donates all its annual surplus to the parent company under the statutory Gift Aid provisions. During 2020, the transfer made did not result in full tax relief, and Zoo Park (Twycross) Limited is liable for Corporation Tax of £39,727.



# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

## Notes to the Accounts (continued)

### 9. DIRECTORS AND EMPLOYEES

Group staff costs:	2020	2019
	£	£
Wages and salaries	2,721,988	2,892,395
Social security costs	198,712	203,598
Pension costs	103,475	104,597
	<u>3,024,175</u>	<u>3,200,590</u>

#### Higher paid employees

Salary Range	2020	2019
£150,000 - £159,999	1	
£110,000 - £119,999	1	1
£90,000 - £99,999	1	
£80,000 - £89,999		1
£70,000 - £79,999		1

Pension and National Insurance Contributions of £59,525 (2019: £ 30,396) were paid in respect of these employees.

#### Average monthly number of employees, based on headcount.

	2020	2019
Average monthly number of employees, based on head count including directors:-	No.	No.
Education	9	13
Resources	20	7
Visitor services	34	39
Retail	17	22
Keepers	54	56
Vets	3	3
	<u>137</u>	<u>140</u>

# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

## Notes to the Accounts (continued)

### 10. TRUSTEES

No remuneration was paid to the Trustees and none are accruing benefits under pension schemes (2019: £nil)

During the year 4 (2019: 6) Trustees were reimbursed expenses of £929 (2019: £2,195), relating to travel and accommodation costs.

The key management personnel of the group comprise those having authority and responsibility, delegated to them by the Trustees, for planning, directing and controlling the activities of the charity. Remuneration for key management personnel, including pension and employer's national insurance contributions amounted to £414,512 (2018: £335,124).

### 11. INTANGIBLE ASSETS

	IT Software £	Total £
Cost		
1st January 2020	227,203	227,203
Additions	-	-
Transfers	-	-
Disposals	-	-
31st December 2020	<u>227,203</u>	<u>227,203</u>
Amortisation	76,673	76,673
1st January 2020		-
Amortisation charge for the year	69,878	69,878
Disposals	-	-
31st December 2020	<u>146,551</u>	<u>146,551</u>
Net Book Value		
31st December 2020	<u>80,652</u>	<u>80,652</u>
31st December 2019	<u>150,531</u>	<u>150,531</u>

# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

## Notes to the Accounts (continued)

### 12. TANGIBLE FIXED ASSETS

Cost	Freehold Land & Buildings £	Tools Plant & Equipment £	Furniture & Equipment £	Motor Vehicles £	IT Equipment £	Assets Under Construction £	Total £
1st January 2020	27,567,744	932,674	1,230,907	23,657	332,177	373,847	30,461,005
Additions	59,521	4,099	138,319	-	69,470	334,316	605,725
Transfers	228,763	(7,810)				(220,952)	0
Disposals							-
Revaluation							-
31st December 2020	27,856,028	928,962	1,369,225	23,657	401,647	487,210	31,066,731
Depreciation							
1st January 2020	859,716	576,237	708,697	23,629	238,373	-	2,406,651
Charge for the year	913,792	36,242	90,809	28	88,670	-	1,129,541
Transfers							-
Disposals							-
Revaluation							-
31st December 2020	1,773,508	612,480	799,505	23,657	327,043	-	3,536,192
Net Book Value							
31st December 2020	26,082,521	316,483	569,720	0	74,605	487,210	27,530,539
31st December 2019	26,708,028	356,437	522,210	28	93,803	373,847	28,054,353

# Twycross Zoo - East Midland Zoological Society Limited

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## Notes to the Accounts (continued)

The net book value of tools, plant and equipment includes assets held under finance leases costing £143,513 (2019: £143,513) which incurred depreciation of during the year ended 31 December 2020 £14,351 (2019 £14,351). Land and Buildings were revalued at adjusted depreciation replacement cost as at the 31<sup>st</sup> December 2018. This revalued current Land and Buildings at £25,774,675. The net difference between the 2018 written down value and the revaluation as at 31<sup>st</sup> December 2018 has created a revaluation reserve in the accounts of £1,852,240 (2019: £1,910,574). The revaluation was conducted in accordance with FRS102 guidance in order to reflect more accurately the value of Land and Buildings assets owned by Twycross Zoo. The net book value of Freehold land and buildings includes £1,211,071 (2019: £1,280,817) relating to the Tiger enclosure asset which incurred depreciation of £69,746 during the year ended 31 December 2020 (2019: £16,213), see note 17 for further details.

# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

## Notes to the Accounts (continued)

### 13. INVESTMENTS

COMPANY	2020	2019
	£	£
Investment in Subsidiary Company	72,500	72,500

The company owns 9,600 £1 ordinary shares in Zoo Park (Twycross) Limited ("Zoo Park") (company number 709915) being the whole of the issued share capital of that company. Zoo Park (Twycross) Limited is incorporated in, and operates in, the United Kingdom. Its principal activity is the provision of catering and leisure services.

During 2020 Zoo Park generated turnover of £2,624,400 (2019: £3,900,262), received government grant income through the Coronavirus Job Retention Scheme of £46,585 (2019: nil) and recognised total expenditure of £2,032,267 (2019: £3,066,170).

The subsidiary company's retained profit for the financial year is £Nil (2019: profit £nil) and its capital and reserves at 31 December 2020 are £526,623 (2019: £526,623).

The subsidiary company has an amount payable of £638,718 (2019: £834,092), under gift aid to the parent company.

### 14. STOCKS

	Group		Company	
	2020	2019	2020	2019
Gift Shop & Guides	125,549	97,096	-	-

# Twycross Zoo - East Midland Zoological Society Limited

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## Notes to the Accounts (continued)

### 15. DEBTORS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts owed by subsidiary	-	-	689,569	982,662
Trade debtors	21,381	-	21,381	-
Other Debtors	828,590	805,642	386,580	591,576
Prepayments & Accrued Income	145,933	183,455	145,933	183,455
	<u>995,904</u>	<u>989,097</u>	<u>1,243,463</u>	<u>1,757,693</u>

### 16. CREDITORS: Amounts falling due in less than one year

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
CBIL Loan	300,000	-	300,000	-
Finance Leases	69,566	67,019	69,566	67,019
Trade Creditors	573,053	331,615	306,337	325,856
Other Taxation & Social Security	32,523	169,747	32,523	169,826
Corporation Tax	39,727	-	-	-
Accruals & Deferred Income	1,059,004	924,311	886,898	718,365
Capital creditor	118,270	145,457	118,270	145,457
	<u>2,192,143</u>	<u>1,638,227</u>	<u>1,713,594</u>	<u>1,426,523</u>

Included within tax and social security are pension contributions of £19,477 (2019: £15,376). Included within accruals is deferred income relating to the sales of annual membership passes. Due to Covid, annual membership passes have been extended for a period equivalent to the closure of the zoo. The value of memberships included in income earned from charitable activities during the current year is £471k (2019 £567k) and the amount deferred is £379K (2019: £263k)

# Twycross Zoo - East Midland Zoological Society Limited

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## Notes to the Accounts (continued)

### 17. CREDITORS: Amounts falling due in more than one year

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
CBIL Loan	2,700,000	-	2,700,000	-
Pension Creditor	421,000	354,000	421,000	354,000
Finance Lease Obligations	62,681	90,822	62,681	90,822
Bank Loans	5,565,232	5,536,467	5,565,232	5,536,467
Capital Creditor	1,007,787	1,095,421	1,007,787	1,095,421
	<u>9,756,700</u>	<u>7,076,710</u>	<u>9,756,700</u>	<u>7,076,710</u>

Included in bank loans are £5.6m borrowed from Metro bank in 2019. The average rate of interest on this loan during the year was 3.25% (2019 3.5%). During the year interest payments were suspended and added to the principle borrowed. During the year the Company arranged a Coronavirus Business Interruption Loan of £3m, at a rate of 3% plus the Bank of England Base rate. The average interest rate payable for the year was 3.1%. The interest on this loan for the first 12 months will be covered by a COVID Business Interruption Support Grant. The amount of grant received in the year was £51,468 (2019: £nil). The loan had a term of 6 years with capital repayment commencing in July 2021. The loan was repaid in March 2021 and a further loan of £4.3m arranged on similar terms.

# Twycross Zoo - East Midland Zoological Society Limited

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## Notes to the Accounts (continued)

### 18. FUNDS

#### ENDOWMENT FUND

£

1st January 2020 and 31st December 2020

100,000

#### UNRESTRICTED FUNDS

	Group		Company	
	2020	2019	2020	2019
Designated Funds				
1st January	17,123,410	1,367,100	17,123,410	1,367,100
Transfer to Designated funds from Other Unrestricted Funds	420,068	15,756,310	420,068	15,756,310
31st December	<u>17,543,478</u>	<u>17,123,410</u>	<u>17,543,478</u>	<u>17,123,410</u>
Conservation Welfare	1,367,100	1,367,100	1,367,100	1,367,100
Fixed Assets	<u>16,176,378</u>	<u>15,756,310</u>	<u>16,176,378</u>	<u>15,756,310</u>
	<u>17,543,478</u>	<u>17,123,410</u>	<u>17,543,478</u>	<u>17,123,410</u>

The Conservation Welfare Fund is to provide grants to wildlife conservation and/or welfare projects.

During 2019, the Trustees implemented a policy to establish a designated fund relating to tangible fixed assets. Establishing this designated fund reflects the Group's net assets are largely attributed to capitalised tangible fixed assets, which do not provide free funds which are available for use. The carrying value of tangible fixed assets at 31 December 2020 was £27.5m (2019: £28.1m), see note 12. A reconciliation between total funds and the significant components of net assets is provided in note 20. During 2020 a further £0.4m (2019: £15.8m) has been transferred from "Other Unrestricted Funds" to "Designated Funds", resulting in total "Other Unrestricted Funds" of £1.2m and £0.75m for the Group and Company respectively (2019 £1.2m and £0.75m).

#### Revaluation Reserve

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
1st January	1,910,574	1,968,909	1,910,574	1,968,909
Annual Transfer from Revaluation Reserve to Other Unrestricted Funds	(58,334)	(58,335)	(58,334)	(58,335)
31st December	<u>1,852,240</u>	<u>1,910,574</u>	<u>1,852,240</u>	<u>1,910,574</u>



# Twycross Zoo - East Midland Zoological Society Limited

Co No: 1060956

Registered Charity No: 501841

Year ended 31 December 2020

## Notes to the Accounts (continued)

### Note 18 (Continued)

#### Other Unrestricted Funds

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
1st January	1,204,124	16,487,799	750,000	16,033,675
Net (loss) / surplus for the year	421,734	496,300	421,733	496,300
Actuarial Loss on revaluation of pension liability	(60,000)	(82,000)	(60,000)	(82,000)
Transfer from Revaluation Reserve	58,334	58,335	58,334	58,335
Transfer to Designated Funds - Fixed Assets	(420,068)	(15,756,310)	(420,068)	(15,756,310)
31st December	<u>1,204,124</u>	<u>1,204,124</u>	<u>750,000</u>	<u>750,000</u>
Total unrestricted funds	<u>20,599,842</u>	<u>20,238,108</u>	<u>20,145,718</u>	<u>19,783,984</u>

#### RESTRICTED FUNDS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
1st January	2,949,030	2,930,658	2,949,030	2,930,658
Income in the year	500	18,372	500	18,372
Expended in the year	132,524	-	132,524	-
31st December	<u>2,817,006</u>	<u>2,949,030</u>	<u>2,817,006</u>	<u>2,949,030</u>

# Twycross Zoo - East Midland Zoological Society Limited

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## Notes to the Accounts (continued)

### Note 18 (Continued)

	1st January 2020	Income	Expenditure	31st December 2020
Molly Badham Chimpanzee Fund	23,008	-	23,008	-
Himalaya	2,350,000	-	75,000	2,275,000
Changing Places Grant	55,398	-	2,193	53,205
LLEP SME Growth Fund	502,252	-	13,951	488,301
WAZA	14,872	-	14,872	-
Other		500	0	500
Ratcliffe Foundation	3,500	-	3,500	-
	<u>2,949,030</u>	<u>500</u>	<u>132,524</u>	<u>2,817,006</u>

#### Molly Badham Chimpanzee Fund

The Molly Badham Chimpanzee Fund was set up after Miss Badham's death in 2007, in recognition of her years of service at Twycross Zoo and her contribution to chimpanzee contribution. The fund has been spent on enhancing the chimpanzee accommodation at the zoo.

#### Himalaya

Twycross Zoo was awarded a grant of £3,000,000 by the East Midlands Development Agency towards the construction of a new visitor welcome centre. 'Himalaya' is a landmark project for the East Midlands region. The value of the building is held in Fixed Assets and the fund is amortised over the buildings estimated useful life.

#### Changing Places Grant Fund

The Changing Places Grant Fund was provided by and is being amortised over its useful life.

#### LLEP SME Growth Fund

The Zoo Development Fund represents amounts received from Leicester and Leicestershire Enterprise Partnership to support the Trustees' master plan to develop the zoo infrastructure. The funds were expended on fixed assets during the 2015 financial year. The fund is amortised over the estimated useful life of the assets.

#### WAZA

The grant from the World Association for Zoos and Aquaria (WAZA) was part of their Nature Connect project to provide support to families in Borneo to create sustainable businesses in partnership with the Borneo Nature Foundation.

#### Ratcliffe Foundation

The Ratcliffe Foundation donated money to be spent on updating veterinary equipment.

# Twycross Zoo - East Midland Zoological Society Limited

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## Notes to the Accounts (continued)

### 19. RECONCILIATION OF FUNDS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Surplus for the year	289,709	514,672	289,709	514,672
Actuarial losses on revaluation of pension liability	(60,000)	(82,000)	(60,000)	(82,000)
Opening funds	<u>23,287,137</u>	<u>22,854,465</u>	<u>22,833,014</u>	<u>22,400,342</u>
Closing funds	<u>23,516,846</u>	<u>23,287,137</u>	<u>23,062,723</u>	<u>22,833,014</u>

### 20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted funds	Endowment fund	Total
	£	£	£	£
Intangible fixed assets (note 11)	80,652			80,652
Tangible fixed assets (note 12)	24,613,533	2,817,006	100,000	27,530,539
Cash at bank and in hand	6,733,046			6,733,046
Other net current assets/(liabilities)	(1,070,689)			(1,070,689)
Long term liabilities (note 17)	(9,756,700)			(9,756,700)
	<u>20,599,842</u>	<u>2,817,006</u>	<u>100,000</u>	<u>23,516,848</u>

### 21. GUARANTEES AND OTHER FINANCIAL COMMITMENTS

There were no guarantees or financial commitments at 31 December 2020 (2019: £nil)

# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

## Notes to the Accounts (continued)

### 22. CASHFLOW

#### RECONCILIATION OF NET INCOME TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net incoming/(outgoing) resources	289,710	432,672
Depreciation	1,199,419	1,082,853
Amortisation of loan arrangement fees	28,765	-
Movement in stocks	(28,453)	7,844
Movement in debtors	(6,808)	372,999
Movement in creditors	285,556	(73,057)
	<u>1,768,189</u>	<u>1,905,311</u>

#### Analysis of Cash and Cash Equivalents

	1 January		31 December
	2020	Cash flows	2020
	£	£	£
Cash at bank and in hand	<u>2,710,999</u>	<u>4,022,047</u>	<u>6,733,046</u>

## Twycross Zoo - East Midland Zoological Society Limited

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### Notes to the Accounts (continued)

#### 23. RELATED PARTY TRANSACTIONS

The Charity owns the whole of the issued share capital of Zoo Park (Twycross) Limited ("Zoo Park")

Transactions with Zoo Park were as follows:

	2020	2019
Zoo Park profit gift aided to parent	638,718	834,092
Intercompany rent and other recharges	262,440	390,026

Dr Sharon Redrobe, Chief Executive, was appointed a director of her wife's company, Little Soap Company Limited, on 27 April 2020. During the year Zoo Park purchased goods for resale to the value of £1,349 (2019: £399) from Little Soap Company Limited. There were no outstanding payments due Little Soap Company at 31 December 2020 (2019: nil).

#### 24. CONTINGENT LIABILITIES

There are no contingent liabilities at the 31 December 2020 (2019: £ nil)

# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

## Notes to the Accounts (continued)

### 25. PENSION LIABILITIES

The Company has put arrangements in place via an Employer Financed Retirement Benefits Scheme (EFRBS) for an ex-employee with a pension entitlement contained within their employment contract. The Company's obligations under this EFRBS will not be funded, however they will constitute liabilities of the Company payable when due and therefore are disclosed in the Company's accounts.

Principal actuarial assumptions at the balance sheet date	Year to 31 December	
	2020	2019
Discount rate	1.30%	2.10%
RPI price inflation	n/a	n/a
CPI price inflation	n/a	n/a
Mortality (pre and post retirement)	S3PXA light table with future improvements in line with the CMI 2018 projection model were used with a long-term trend rate of 1.5% pa	

The amounts recognised in the statement of financial position

EFRBS unfunded Liability	£421,000
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This disclosure does not cover any other pension arrangement or commitments of the Company.

Net liability recognised in the balance sheet	£421,000
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Sensitivity analysis	Increase in Liability	
	2020	2019
Discount rate decreased by 0.1%	£8,000	£7,000
Life expectancy increased by one year	£12,000	£9,000

The above sensitivity analysis is based on isolated changes in each assumption whilst holding all other assumptions constant. In practice, that is unlikely to occur and there is likely to be some level of correlation between the movements in different assumptions.

For the year ended 31 December 2020, the total amount of actuarial re-measurement losses recorded in Other Recognised Gains/Losses (other comprehensive income) was £60,000 (2018: £82,000). The net interest expense recognised in Total Expenditure was £7,000 (2019: £9,000).

# Twycross Zoo - East Midland Zoological Society Limited

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Year ended 31 December 2020

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## Notes to the Accounts (continued)

### 26. POST BALANCE SHEET EVENTS

The emergency arrangements to respond to the outbreak of the coronavirus (COVID-19) in 2020 continued into 2021. The UK Government imposed another lockdown from the 5<sup>th</sup> January 2021 to the 11<sup>th</sup> April 2022. The Company is reliant on the continued use of facilities at Twycross Zoo to deliver its services and has therefore experienced a further significant fall in revenues as Twycross Zoo was unable to admit visitors for the key periods of the February school half term holiday and part of the Easter school holidays, including 2 Bank Holidays. Government support has continued in 2021 through the Jobs Retention Scheme, Covid Business Interruption Loans, and Business Support Grants from the local authority. The company has not been able to access support from the Zoo Animals Fund because of the stringent application conditions. Further lockdown measures by the UK Government, an inability to use the Twycross Zoo facilities and the wider economic downturn caused by COVID-19 may still have a detrimental impact on the performance of the Company. The impact of not being able to trade through the lockdown period has led to a loss of planned income of over £1m, but trading performance since re-opening on the 12 April, with appropriate social distancing measures in place, has been strong.

As part of the arrangements, the Covid Business Interruption Loan (CBIL) from Metro Bank for £3,000,000 that was arranged in June 2020 was repaid in full in March 2021. A new CBIL for £4,300,000 was arranged from Metro Bank in March 2021. In view of the current economic uncertainty, subject to certain conditions, Metro Bank have suspended the requirement to comply with the financial covenants set out in the loan agreements falling within the period 31 March 2021 and ending on 31 March 2022.