

**THE HOWLETTS WILD ANIMAL TRUST**  
**CONSOLIDATED FINANCIAL STATEMENTS AND ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**Registered Charity No: 1100845**  
**Registered Company No: 04711904 (England and Wales)**

# THE HOWLETTS WILD ANIMAL TRUST

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## THE HOWLETTS WILD ANIMAL TRUST

### CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Charity registration number</b>	1100845
<b>Company registration number</b>	04711904
<b>Trustees</b>	J D A Aspinall (Chairman) T Aspinall A Courage
<b>Company secretary</b>	C Morrissey
<b>Key Management Personnel</b>	J D A Aspinall (Chairman) C Morrissey A Courage R A O'Connor (Retired 30 April 2019) A B Kelly (Appointed 29 April 2019)
<b>Registered office</b>	Port Lympne Hotel and Reserve Lympne Nr Hythe Kent CT21 4PD
<b>Independent Auditor</b>	Wilkins Kennedy Audit Services Limited 5th Floor Ashford Commercial Quarter 1 Dover Place Ashford Kent TN23 1FB
<b>Bankers</b>	Barclays Bank PLC 1 Churchill Place London E14 5HP
<b>Solicitors</b>	King & Wood Mallesons LLP 10 Queens Street Place London EC4R 1BE  DLA Piper UK LLP 3 Noble Street London EC2V 7EE

## THE HOWLETTS WILD ANIMAL TRUST

### REPORT OF THE TRUSTEES

#### ***FOR THE YEAR ENDED 31 DECEMBER 2018***

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The Trustees present their report and the audited financial statements of the charity for the year ended 31 December 2018. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published on 16 July 2014 as amended by Bulletin 1.

#### **Objectives and activities**

The Group's principal activity for the year continued to be the preservation and exhibition of live animals, including animals in danger of extinction, at the two wild animal parks located in Kent.

The charitable objectives as set out below:

- 1) The advancement and promotion (whether in England or elsewhere in the world) for the public benefit of education and useful knowledge in relation to the science of zoology, the preservation and exhibition of living animals and in particular (without prejudice to the generality of the foregoing):
  - The preservation and exhibition of wild animals in danger of extinction;
  - The conservation of wildlife habitats;
  - The maintenance and expansion of breeding Groups.
- 2) Such other purposes which are charitable in accordance with the law of England and Wales as the Trustees shall from time to time determine to include, but without limiting the general scope of this clause, opening gardens to the general public for the purposes of recreation.

The policy adopted by the Trustees to achieve the Charity's principal objective is the maintaining of breeding collections of endangered species in the two wild animal parks at Howletts and Port Lympne, Kent specially structured for that purpose and operated by the Charity.

The principal activities of the Charity's wholly owned subsidiary, Howletts and Port Lympne Estates Limited are those trading activities of the Group deemed to be non-charitable, such as catering, souvenir trading and functions with the intention of any profits generated being donated to the Charity for the furtherance of its charitable activities.

The Aspinall Foundation makes donations to the Group for the purpose of enabling the Group to continue to operate the two wild animal parks. These donations include the funding of capital projects. Where these projects relate to the trading activities of the Group, the Charity loans the funds to Howletts and Port Lympne Estates Limited to enable that company to increase its future profits which will then be transferred back to the Charity.

#### **Public benefit statement**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aim's and objectives and in planning future activities.

## THE HOWLETTS WILD ANIMAL TRUST

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

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#### **Strategic Report**

##### **Achievements and performance**

###### *Background*

Many animal species throughout the world are becoming increasingly threatened through loss of natural habitat, poaching and pollution.

The Howletts Wild Animal Trust (THWAT) makes a continued effort to contribute to the halt of this alarming trend. It has long been involved in a number of conservation projects that incorporate a range of in-situ and ex-situ activities. These are devoted to the breeding of endangered species with the aim of returning them to protected areas in the wild when possible.

Through hard work over the course of the last three decades in conjunction with The Aspinall Foundation (TAF), we have seen continued success at our gorilla conservation projects in the Republic of Congo and Gabon, and in more recent years the expansion of our primate conservation projects both in Indonesia and Madagascar. Our main spheres of activity include captive breeding, education, ecosystem management, local community education projects, capacity building, habitat surveys, and rehabilitation of confiscated wild animals and reintroduction of captive-bred and confiscated wild-born

Our mission is:

- To halt the extinction of threatened species in the wild.
- To reintroduce animals from our parks back to their wild habitat where possible.
- To protect and restore wilderness areas.
- To promote local, national and international awareness of the threats facing endangered species.
- To develop sustainable conservation-minded activities which provide economic benefits on a local and national scale.

###### *Our role in protecting rare and endangered species*

The Howletts and Port Lympne parks are well known worldwide for their high standard of animal welfare and captive breeding success. They have an outstanding record in breeding endangered species and wherever possible these animals are displayed to the public. However, our policy of allowing the animals to choose whether they are on show or hidden in their sheds and naturalistic planting has almost certainly contributed to this breeding successes.

Through the work at our parks, and via partnerships with zoological institutions such as the European Association of Zoos and Aquaria (EAZA), we maintain an active role in captive breeding programmes and collaborate with zoos throughout the world.

Our most significant breeding successes include Western lowland gorilla, Javan gibbons, fishing cats, clouded leopards, Eastern black rhinoceros and Amur tigers.

In addition to our captive breeding we have been involved with several reintroduction projects. To date THWAT has successfully returned Western lowland gorillas, black rhinoceros, Javan langurs, Javan gibbons, brown hyaena, European bison and Przewalski horses to protected areas in the wild.

We have around 100 species comprising over 1,250 animals across our two Kent-based parks.

We attracted a total of 286,046 visitors in 2018.

###### *Notable achievements*

The Howletts and Port Lympne parks boast the largest collection of critically endangered Western lowland gorillas and one of the largest collections of Eastern black rhinoceros in the world and are also home to some species that can rarely be seen in captivity outside of their native country. Our parks have maintained a significant number of notable captive birth successes over many years, and 2018 was no exception and included 3 black rhino, 3 pied tamarins, 3 belted lemurs, 2 clouded leopards, 2 Javan gibbons and an elephant.

Overall captive breeding successes of note include Western lowland gorillas (146 total births with a 90% survival rate) and Eastern black rhinoceros (44 total births with an 91% survival rate). We are one of the world's most successful breeders of fishing cats, with a staggering 98% survival rate from 100 births across both parks. Within Europe we are the largest breeders of clouded leopards (157 total births to date with a 80% survival rate).

## THE HOWLETTS WILD ANIMAL TRUST

### REPORT OF THE TRUSTEES

#### FOR THE YEAR ENDED 31 DECEMBER 2018

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##### **Achievements and performance (continued)**

###### *Notable achievements (continued)*

The African elephant herd at Howletts is the largest in Britain and has had more African Elephant births than all other British zoos combined (26). Within Europe we also hold the largest group of Malayan tapirs (5) with 9 successful births to date, and we also house one of the largest groups of Margay cats in Europe (7). We were the first UK site to keep Barbary lions (extinct in the wild) and we are the most successful UK zoo breeding De Brazza monkeys. Howletts Wild Animal Park is world leader in breeding the endangered Javan gibbon. It is also the only park outside of Indonesia to house Heck's macaques and since their arrival in 2007 we have celebrated one birth.

Howletts and Port Lympne continue to manage the European captive breeding recommendations (studbooks) for Clouded Leopards, Bush Dogs, Painted Dogs and Javan Gibbons.

The Howletts & Port Lympne parks provide a safe environment that encourages rare species to breed in captivity and supports the in-situ conservation of numerous critically endangered species, working closely with the respective countries governments and local communities to safeguard the future of these species.

- The parks are home to 46 western lowland gorillas, the largest group in human care in the world, with 146 births to date.
- 2018 saw three Critically Endangered black rhino calves born at Port Lympne. Offspring from the rhinos we sent to South Africa in the 2000s were translocated in order to reintroduce rhino to Rwanda.
- In October of 2018 in Gabon, one male (Rafa) and two female gorillas (Dikele and Mbwambe) were released as a small family group, via a bridge over the river, into the Bateke Plateau mainland after 9 months of acclimatisation together on a segregated habituation island.

###### *Review of activities*

Total visitor numbers in 2018 fell 64k short of 2017, and gate revenue was subsequently down by over £600k. We were heavily impacted by the extreme weather across the year including the 'Beast from the East' which forced us to close the parks to day visitors for 3 days and had a knock on effect to the early March Easter holidays which were unusually cold. 2019 had a strong start to the year, attracting 25k more visitors in January to April than the previous year. Recovery then slowed down and visitor numbers matched 2018 for May – August. Overall we are on target to achieve 315k visitors in 2019 which is an improvement on 2018's 286k. The day visit experience and marketing strategy will be overhauled for 2020.

2018 was another successful year for our short breaks business and we launched 9 new units of accommodation including Wolf Lodge adjoining the wolf enclosure with viewing pods over the wolves accessible from the lodge garden, 3 Forest Hideaways – our romantic getaway huts tucked away in the Pinewood forest, The Bubble, plus 3 additional Shepherds Huts at Hog Deer Creek, situated on our Asian Experience. Following a very successful launch of Tiger Lodge in 2017, the second lodge was added during 2018, running at 94% occupancy for the year and continuing to achieve £1,000 per night. The short-breaks offerings continue to delight visitors and the overall occupancy rate improved in 2018 by 9%, compared to 2017.

We are launching Lion Lodge in 2019, with building undertaken over the Winter period. Lion Lodge consists of two units with picture windows in the lodges offering stunning views directly into our new lion enclosure.

## THE HOWLETTS WILD ANIMAL TRUST

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

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#### *Review of activities (continued)*

By the end of 2018 we had 80 units of accommodation and achieved revenue of £4.8m (£4.3m 2017) and a contribution of £2.2m (£1.8m 2017) from the short breaks business. We are on budget to achieve £5.5m in short breaks revenue in 2019 with £3.5m in contribution. Our short-break business continues to provide additional in park spend, with Baby Dolls restaurant adding an additional £450k of revenue in 2018. During 2019 the restaurant at Bear Lodge was also refurbished and increased the number of covers available for our short-breaks guests' evening meals.

We have received external recognition for the achievements of short breaks, winning Leisure and Tourism Business of the Year at the Kent Excellence in Business Awards. The Port Lympne Hotel was also awarded Best Wedding Venue in the Something Different category at the Kent Wedding Awards for the third year.

#### **FINANCIAL REVIEW**

Total income for the year amounted to £14,254,702 (2017: £13,859,024). Expenditure amounted to £15,182,847 (2017: £14,218,936). The above movements resulted in net expenditure for the year of £928,145 (2017: £359,912). The Howletts Wild Animal Trust delivered a consolidated fund deficit of £2,254,973 (2017: £262,453) on the unrestricted fund. The Howletts Wild Animal Trust aims to build a surplus in order to develop the organisational operating reserve.

The Trustees reported a net decrease in restricted, unrestricted and non-charitable funds of £928,144 (2017: £359,912). The balance sheet at 31 December 2018 shows a net current liability position of £784,120 (2017: net current asset position of £144,024).

#### *Reserves policy*

It is our policy to have sufficient cash reserves to:

- Meet liabilities as they fall due
- Meet emergencies
- Supplement the Capital Expenditure programme as appropriate

The reserves policy will be reviewed annually in connection with the setting of revenue and capital budgets.

The Trustees have considered the level of the group's unrestricted funds available which amount to £0.5m at 31 December 2018 (2017: £0.5m). This level of reserves at 31 December 2018 is considered to be sufficient to support the current operations and continued development of the animal parks at Howletts and Port Lympne, as well as providing adequate funds to meet emergencies.

The Trustees free reserves target is to cover the costs of running the parks during an emergency closure to the public for a period of up to two months. This target has been assessed to be adequate following a review of the risks and incidence of Wild Animal Parks closures in recent years.

#### **Risk Management**

The Trustees' review annually the major risks to which the Animal Parks are exposed. The review considers all the risks and how those risks are managed; this includes both operational and financial risks, together with major external influences and events outside the control of the Charity such as:

- Adverse weather conditions
- Epidemics such as foot and mouth disease, blue tongue, avian and swine flu

The Trustees are satisfied that proper systems are in place to reduce and mitigate exposure including:

- Risk assessment procedures
- Health & Safety policies
- Insurances

## THE HOWLETTS WILD ANIMAL TRUST

### REPORT OF THE TRUSTEES

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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#### Plans for the future

In 2019 we will continue to have a strong focus on developing an interesting and diverse range of accommodation at Port Lympne with the aim of achieving increased visitor numbers all year round. In 2019 we plan to add more unique accommodation to the portfolio with unprecedented proximity to the animals; including the launch of Lion Lodge.

#### GOING CONCERN

The financial statements have been prepared on a going concern basis which assumes that the Group will be able to meet its liabilities as they fall due for the foreseeable future.

The Group is provided with financial support from The Aspinall Foundation (TAF). A letter of support has been obtained from TAF which confirms that it is their intention to ensure the provision of adequate financial resources to enable the whole Group to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements.

Therefore, the directors have reasonable expectations that the Group has adequate resources to continue in operational existence for the foreseeable future with the support of TAF. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### Structure, governance and management

The charity is a charitable company limited by guarantee and is governed by its Articles of Association dated 26 March 2003. It is registered as a charity with the Charity Commission under number 1100845.

Howletts and Port Lympne Estates Limited, a private limited company registered in England and Wales, is a wholly owned subsidiary of The Howletts Wild Animal Trust.

J D A Aspinall  
T Aspinall  
A Courage

#### Appointment and recruitment of Trustees

There must be a minimum of three trustees and a maximum of nine trustees, all of whom must be members.

The management of the company is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

#### Policies adopted for the induction and training of Trustees

New trustees are recruited according to the trustees and Director's ongoing assessment of the overall skills required to be represented on the Board and what additional skills are needed to complement the overall mix. Following a selection and interview process, the Chair takes the final decision.

Newly appointed trustees receive briefings from the Chair, Director and Senior Management Team and are provided with relevant Charity Commission guidance. All trustees are encouraged to attend appropriate training courses.

#### Organisational structure and decision making

The Board currently comprises 3 trustees. The Chairman meets with the Managing Director and senior management team on a weekly or monthly basis to review performance and agree future plans.

The day to day activities of the parks are managed by the Managing Director, Tony Kelly and the senior management

#### Pay policy for key management personnel

The remuneration of senior staff is determined by the Trustees. This is reviewed annually and normally increased in accordance with market rates. Details of the remuneration of key management personnel are disclosed in note 9 to the financial statements.

## **THE HOWLETTS WILD ANIMAL TRUST**

### **REPORT OF THE TRUSTEES**

***FOR THE YEAR ENDED 31 DECEMBER 2018***

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#### **TRUSTEES RESPONSIBILITIES**

The Trustees (who are also directors of The Howletts Wild Animal Trust for the purposes of company law) are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law and the law applicable to charities in England and Wales 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing those 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 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the charitable company will continue in business.

The Trustees are responsible for keeping adequate 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Disclosure of information to auditors**

Each of the Trustees have confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Signed on behalf of the Trustees:

**J D A Aspinall**

Chairman

**Date: 26 September 2019**

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HOWLETTS WILD ANIMAL TRUST**

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### **Opinion**

We have audited the financial statements of The Howletts Wild Animal Trust for the year ended 31 December 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charitable Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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**

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

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HOWLETTS WILD ANIMAL TRUST**

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you, 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 directors' 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 7, 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 they 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 the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Michelle Wilkes FCA**

(Senior Statutory Auditor)  
for and on behalf of Wilkins Kennedy Audit Services  
Statutory Auditor

5th Floor  
Ashford Commercial Quarter  
1 Dover Place  
Ashford  
Kent

**Date: 26 September 2019**

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THE HOWLETTS WILD ANIMAL TRUST

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 £
<b>Income from:</b>					
Donations	2	891	-	891	379,375
Charitable activities	3	4,873,948	-	4,873,948	5,536,990
Other trading activities	4	9,285,009	-	9,285,009	7,878,904
Other income	5	94,854	-	94,854	63,755
<b>Total income</b>		<b>14,254,702</b>	<b>-</b>	<b>14,254,702</b>	<b>13,859,024</b>
<b>Expenditure on:</b>					
Raising funds		8,209,855	-	8,209,855	7,219,739
Charitable activities		6,972,187	805	6,972,992	6,999,197
<b>Total expenditure</b>	6	<b>15,182,042</b>	<b>805</b>	<b>15,182,847</b>	<b>14,218,936</b>
<b>Net income before transfers</b>		<b>(927,340)</b>	<b>(805)</b>	<b>(928,145)</b>	<b>(359,912)</b>
<b>Transfer between funds</b>	20			-	-
<b>Net movement in funds</b>		<b>(927,340)</b>	<b>(805)</b>	<b>(928,145)</b>	<b>(359,912)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		135,681	8,343	144,024	503,936
<b>Total funds carried forward</b>		<b>(791,659)</b>	<b>7,538</b>	<b>(784,121)</b>	<b>144,024</b>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

# THE HOWLETTS WILD ANIMAL TRUST

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

### COMPARATIVE INFORMATION ONLY

	Note	Unrestricted funds £	Restricted funds £	2017 Total funds £
<b>Income from:</b>				
Donations	2	379,375	-	379,375
Charitable activities	3	5,536,990	-	5,536,990
Other trading activities	4	7,878,904	-	7,878,904
Other income	5	63,755	-	63,755
<b>Total income</b>		<b>13,859,024</b>	<b>-</b>	<b>13,859,024</b>
<b>Expenditure on:</b>				
Raising funds		7,219,739	-	7,219,739
Charitable activities		6,990,123	9,074	6,999,197
<b>Total expenditure</b>	6	<b>14,209,862</b>	<b>9,074</b>	<b>14,218,936</b>
<b>Net income before transfers</b>		<b>(350,838)</b>	<b>(9,074)</b>	<b>(359,912)</b>
<b>Transfers between funds</b>		<b>1,999</b>	<b>(1,999)</b>	<b>-</b>
<b>Net movement in funds</b>		<b>(348,839)</b>	<b>(11,073)</b>	<b>(359,912)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		484,520	19,416	503,936
<b>Total funds carried forward</b>		<b>135,681</b>	<b>8,343</b>	<b>144,024</b>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

**THE HOWLETTS WILD ANIMAL TRUST**

**CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2018**

		2018		2017	
	Note	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	11		18,883		42,460
Tangible assets	12		7,291,190		6,096,126
			<u>7,310,073</u>		<u>6,138,586</u>
<b>Current assets</b>					
Stock	15	147,342		174,709	
Debtors	16	663,111		523,960	
Cash at bank and in hand		<u>118,126</u>		<u>264,100</u>	
		928,579		962,769	
<b>Creditors: amounts falling due within one year</b>	17	<u>(5,253,600)</u>		<u>(4,001,826)</u>	
<b>Net current liabilities</b>			(4,325,021)		(3,039,058)
<b>Total assets less current liabilities</b>			<u>2,985,052</u>		<u>3,099,528</u>
<b>Creditors: amounts falling due after more than one year</b>	18		(3,769,173)		(2,955,504)
<b>Net assets</b>			<u>(784,120)</u>		<u>144,024</u>
<b>Charity funds</b>					
Restricted funds	20		7,539		8,343
Unrestricted funds:					
Designated funds	19		192,569		112,767
General funds			(2,254,973)		(262,453)
General Non-charity funds	14		1,270,745		285,367
<b>Total funds</b>			<u>(784,120)</u>		<u>144,024</u>

The financial statements were approved and authorised for issue by the Board on 26 September 2019

Signed on behalf of the Board of Trustees

**J D A Aspinall**  
Chairman

**Company Number: 04711904**

# THE HOWLETTS WILD ANIMAL TRUST

## CHARITY BALANCE SHEET AS AT 31 DECEMBER 2018

		2018		2017	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		1,508,790		1,622,704
Investments	14		2,694,236		2,694,236
			<u>4,203,026</u>		<u>4,316,940</u>
<b>Current assets</b>					
Stock			-		-
Debtors	16	3,734,774		2,324,358	
Cash at bank and in hand		<u>2,745</u>		<u>791</u>	
		3,737,519		2,325,149	
<b>Creditors: amounts falling due within one year</b>	17	<u>(6,915,107)</u>		<u>(4,770,702)</u>	
<b>Net current liabilities</b>			(3,177,589)		(2,445,553)
<b>Total assets less current liabilities</b>			<u>1,025,438</u>		<u>1,871,387</u>
<b>Creditors: amounts falling due after more than one year</b>	18		(2,913,586)		(1,846,012)
<b>Net liabilities</b>			<u>(1,888,148)</u>		<u>25,374</u>
<b>Charity Funds</b>					
Restricted funds	20		7,539		8,343
Unrestricted funds:					
Designated funds	19		192,569		112,767
General funds			(2,088,256)		(95,736)
<b>Total funds</b>			<u>(1,888,148)</u>		<u>25,374</u>

The financial statements were approved and authorised for issue by the Board on 26 September 2019

Signed on behalf of the Board of Trustees

**J D A Aspinall**  
Chairman

The notes on pages 15 to 28 form part of these financial statements.

**Company Number: 04711904**

**THE HOWLETTS WILD ANIMAL TRUST**

**CONSOLIDATED CASH FLOW STATEMENT**  
**AS AT 31 DECEMBER 2018**

	Note	Group 2018 £	2017 £
<b>Cash flow from operating activities</b>			
Net cash (used in)/provided by operating activities	19	787,584	1,590,734
<b>Cash flow from investing activities</b>			
Purchase of intangible assets		-	(12,175)
Purchase of property, plant and equipment		(2,172,947)	(1,872,759)
Sale of property, plant and equipment		107,757	-
<b>Net cash flow from investing activities</b>		(2,065,191)	(1,884,934)
<b>Cash flow from financing activities</b>			
Cash flows from new borrowing		813,669	598,956
<b>Net cash flow from financing activities</b>		813,669	598,956
<b>Change in cash and cash equivalents in the year</b>		(463,938)	304,756
<b>Cash and cash equivalents at 1 January 2018</b>		(927,578)	(1,232,334)
<b>Cash and cash equivalents at 31 December 2018</b>		(1,391,516)	(927,578)

# THE HOWLETTS WILD ANIMAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

#### 1.1 Basis of accounting

The Howletts Wild Animal Trust is a registered charitable company in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the advancement and promotion for the public benefit of education and useful knowledge in relation to the science of zoology, the preservation and exhibition of living animals.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) issued on 16 July 2014 as amended by Bulletin 1 and the Financial Reporting Standard applicable in the United Kingdom (FRS 102) and the Charities Act 2011.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### 1.2 Consolidation

In the opinion of the Board of Trustees, the company and its subsidiary undertakings comprise a small group.

The consolidated financial statements incorporate the results of the charity and its trading subsidiary, Howletts and Port Lympne Estates Limited, for the year ended 31 December 2017. As a consolidated Statement of Financial Activities is published, a separate Statement of Financial Activities for the parent company is omitted from the group statements by virtue of Section 408 of the Companies Act 2006.

#### 1.3 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

#### 1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### 1.5 Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

## THE HOWLETTS WILD ANIMAL TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 1 Accounting policies (continued)

##### 1.5 Income recognition

###### Donations and donated services

- Donated services or facilities are recognised 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 of 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' 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.
- Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the
- Income from the sale of gift vouchers is recognised when the gift vouchers are redeemed. Therefore, amounts received in respect of gift vouchers that have not been redeemed by the year end are deferred to future accounting periods. Gift vouchers that have not been redeemed two years from the year end in which they were purchased are released to the statement of financial activities at that point.

###### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

###### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- It is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.
- the revenue for short breaks is included within the period the break is taken.

###### Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

##### 1.6 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

# THE HOWLETTS WILD ANIMAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies (continued)

#### 1.6 Expenditure recognition

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### 1.7 Intangible fixed assets and amortisation

Intangible assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Purchased computer software	- 3 years straight line
Website development costs	- not depreciated until in use

#### 1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Fixed assets below £500 are not capitalised.

Plant and machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Property improvements	- 3.33 - 20% straight line
Fixed assets under construction	- not depreciated until in use

#### 1.9 Animals

The value of animals owned by the Group is not included on the Group's balance sheet. The costs incurred when acquiring the animals are charged to the statement of financial activities when incurred. Details of number of animals owned by the Group are disclosed in note 13.

#### 1.10 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

#### 1.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the statement of financial activities.

## THE HOWLETTS WILD ANIMAL TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### **1 Accounting policies (continued)**

##### **1.12 Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

##### **1.13 Financial instruments**

The trust 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.

##### **1.14 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### **1.15 Operating leases**

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 1 January 2014 to continue to be charged over the period to the first market rent review rather than the term of the lease.

##### **1.16 Pensions**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

##### **1.17 Finance costs**

Finance costs are charged to the statement of financial activities over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **1.18 Tax**

Tax is recognised in the statement of financial activities, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

##### **1.19 Judgements and key sources of estimation uncertainty**

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

# THE HOWLETTS WILD ANIMAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies (continued)

#### 1.19 Judgements and key sources of estimation uncertainty

##### *Useful economic lives of tangible assets*

The group has recognised tangible fixed assets with a carrying value of £6,096,126 at the year end as disclosed in note 12. These assets are stated at their cost less provision for depreciation and impairment. The charity's accounting policy sets out at note 1.8 the approach to calculating depreciation for these assets. For property improvements, the group determines at construction reliable estimates for the useful life of the asset. These estimates are based upon such factors as the expected use of the asset and market conditions. At subsequent reporting dates the Trustees consider whether there are any factors such as changes in market conditions that indicate a need to reconsider the estimates used.

##### *Bad and doubtful debts*

The value of trade debtors is sensitive to the recoverability in full of any invoices issued to each customer. Once the debt becomes overdue it is chased and periodically reviewed to ensure it is recoverable in full. If a provision is deemed necessary this is included on an annual basis. No provision for bad and doubtful debts is currently included in the accounts.

#### 1.20 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

### 2 Donations

	2018 £	2017 £
Donations other	891	12,375
Donated goods	-	65,000
Donations from The Aspinall Foundation	-	302,000
	<u>891</u>	<u>379,375</u>

The charity is grateful to Heathrow Airport Limited for gifting materials and children's play area for use within the Wildlife Parks in Kent. The value of this gift to the charity is estimated at £65,000. The estimated value of these services is recognised within income as a donation, and an equivalent charge included within fixed assets and enrichment costs.

The Trust benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

### 3 Income from charitable activities

	2018 £	2017 £
Gate income from Animal Parks	4,208,333	4,857,097
Memberships	665,616	679,893
	<u>4,873,948</u>	<u>5,536,990</u>

### 4 Income from other trading activities

	2018 £	2017 £
Talks given by keepers	89,775	308,269
Trading subsidiary	9,195,234	7,570,635
	<u>9,285,009</u>	<u>7,878,904</u>

### 5 Other income

	2018 £	2017 £
Sundry income	29,485	18,677
Education activities	65,368	45,078
	<u>94,854</u>	<u>63,755</u>

# THE HOWLETTS WILD ANIMAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

6 Expenditure	Staff costs £	Direct costs £	Other costs £	2018 Total £	2017 Total £
Raising funds					
Commercial activities	3,339,988	4,851,867	18,000	8,209,855	7,219,739
Charitable activities					
Operation of parks	3,449,191	1,586,146	1,937,656	6,972,992	6,999,197
	<u>6,789,179</u>	<u>6,438,013</u>	<u>1,955,656</u>	<u>15,182,847</u>	<u>14,218,936</u>
7 Support costs				2018 £	2017 £
Freight and carriage				24,497	16,504
Sundry				5,257	16,890
Staff training				20,239	21,485
Motor running costs				7,874	12,454
Rent, rates and water				277,760	228,497
Light and heat				517,264	501,310
Printing, postage and stationery				15,925	27,785
Telephone				12,279	16,708
Computer costs				74,641	51,306
Subscriptions				17,554	11,315
Cleaning				19,766	22,268
Staff recruitment costs				28,245	4,134
Bank charges and interest				87,957	97,025
Insurance				59,100	74,924
Advertising and marketing				306,231	326,861
Equipment hire				8,968	9,379
Depreciation and loss on disposal				297,891	248,009
Dinosaur rental				112,494	100,134
Governance:					
Audit and accountancy fees				34,980	26,336
Legal and professional				26,734	11,204
				<u>1,955,656</u>	<u>1,824,529</u>
8 Net income for the year				2018 £	2017 £
This is stated after charging:					
Depreciation				854,340	637,700
Auditors remuneration					
- audit				19,750	19,750
- other services				15,230	6,586
Directors remuneration				94,682	92,232
Operating lease rentals				<u>112,494</u>	<u>100,134</u>
9 Staff costs				2018 £	2017 £
Wages and salaries				6,881,948	6,340,378
Social security costs				449,085	410,779
Other pension costs				<u>108,846</u>	<u>67,521</u>
				<u>7,439,880</u>	<u>6,818,678</u>

## THE HOWLETTS WILD ANIMAL TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

#### 9 Staff costs

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £108,846 (2017: £67,521).

The average number of employees by headcount during the year was 411 (2017: 396).

The average number of employees by full time equivalent during the year was as follows:

	2018 No.	2017 No.
Animal departments	94	82
Estates	48	45
Rangers and Safaris	20	18
Retail, Catering & Short breaks	134	120
Administration	24	34
	<u>320</u>	<u>299</u>

The number of employees whose remuneration for the year fell within the following bands were:

	2018 No.	2017 No.
£60,000 to £69,999	1	-

The senior management team comprise the Trustees of the Charity and the directors of its wholly owned subsidiary who are in charge of directing and controlling, running and operating the charity on a day to day basis. As detailed below, no trustees received remuneration during the period. The remuneration and benefits of the group's key management personnel total £170,010 (2017: £92,232).

#### 10 Trustee remuneration

The Trustees were not paid remuneration or reimbursed expenses during the year (2017: None).

#### 11 Intangible fixed assets

Group	Website Development costs £	Software £	Total £
<i>Cost</i>			
As at 1 January 2018	44,472	26,261	70,733
Additions	-	-	-
As at 31 December 2018	<u>44,472</u>	<u>26,261</u>	<u>70,733</u>
<i>Amortisation</i>			
As at 1 January 2018	10,914	17,359	28,273
Charge	14,824	8,753	23,577
As at 31 December 2018	<u>25,738</u>	<u>26,112</u>	<u>51,850</u>
<i>Net book value</i>			
As at 31 December 2018	<u>18,734</u>	<u>149</u>	<u>18,883</u>
As at 31 December 2017	<u>33,558</u>	<u>8,902</u>	<u>42,460</u>

# THE HOWLETTS WILD ANIMAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 12 Tangible fixed assets

<i>Group</i>	<b>Plant and machinery</b>	<b>Motor vehicles</b>	<b>Property improvements</b>	<b>Assets under construction</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<i>Cost</i>					
As at 1 January 2018	2,594,831	549,566	13,093,384	279,225	16,517,006
Additions	53,628	1,000	1,446,200	672,119	2,172,947
Disposals	(106,169)	(1,917)	(96,256)	-	(204,341)
Transfers	-	-	259,539	(259,539)	-
As at 31 December 2018	2,542,290	548,649	14,702,868	691,804	18,485,612
<i>Depreciation</i>					
As at 1 January 2018	2,360,418	509,315	7,551,147	-	10,420,880
Charge	67,783	28,504	758,052	-	854,340
Elimination on disposals	(80,798)	-	-	-	(80,798)
As at 31 December 2018	2,347,404	537,819	8,309,200	-	11,194,422
<i>Net book value</i>					
As at 31 December 2018	194,887	10,831	6,393,669	691,804	7,291,190
As at 31 December 2017	234,413	40,251	5,542,237	279,225	6,096,126

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Plant and machinery	43,422	57,896

### Charity

	<b>Plant and machinery</b>	<b>Motor vehicles</b>	<b>Property improvements</b>	<b>Assets under construction</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<i>Cost</i>					
As at 1 January 2018	1,923,556	417,601	5,650,112	38,147	8,029,416
Additions	23,082	1,000	179,760	64,209	268,051
Disposals	(89,869)	(1,917)	(82,158)	-	(173,943)
Transfers	-	-	38,295	(38,295)	-
As at 31 December 2018	1,856,769	416,684	5,786,010	64,060	8,123,524
<i>Depreciation</i>					
As at 1 January 2018	1,718,848	346,129	4,341,735	-	6,406,712
Charge	53,501	17,861	215,080	-	286,443
Elimination on disposals	(78,421)	-	-	-	(78,421)
As at 31 December 2018	1,693,929	363,990	4,556,816	-	6,614,734
<i>Net book value</i>					
As at 31 December 2018	162,841	52,695	1,229,195	64,060	1,508,790
As at 31 December 2017	204,708	71,472	1,308,377	38,147	1,622,704

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Plant and machinery	43,422	57,896

## THE HOWLETTS WILD ANIMAL TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

#### 13 Animal numbers

In accordance with its objectives, the Group owns wild animals that it exhibits at its two wild animal parks at Howletts and Port Lympne. The Trustees do not consider it possible to determine a reasonable value for these animals and so, as per note 1.8, they are not included on the Group's balance sheet. At 31 December 2018, the following animals were located at the Group's two wild animal parks:-

	2018 Howletts No.	2018 Port Lympne No.	2017 Howletts No.	2017 Port Lympne No.
Carnivores	70	104	79	117
Elephants	13	-	13	-
Gorillas	28	18	27	17
Hoofstock	157	510	146	486
Primates	156	169	189	175
Rhino and Giraffe	4	23	4	20
Other	6	100	3	6
	<u>434</u>	<u>924</u>	<u>461</u>	<u>821</u>

#### 14 Fixed asset investments

	Shares in subsidiary undertaking £	Total £
<b>Charity</b>		
Cost / Market value at 1 January 2018 and 31 December 2018	<u>2,694,236</u>	<u>2,694,236</u>

Subsidiary undertaking	Country of registration or incorporation	Proportion of voting rights and ordinary share capital held
Howletts and Port Lympne Estates Limited	England and Wales	100%

Howletts and Port Lympne Estates Limited operate the commercial activities of The Howletts Wild Animal Trust. The trading results of Howletts and Port Lympne Estates Limited for the year to 31 December 2018 are as follows:

	2018 £	2017 £
Turnover	9,195,234	7,570,635
Cost of sales	(5,508,966)	(4,884,570)
Administration costs	(2,519,721)	(2,242,319)
Other operating income	-	-
Operating surplus for the year	<u>1,166,547</u>	<u>443,746</u>
Interest payable	(181,168)	(92,850)
Gift aid payable	-	-
Retained surplus/(deficit) for the year	<u>985,379</u>	<u>350,896</u>

**THE HOWLETTS WILD ANIMAL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

<b>14 Fixed asset investments (continued)</b>	<b>2018</b>	<b>2017</b>
The assets and liabilities of the subsidiary were:	<b>£</b>	<b>£</b>
Fixed assets	5,958,434	4,673,033
Current assets	4,555,782	3,081,520
Current liabilities	(2,788,384)	(1,855,432)
Non-current liabilities	(3,760,850)	(2,919,518)
Share capital	(2,694,236)	(2,694,236)
Reserves	1,270,745	285,367

<b>15 Stock</b>	<b>Group</b>		<b>Charity</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Catering stock	60,379	52,477	-	-
Retail stock	86,963	122,232	-	-
	147,342	174,709	-	-

<b>16 Debtors</b>	<b>Group</b>		<b>Charity</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	28,891	51,515	22,711	20,310
Loan to group undertaking	-	-	3,268,421	1,926,232
Other debtors	339,191	219,501	182,377	138,755
Prepayments and accrued income	295,029	252,943	261,265	239,062
	663,111	523,960	3,734,774	2,324,358

A loan totalling £3,450,000 was provided to Howletts and Port Lymgne Estates Limited, repayable over 3 years. Interest is charged at a rate of 2.45% over LIBOR.

<b>17 Creditors: amounts falling due within one year</b>	<b>Group</b>		<b>Charity</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank overdraft	1,509,642	1,191,678	1,509,642	1,191,678
Bank loans	363,158	116,205	363,158	116,205
Other loans	156,698	405,309	156,698	170,481
Net obligations under finance leases and hire purchase contracts	31,688	29,125	31,688	29,125
Trade creditors	845,086	489,929	441,539	263,550
Amounts owed to group undertakings	-	-	4,019,203	2,458,119
Amounts owed to connected parties	829,243	474,663	261,504	417,955
Other taxation and social security	95,233	228,215	61,364	54,271
Other creditors	36,265	45,609	16,484	21,187
Accruals and deferred income	1,386,587	1,021,093	53,829	48,130
	5,253,600	4,001,826	6,915,107	4,770,702

The bank overdraft is secured by way of a guarantee provided by C Filmer, J Aspinall and R Birley. It is due to mature 25/05/2020.

The bank loan is secured by way of a debenture comprising of a fixed and floating charge over the company and all property and assets present and future, including goodwill, book debts, uncalled capital, buildings, fixtures and fixed plant and machinery.

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**18 Creditors: amounts falling due after more than one year**

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Other loans	836,237	1,081,728	-	-
Bank loans	2,905,263	1,810,026	2,905,263	1,810,026
Payments received on account	19,350	27,764	-	-
Net obligations under finance leases and hire purchase contracts	8,322	35,986	8,322	35,986
	<u>3,769,173</u>	<u>2,955,504</u>	<u>2,913,586</u>	<u>1,846,012</u>

Obligations under bank loans, included above, are payable as follows:

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Due within 1 year	363,158	116,205	363,158	116,205
Due 2-5 years	2,905,263	1,810,026	2,905,263	1,810,026
	<u>3,268,421</u>	<u>2,004,000</u>	<u>3,268,421</u>	<u>2,004,000</u>

Developing accommodation loan - £3.45m repayable over 3 years at an interest rate of 2.45% above LIBOR. The loan is secured by personal guarantee from C Filmer, R Birley and J Aspinall.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Due within 1 year	31,688	29,125	31,688	29,125
Due 2-5 years	8,322	35,986	8,322	35,986
	<u>40,010</u>	<u>65,111</u>	<u>40,010</u>	<u>65,111</u>

The other loan is repayable by monthly instalments, bearing interest at normal market rates.

**19 Designated funds**

	As at 1 January 2018	Income	Expenditure	Transfers	As at 31 December 2018
	£	£	£		£
Keepers fund	111,071	132,698	(51,429)	-	192,340
Fun run fund	1,696	102	(1,569)	-	229
	<u>112,767</u>	<u>132,800</u>	<u>(52,998)</u>	<u>-</u>	<u>192,569</u>

**Designated funds - 2017**

	As at 1 January 2017	Income	Expenditure	Transfers	As at 31 December 2017
	£	£	£		£
Keepers fund	61,846	300,174	(250,949)	-	111,071
Fun run fund	1,696	-	-	-	1,696
	<u>63,542</u>	<u>300,174</u>	<u>(250,949)</u>	<u>-</u>	<u>112,767</u>

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**19 Designated funds (continued)**

The Keepers fund

Amounts set aside from income generated from talks by keepers with the intention of using it for keepers' training and development along with associated research costs.

Fun run fund

A fun run to raise money for the animal projects.

**20 Restricted funds**

	<b>As at 1 January 2018</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>As at 31 December 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Portable Xray Fund	4,778	-	(805)	-	3,973
Scottish Wild Cats Fund	1,958	-	-	-	1,958
Howletts Education Centre	1,608	-	-	-	1,608
	<u>8,343</u>	<u>-</u>	<u>(805)</u>	<u>-</u>	<u>7,539</u>

**Restricted funds - 2017**

	<b>As at 1 January 2017</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>As at 31 December 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Portable Xray Fund	5,459	-	(681)	-	4,778
Scottish Wild Cats Fund	1,958	-	-	-	1,958
Hormone Analysis Fund	1,999	-	-	(1,999)	-
Howletts Education Centre	10,000	-	(8,392)	-	1,608
	<u>19,416</u>	<u>-</u>	<u>(9,074)</u>	<u>(1,999)</u>	<u>8,343</u>

Portable Xray Fund

Amounts received to purchase portable X-ray equipment.

Scottish Wild Cats Fund

Amounts received to build new enclosures for Scottish Wild Cats. The Group have plans in place to use the fund to build a Scottish Wild Cat enclosure.

Howletts Education Centre

Amounts received to refurbish the Howletts Education Centre.

Transfers between funds

Transfers between funds represent the releasing of funds to unrestricted funds on completion of a project, in line with the funding agreement.

THE HOWLETTS WILD ANIMAL TRUST

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21 Analysis of net assets between funds	Restricted funds	Unrestricted funds	Total 2018	Total 2017
	£	£	£	£
Tangible fixed assets	-	7,310,073	7,310,073	6,138,586
Current assets	7,539	921,040	928,579	962,769
Creditors due within one year	-	(5,253,600)	(5,253,600)	(4,001,826)
Creditors due in more than one year	-	(3,769,173)	(3,769,173)	(2,955,504)
	<u>7,539</u>	<u>(791,659)</u>	<u>(784,120)</u>	<u>144,025</u>

Analysis of net assets between funds - 2017

	Restricted funds	Unrestricted funds	Total 2017	Total 2016
	£	£	£	£
Tangible fixed assets	-	6,138,586	6,138,586	4,852,150
Current assets	8,343	954,426	962,769	978,224
Creditors due within one year	-	(4,001,826)	(4,001,826)	(3,001,855)
Creditors due in more than one year	-	(2,955,504)	(2,955,504)	(2,324,583)
	<u>8,343</u>	<u>135,682</u>	<u>144,025</u>	<u>503,936</u>

22 Commitments under operating leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2018	2017
	£	£
Within one year	108,016	115,246
Between two and five years	191,009	6,698
	<u>299,025</u>	<u>121,944</u>

23 Capital Commitments

The charity has had capital commitments at the year end as follows:

	2018	2017
	£	£
Contracted for but not provided - VW fleet	<u>-</u>	<u>704,832</u>

**THE HOWLETTS WILD ANIMAL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
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**25 Reconciliation of net income to net cash flow from operating activities**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Net (expenditure) for the year	(928,145)	(359,912)
Depreciation charges	854,340	637,700
Loss on sale of fixed assets	15,786	1,131
Amortisation charges	23,577	19,668
Increase in stocks	27,367	65,523
(Increase)/Decrease in debtors	(139,151)	50,855
Increase in creditors	933,810	1,175,769
Net cash flow from operating activities	<u>787,584</u>	<u>1,590,734</u>

**26 Analysis of cash and cash equivalents**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Cash in hand	118,126	264,100
Overdraft facility repayable on demand	(1,509,642)	(1,191,678)
Total	<u>(1,391,516)</u>	<u>(927,578)</u>

**27 Related party transactions**

During the year, the Group received donations from The Aspinall Foundation of £Nil (2017: £302,000). J D A Aspinall is a Trustee of The Aspinall Foundation.

The Group has received loans from The Aspinall Foundation. Interest is charged on the loans at Base + 2.5% / 8% per annum. During the year, interest of £83,959 (2017: £29,717) accrued on the loans. At the year end, the balance on the loans was £1,403,977 (2017: £1,318,700).

The Group also has a short-term loan account with The Aspinall Foundation. At the year end, The Aspinall Foundation was owed £232,005 (2017: £480,020) by the Group.

The Group rents freehold land and buildings from The Aspinall Foundation for an annual rent of £1 (2017: £1).

During the year, the group paid a pension to Lady S Aspinall, the mother of A Courage and step-mother of J D A Aspinall totalling £31,881 (2017: £31,263).

**28 Company limited by guarantee**

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**29 Controlling party**

The charity is a company limited by guarantee and was controlled throughout the year by the Trustees.