

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2021

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

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SOUTH WEST ENVIRONMENTAL PARKS LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 OCTOBER 2021

Trustees	S E Kings, Chair R W J Ford, Vice Chair S Barr BA A C J Cooper BSc S J Greinig BA (resigned 4 March 2021) R Hill BA (Hons), ACA P R F Chanin MA, PhD (resigned 18 August 2021) B K McLaughlin R A Rowe M S Salmon P M C Stevens (resigned 7 February 2022) R I Stones (appointed 16 June 2021) A G Hart (appointed 16 June 2021) C Cooper (appointed 16 December 2021)
Company registered number	00792877
Charity registered number	300923
Registered office	Totnes Road Paignton Devon TQ4 7EU
Company secretary	C E Malkin (appointed 30 July 2021) C J Pyne (resigned 26 July 2021)
Chief Executive Officer Executive Director	D Flynn (appointed 1st December 2020) S J Tonge BSc (resigned 30th June 2021)
Independent auditors	Bishop Fleming LLP Chartered Accountants 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS
Bankers	Lloyds Bank plc Paignton Devon

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 OCTOBER 2021**

The Trustees submit their report and the audited financial statements for South West Environmental Parks Limited for the year ended 31 October 2021. The financial statements comply with the Charities Act 2011 and Companies Act 2006, the Memorandum and Articles of Association and have been prepared in accordance with the requirements of the Statement of Recommended Practice on accounting and reporting for charities (FRS 102) effective 1st January 2019.

The period covered by the report was one of unprecedented challenge brought about by the impacts of the prolonged COVID-19 pandemic. This report therefore documents the activities and performance of the charity within the context of an exceptionally difficult backdrop.

STRATEGIC AIM

SWEPL is an education, scientific and conservation charity that takes action to protect at-risk animals and plants from the impacts of biodiversity loss through activities designed to help halt species decline.

CORE BELIEFS

Three core beliefs underpin the charity's work:

- Every species is special
- Everything is connected
- Every action matters

PUBLIC BENEFIT

In setting objectives and planning activities for the year, the trustees have given careful consideration to ensuring that the charity's activities are to the public benefit, and they have had regard to the Charity. Accordingly, the activities at our sites during the last year were for the public benefit and were in accordance with the objects of the charity.

They are:

- To advance scientific knowledge of plants, animals and the natural world.
- To advance the education of students and the public on the conservation of the physical and natural world and the promotion of biodiversity.
- To promote the conservation of the physical and natural environment and the maintenance of biological diversity.

In fulfilling its objectives, the charity brings its objectives and core beliefs to life through the START Programme.

START has five components.

- providing long-term SAFE HAVENS at our sites for endangered species.
- taking the lead in promoting, building and supporting community and project partnerships to demonstrate how working TOGETHER (e.g. through citizen science projects and support for overseas programmes) can achieve impacts that contribute to halting species decline.
- taking ACTION that contributes to halting species decline through supporting sustainable habitats in the UK and overseas, where species may be protected and, when appropriate, into which they can be re-introduced.
- conducting and commissioning RESEARCH into biodiversity protection topics that relate to our core activity areas and animal wellbeing in order to ensure that we can advance the science-base for our programmes, promote improvements in animal welfare, and identify conservation challenges.
- using our platform as a credible conservation organisation to TELL people about why sustaining biodiversity is vital for us all, and the work that we do to help halt species decline, in order to influence public policy and individual actions.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2021**

SUMMARY OF MAIN ACHIEVEMENTS

Contribution to Conservation

Despite needing to minimise our input to our conservation projects due to Covid impacts, all of our conservation projects have survived and some have achieved significant progress.

At Slapton, repairs and replacement of the boardwalk for public access to the reserve has been completed. The removal of an area of willow carr has also been achieved in line with the Management Plan. The social prescribing project did have reduced numbers due to successive lockdowns, but has been redeveloped for the coming year.

Education and Outreach

The COVID pandemic had a significantly negative impact on the traditional approach to the delivery of education and outreach activities. Government requirements for lockdown and social distancing, limitations of schools' abilities to organise external visits and our own capacity constraints consequent to the restructuring programme initiated in March 2020 meant that new and imaginative ways to continue our work needed to be identified.

COVID was a catalyst for change and we therefore pivoted to online education and outreach with a focus on structured lessons to support Key Stage curriculum requirements, support for home-schooling projects and informal education. We used social media, our own websites and YouTube as the delivery channels for these activities.

The education results were positive and enabled us to reach schools across the UK that would otherwise not have been able to engage with our programmes.

Informal outreach through social media also saw a significant uptake in reach with an average of 20k views for our Facebook and Instagram posts.

We will build on these insights to support our priorities for the next reporting period.

FINANCIAL REVIEW

Overview

The impact of the COVID-19 pandemic once again dominated the reporting period, as it had in 2019/20. As a result of COVID lockdowns, Paignton Zoo and Newquay Zoos were closed for 125 days during 2020/21, partially reopened in mid-April and returned to normal, albeit with enhanced COVID measure in place, at the start of July. Trading was significantly stronger than originally anticipated with the company recording a profit of £1.3 million compared to a deficit of £2.8 million (including the Living Coasts write down of £928k) in the 2019/20 reporting year.

Net Assets at year-end were £8 million, compared to £7.4 million in the previous year.

Going Concern

The accounts have been prepared on a going concern basis. The Trustees feel that this is appropriate, as at the time of signing the accounts lockdown restrictions have been lifted, rollout of the COVID-19 vaccine in the UK has been going well and Paignton and Newquay Zoos have reopened to strong visitor numbers.

The zoo sites are predominantly outdoor attractions, which offer people a chance to reconnect with the natural world, and the growing awareness of conservation issues positions Wild Planet Trust in a strong position. Tourism agency projections are that visitor numbers to the South West in 2022 will be robust, and

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2021**

early data points to a continuing positive situation in 2023. Nevertheless our business planning is based on cautious and conservative forecasts and budgets.

The CBIL loan obtained in 2020 effectively replaced the cash lost during COVID closures. As part of its reserves policy, the Charity holds £1M cash in reserve in case of trading difficulties. Despite the challenges faced in 2020/21 the Charity continues to hold sufficient cash to meet this requirement with £8M available at year-end.

The Charity has a lease on the Living Coasts site which is currently empty following the closure in March 2020. The Trustees are monitoring the position with regard to this lease, which has a peppercorn rent. We are actively seeking to dispose of the site and, at present, the cost of managing the site in its current form is substantially less than the support that we have had to provide to cover the operating losses in recent years. In the short term therefore, SWEPL is in a better position than when the site was in operation.

In the circumstances, and given the resources available to the charity, the trustees consider that the going concern basis is appropriate.

RISKS AND PRINCIPAL UNCERTAINTIES

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems and procedures have been established to manage those risks. The review and monitoring process includes assessment of business risks and implementing appropriate risk management strategies, in particular through mitigation and insurance. Internal controls are aligned with Charity Commission requirements and guidelines.

Business and operational risks are reviewed by the Finance, Audit and Risk Committee and fully discussed at full board management meetings. Annual business plans are developed for trustee approval. The business plans incorporate estimated visitor numbers and revenue as well as maintenance and development plans. Business plan progress is monitored by the Operations Committee.

Risks are also mitigated through a comprehensive insurance programme, which includes an annual review to ensure adequate cover, and the maintenance of business continuity plans.

The principal risks currently identified include:

- Human or animal epidemics which necessitate the long term closure of the zoos with resulting loss of revenue.
- Reduction in visitor numbers to the zoos caused by changes in perception of zoos generally, or Wild Planet Trust zoos in particular.
- The impact of climate change on maintenance and additional expenditure for animal welfare.

The principal uncertainties are:

- The wider economic environment and the extent to which visitor numbers will remain as robust as was the case in this reporting period.
- The effect of National Living Wage increases given that they are unknown and impact in-year financial planning.

PERFORMANCE PLANNING AND INDICATORS

Planning

Annual business plan objectives are set within the context of trustee-approved goals and priorities. The top-level goal and priorities inform departmental priorities which are then used as one of the performance-monitoring metrics.

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

The 21-22 organisational planning and performance goal is:

To accelerate the transformation programme whilst maintaining financial resilience in order to lay the groundwork for a memorable and successful centenary year in 2023.

The priorities are:

- *Improve the ability to take data-driven timely decisions through prioritised implementation of the digital first programme in order to sustain financial resilience through better informed cost-control processes and maximum ROI revenue-generation activities.*
- *Develop an outcome-focused culture in order to improve operational efficiencies by encouraging the team to take ownership of problem-solving within a clearly communicated framework of priorities.*
- *Embed the Single Compelling Narrative ('helping halt species decline') through the phased implementation of the START programme in order to re-position WPT as a national leader on biodiversity issues.*

The organisational top priority is to:

Tell our story better.

The stated organisational goal and priorities drive the following baseline business plan activities:

- *Create botanic/animals parity of esteem.*
- *Deliver substantial growth in education activities.*
- *Prepare the plan for, and be ready to execute, Project 100 (the centenary celebrations).*
- *Design a new people strategy that improves talent development, conditions of service and succession planning.*

Performance Indicators

Taking into account the unique challenges caused by the COVID pandemic and the principle uncertainties previously described, performance targets have been set at the conservative end of the spectrum and are based on modest increases on 2019 actual performance.

The principal KPIs for the year ended 31 October 2021 are as follows:

The contribution from trading represents the SWZEL profit as at 31/10/21, which will be distributed to the Charity (SWEPL) in 2022, prior to 31st July.

2021 Key Performance Indicators

	2021 Actual	2021 Target	Previous Year 2020 Actual	2021 Actual to Target	2021 Actual to Previous Year
Total Visitors	526,227	565,271	376,831	-6.9%	39.6%
Paying Visitors	409,853	396,000	269,070	3.5%	52.3%
Total Education Visitors	8,710	0*	9,209	*	-5.4%
Admissions Income	£6,255,511	£4,974,132	£4,053,247	25.8%	54.3%
Education Visits	£48,789	0*	£38,930	*	25.3%
Contribution from Trading	£972,542	£352,364	£149,769	176%	549.4%

*No target included due to Covid-19 and lockdowns

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

2022 Targets

Admissions	£5,674,827
Education Visits	£135,750
Contribution from Trading	£685,816

RESERVES

It is the general policy of South West Environmental Parks Ltd (SWEPL) and its subsidiary charity, Living Coasts, to apply towards their charitable objectives as much cash as they reasonably can, to avoid accumulating excessive reserves. Where considered appropriate and being mindful not to overcommit the Charity, borrowings may be used to fund elements of significant capital projects.

In setting its reserves policy, the Charity takes account of its continuing financial commitments in terms of staffing and overheads, including the costs of maintaining the animal and plant collections and funding its charitable activities.

Following the consequences of COVID for the organisation, the trustees continue to review the reserves policy. At the year-end however, the reserves policy was that SWEPL will maintain minimum cash reserves of £1m available at all times. Such reserves would be sufficient for SWEPL and its subsidiary companies to operate without significant curtailment of their activities for a period of up to six weeks. Similarly, the trustees consider that unrestricted reserves at the end of any financial year not exceeding 100% of the total resources expended during the year could properly be regarded as both reasonable and justified.

At the year end, the SWEPL group held in excess of £8 million of cash including cash held to cover the annual trading cycle, the £1m reserves discussed above and funds available for future developments.

In order to guarantee that the business would have sufficient cash to operate as a going concern during the winter of 2020/21, SWEPL drew down a £3,000,000 government backed Coronavirus Business Interruption Loan in August 2020. Repayments started in March 2021 and the loan is due to be repaid by August 2026.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

South West Environmental Parks Ltd is a registered charity (Number 300923), governed by its Charity Commission Scheme (LT 306,622 A/3 dated 3 September 1991). It is an unincorporated association run by a board of trustees.

A skills audit of the existing Board is maintained with a target list of expertise and experience, which provides the criteria for future appointments. A recruitment procedure is in place to ensure that any nominees have the expertise and experience that will enhance and benefit the Board and its objectives. It has been used successfully. In accordance with the governing document, trustees are appointed to the Board by a majority vote of the existing trustees.

Training of trustees is reviewed against individual training needs and a full introduction and induction to the charity is given to new trustees upon appointment.

The Board meets regularly throughout the year to review strategy and performance and a number of subcommittees also meet on a regular basis to focus on specific areas. Whilst the trustees are responsible for strategy and policy issues, the day-to-day administration and management of the charity is delegated to a Chief Executive, who reports regularly to the Board.

By Order of the Board



C E Malkin

Company Secretary

Date: 20/07/2022

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 OCTOBER 2021**

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:



C E Malkin
Company Secretary

Date: 20/07/2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTH WEST ENVIRONMENTAL PARKS LIMITED

OPINION

We have audited the financial statements of South West Environmental Parks Limited (the 'charitable Company') for the year ended 31 October 2021 which comprise the Statement of Financial Activities (incorporating income and expenditure account), the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable Company's affairs as at 31 October 2021 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTH WEST ENVIRONMENTAL PARKS LIMITED (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Trustees' Report and Financial Statements other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Trustees' Report and Financial Statements. 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. 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 course of 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 this gives rise to 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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 Trustees' Report including the Strategic Report.

We have nothing to report in respect of the following matters in relation to which 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, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTH WEST ENVIRONMENTAL PARKS LIMITED (CONTINUED)

AUDITORS' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the sector, control environment, and financial performance;
- We have considered the results of enquiries with management and the Trustees in relation to their own identification and assessment of the risks of irregularities within the Charity;
- We have reviewed the documentation of key processes and controls, and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation;
- We have obtained and reviewed the Charity's documentation of their policies and procedures relating to:
 - o Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - o The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations
- We have considered the matters discussed among the audit engagement team regarding now and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the Charity for fraud and identified the highest area of risk to be in relation to income recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override of controls through the use of manual journals.

We have also obtained an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charities SORP 2019, UK Companies Act and FRS102.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included the Zoo Licensing Act, data protection legislation, health and safety regulations, and employment legislation.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management in relation to actual and potential claims or litigation;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing Board meeting minutes;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTH WEST ENVIRONMENTAL PARKS LIMITED (CONTINUED)

We also communicated identified laws and regulations and potential fraud to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in the financial statements or non-compliance with regulation, will be detected by us. This risk increases the further removed compliance with a law or regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one-off error, as this may involve intentional concealment, forgery, collusion, omissions, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Munro FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date: 27th July 2022

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 OCTOBER 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
Donations and legacies	4	421,051	100,305	521,356	1,031,982
Charitable activities	5	7,897,109	-	7,897,109	5,771,272
Other trading activities	6	9,932	-	9,932	33,027
Investments	7	151,027	-	151,027	630,081
Other income		17,200	-	17,200	27,616
TOTAL INCOME		8,496,319	100,305	8,596,624	7,493,978
EXPENDITURE ON:					
Raising funds	8	16,318	-	16,318	17,466
Charitable activities	9	7,894,994	128,427	8,023,421	9,507,329
TOTAL EXPENDITURE		7,911,312	128,427	8,039,739	9,524,795
NET INCOME/(EXPENDITURE)		585,007	(28,122)	556,885	(2,030,817)
Transfers between funds	22	(9,350)	9,350	-	-
NET MOVEMENT IN FUNDS		575,657	(18,772)	556,885	(2,030,817)
RECONCILIATION OF FUNDS:					
Total funds brought forward		5,983,539	1,441,139	7,424,678	9,455,495
Net movement in funds		575,657	(18,772)	556,885	(2,030,817)
TOTAL FUNDS CARRIED FORWARD		6,559,196	1,422,367	7,981,563	7,424,678

SOUTH WEST ENVIRONMENTAL PARKS LIMITED
REGISTERED NUMBER:00792877

BALANCE SHEET
AS AT 31 OCTOBER 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Intangible assets	14	58,029	43,802
Tangible assets	15	4,357,084	4,626,841
Investments	16	2	2
		4,415,115	4,670,645
CURRENT ASSETS			
Stocks	17	122,644	118,429
Debtors	18	466,643	748,093
Cash at bank and in hand	26	6,433,323	5,767,436
		7,022,610	6,633,958
Creditors: amounts falling due within one year	19	(1,365,253)	(1,243,561)
NET CURRENT ASSETS		5,657,357	5,390,397
TOTAL ASSETS LESS CURRENT LIABILITIES		10,072,472	10,061,042
Creditors: amounts falling due after more than one year	20	(2,090,909)	(2,636,364)
TOTAL NET ASSETS		7,981,563	7,424,678

SOUTH WEST ENVIRONMENTAL PARKS LIMITED
REGISTERED NUMBER:00792877

BALANCE SHEET (CONTINUED)
AS AT 31 OCTOBER 2021

	Note	2021 £	2020 £
CAPITAL, RESERVES AND FUNDS			
Restricted funds	22	1,422,367	1,441,139
Unrestricted funds:			
General funds	22	6,525,558	5,949,901
Called up share capital		10,000	10,000
Share premium account		23,638	23,638
Total unrestricted funds	22	6,559,196	5,983,539
TOTAL FUNDS		7,981,563	7,424,678

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 20/07/2022 and signed on their behalf by:


S E Kings


R W J Ford

The notes on pages 17 to 38 form part of these financial statements.

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 OCTOBER 2021

	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash (used in)/generated from operating activities	1,198,888	(1,301,094)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	(1,258)	(10,714)
Purchase of tangible fixed assets	(168,107)	(460,825)
NET CASH (USED IN) INVESTING ACTIVITIES	(169,365)	(471,539)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflows from new borrowing	-	3,000,000
Repayments of borrowing	(363,636)	-
NET CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES	(363,636)	3,000,000
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	665,887	1,227,367
Cash and cash equivalents at the beginning of the year	5,767,436	4,540,069
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	6,433,323	5,767,436

The notes on pages 17 to 38 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

1. GENERAL INFORMATION

The Charity (registered number 300923) is a charitable Company, limited by shares and registered in England and Wales (registered number 00792877). The registered office address is Totnes Road, Paignton, Devon, TQ4 7EU.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

South West Environmental Parks Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Under the Companies Act 2006 the Company is exempt from producing consolidated accounts as it has been included in EEA group accounts of a larger group (s.400).

The parent entity in which consolidated statements are being produced is Wild Planet Trust. These statements are available from the Charity Commission.

2.2 GOING CONCERN

The accounts have been prepared on the going concern basis. The Trustees have considered a period of at least 12 months from the date of approval of the financial statements, and have also assessed various business plans relating to the potential on-going impact of COVID on the operation of the parks. For further details, please see the Trustees' Report.

2.3 INCOME

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

2.6 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following bases:

Computer software	- 5 years
Goodwill	- 5 years

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

2. ACCOUNTING POLICIES (continued)

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Leasehold property and improvements	- 10 to 50 years
Motor vehicles	- 5 years
Fixtures, fittings and equipment	- 5 to 10 years

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

2.9 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

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

2.10 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.11 DEBTORS

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

2.12 CASH AT BANK AND IN HAND

Cash at bank and 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.

2. ACCOUNTING POLICIES (continued)

2.13 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.14 FINANCIAL INSTRUMENTS

The Company 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.

2.15 PENSIONS

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

The assets of the scheme are held separately from those of the group and are independently administered.

2.16 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 Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company 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.

Investment income, gains and losses are allocated to the appropriate fund.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

The useful life of the fixed assets is a key judgement.

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations from Living Coasts	10,775	-	10,775
Donations	328,138	-	328,138
Government grants	82,138	100,305	182,443
	<u>421,051</u>	<u>100,305</u>	<u>521,356</u>

Government grant funding received relates to the Coronavirus Job Retention Scheme and business support grants awarded as a result of COVID-19.

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations	414,370	-	414,370
Government grants	-	617,612	617,612
	<u>414,370</u>	<u>617,612</u>	<u>1,031,982</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Operation of Paignton Zoo	5,342,300	5,342,300	3,990,642
Operation of Newquay Zoo	2,070,269	2,070,269	1,343,739
Education	101,265	101,265	48,111
Field conservation and research	38,599	38,599	39,004
Charges to South West Zoo Enterprises Ltd	344,676	344,676	349,776
	<u>7,897,109</u>	<u>7,897,109</u>	<u>5,771,272</u>

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fundraising	9,932	9,932	15,860
Events	-	-	17,167
	<u>9,932</u>	<u>9,932</u>	<u>33,027</u>

7. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Distribution from South West Zoo Enterprises Limited	149,769	149,769	619,367
Interest receivable	1,258	1,258	10,714
	<u>151,027</u>	<u>151,027</u>	<u>630,081</u>

8. EXPENDITURE ON RAISING FUNDS

FUNDRAISING TRADING EXPENSES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fundraising	3,498	3,498	4,358
Staff costs	12,820	12,820	13,108
	<u>16,318</u>	<u>16,318</u>	<u>17,466</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Operation of the Parks	7,584,797	28,122	7,612,919
Education	111,359	-	111,359
Conservation	299,143	-	299,143
COVID-19 Grant	(100,305)	100,305	-
	<u>7,894,994</u>	<u>128,427</u>	<u>8,023,421</u>

COVID-19 Grant expenditure relates to costs incurred against furlough claims. These costs were incurred across both support and direct costs.

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Operation of the Parks	7,704,364	777,003	8,481,367
Education	237,744	-	237,744
Conservation	788,218	-	788,218
COVID-19 Grant	(617,612)	617,612	-
	<u>8,112,714</u>	<u>1,394,615</u>	<u>9,507,329</u>

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Operation of the Parks	3,331,866	4,281,053	7,612,919
Education	111,359	-	111,359
Conservation	299,143	-	299,143
	<u>3,742,368</u>	<u>4,281,053</u>	<u>8,023,421</u>

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Operation of the Parks	3,803,168	4,678,199	8,481,367
Education	237,744	-	237,744
Conservation	788,218	-	788,218
	<u>4,829,130</u>	<u>4,678,199</u>	<u>9,507,329</u>

ANALYSIS OF SUPPORT COSTS

	Operation of the Parks 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	1,822,516	1,822,516	1,702,038
Establishment costs	980,378	980,378	885,325
Administration costs	342,034	342,034	240,556
Financial costs	259,010	259,010	270,836
Marketing	400,459	400,459	465,567
Depreciation	437,858	437,858	344,781
Amortisation	21,298	21,298	64,786
Governance	17,500	17,500	8,500
Impairment of assets	-	-	695,810
	<u>4,281,053</u>	<u>4,281,053</u>	<u>4,678,199</u>

11. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<u>8,250</u>	<u>8,000</u>

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021

12. STAFF COSTS

	2021 £	2020 £
Wages and salaries	3,891,930	4,307,553
Social security costs	300,734	318,559
Contribution to defined contribution pension schemes	257,984	276,306
	<u>4,450,648</u>	<u>4,902,418</u>

Included within wages and salaries are staff restructuring costs for the Company amounting to £60,000 (2020: £212,404).

The average number of persons employed by the Company during the year was as follows:

	2021 No.	2020 No.
Employees	<u>186</u>	<u>198</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	1

The total amount of employee benefits (including employer pension contributions and employer National Insurance contributions) received by key management personnel was £395,278 (2020: £445,550). The group of which South West Environmental Parks Limited is a part of is managed on a unified basis. The key management personnel of the Company are remunerated by Wild Planet Trust in respect of their services to the group as a whole.

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2020: £Nil).

During the year ended 31 October 2021, travel expenses totalling £780 were reimbursed or paid directly to 4 Trustees (2020: £150 to 3 Trustees).

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021

14. INTANGIBLE ASSETS

	Computer software £	Goodwill £	Total £
COST			
At 1 November 2020	96,172	774,875	871,047
Additions	35,525	-	35,525
At 31 October 2021	131,697	774,875	906,572
AMORTISATION			
At 1 November 2020	63,075	764,170	827,245
Charge for the year	10,593	10,705	21,298
At 31 October 2021	73,668	774,875	848,543
NET BOOK VALUE			
At 31 October 2021	58,029	-	58,029
At 31 October 2020	33,097	10,705	43,802

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021

15. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
COST OR VALUATION				
At 1 November 2020	17,009,364	366,531	3,018,972	20,394,867
Additions	-	80,289	87,818	168,107
At 31 October 2021	17,009,364	446,820	3,106,790	20,562,974
DEPRECIATION				
At 1 November 2020	13,736,499	295,814	1,735,713	15,768,026
Charge for the year	141,436	32,921	263,507	437,864
At 31 October 2021	13,877,935	328,735	1,999,220	16,205,890
NET BOOK VALUE				
At 31 October 2021	3,131,429	118,085	1,107,570	4,357,084
At 31 October 2020	3,272,865	70,717	1,283,259	4,626,841

The Company's leasehold buildings are held under leases granted by Wild Planet Trust, Torbay Council and Restormel Borough Council. The net book value of leasehold buildings as at 31 October 2021 comprises £1,863,362 (2020: £1,968,227) in respect of Paignton Zoo, £Nil (2020: £Nil) in respect of Living Coasts which was fully impaired in the prior year and £1,268,067 (2020: £1,304,638) in respect of Newquay Zoo.

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

16. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
COST OR VALUATION	
At 1 November 2020	2
AT 31 OCTOBER 2021	<u>2</u>
NET BOOK VALUE	
AT 31 OCTOBER 2021	<u>2</u>
AT 31 OCTOBER 2020	<u>2</u>

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

16. FIXED ASSET INVESTMENTS (CONTINUED)

PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the Company:

Names	Company number	Charity registration number	Registered office or principal place of business	Principal activity	Holding
South West Zoo Enterprises Limited	02494361	NA	Totnes Road, Paignton, Devon	Retail trading activities of the environmental parks	100%
Living Coasts	04620880	1099076	Totnes Road, Paignton, Devon	Operation of Living Coasts exhibit	100%

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021

17. STOCKS

	2021 £	2020 £
Consumables	122,644	118,429

18. DEBTORS

	2021 £	2020 £
DUE WITHIN ONE YEAR		
Trade debtors	18,899	13,421
Other debtors	11,814	63,666
Prepayments and accrued income	384,263	638,439
Tax recoverable	51,667	32,567
	466,643	748,093

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank overdrafts	337	-
Bank loans	545,455	363,636
Trade creditors	202,721	204,564
Other taxation and social security	77,960	76,058
Other creditors	33,039	32,569
Accruals and deferred income	505,741	566,734
	1,365,253	1,243,561

	2021 £	2020 £
Deferred income		
Deferred income at 1 November 2020	362,330	497,817
Resources deferred during the year	398,913	362,330
Amounts released from previous periods	(362,330)	(497,817)
	398,913	362,330

Deferred income relates to annual pass admission income relating to future periods.

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Bank loans	2,090,909	2,636,364

In the prior year, the Company entered into a loan agreement through the Coronavirus Business Interruption Loan scheme. Interest is charged at 1.94% above the base rate. The balance is repayable in monthly installments over five and half years.

The loan is secured with an unlimited debenture from South West Environmental Parks Limited, South West Zoo Enterprises Limited, Living Coasts and Wild Planet Trust; a first legal charge from Wild Planet Trust over the freehold land and buildings at Totnes Road, Paignton, Devon, TQ4 7EU; an omnibus guarantee and set off agreement among the Bank, South West Environmental Parks Limited, Wild Planet Trust and Living Coasts; and an all moneys guarantee from South West Zoo Enterprises Limited.

21. SHARE CAPITAL

	2021 £	2020 £
Issued and fully paid ordinary shares of £1 each	10,000	10,000

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021

22. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 November 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 October 2021 £
UNRESTRICTED FUNDS					
General Funds	5,983,539	8,496,319	(7,911,312)	(9,350)	6,559,196
RESTRICTED FUNDS					
ERDF Redevelopment Fund	781,805	-	(26,059)	-	755,746
Crocodile Swamp Fund	650,000	-	-	-	650,000
Solar PV Array Fund	4,126	-	(2,063)	-	2,063
Forest Schools Fund	324	-	-	-	324
BIAZA Fund	4,884	-	-	9,350	14,234
Coronavirus Job Retention Scheme	-	100,305	(100,305)	-	-
	1,441,139	100,305	(128,427)	9,350	1,422,367
TOTAL OF FUNDS	7,424,678	8,596,624	(8,039,739)	-	7,981,563

Restricted funds

ERDF Redevelopment Fund and Crocodile Swamp Fund - This represents funding received for redevelopment of sites and exhibits at Paignton Zoo.

Other restricted amounts represent funds received for a specific purpose and can only be used under particular conditions.

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021

22. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 November 2019 £	Income £	Expenditure £	Balance at 31 October 2020 £
UNRESTRICTED FUNDS				
General Funds	7,237,353	6,876,366	(8,130,180)	5,983,539
RESTRICTED FUNDS				
ERDF Redevelopment Fund	807,864	-	(26,059)	781,805
Living Coasts Grants Fund	714,845	-	(714,845)	-
Crocodile Swamp Fund	650,000	-	-	650,000
Solar PV Array Fund	6,188	-	(2,062)	4,126
Forest Schools Fund	324	-	-	324
BIAZA Fund	28,921	-	(24,037)	4,884
Awards For All - Changing Places	10,000	-	(10,000)	-
Coronavirus Job Retention Scheme	-	617,612	(617,612)	-
	2,218,142	617,612	(1,394,615)	1,441,139
TOTAL OF FUNDS	9,455,495	7,493,978	(9,524,795)	7,424,678

23. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 November 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 October 2021 £
General funds	5,983,539	8,496,319	(7,911,312)	(9,350)	6,559,196
Restricted funds	1,441,139	100,305	(128,427)	9,350	1,422,367
	7,424,678	8,596,624	(8,039,739)	-	7,981,563

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**23. SUMMARY OF FUNDS (CONTINUED)****SUMMARY OF FUNDS - PRIOR YEAR**

	Balance at 1 November 2019 £	Income £	Expenditure £	Balance at 31 October 2020 £
General funds	7,237,353	6,876,366	(8,130,180)	5,983,539
Restricted funds	2,218,142	617,612	(1,394,615)	1,441,139
	<u>9,455,495</u>	<u>7,493,978</u>	<u>(9,524,795)</u>	<u>7,424,678</u>

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	3,599,275	757,809	4,357,084
Intangible fixed assets	58,029	-	58,029
Fixed asset investments	2	-	2
Current assets	6,358,052	664,558	7,022,610
Creditors due within one year	(1,365,253)	-	(1,365,253)
Creditors due in more than one year	(2,090,909)	-	(2,090,909)
TOTAL	<u>6,559,196</u>	<u>1,422,367</u>	<u>7,981,563</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	3,840,910	785,931	4,626,841
Intangible fixed assets	43,802	-	43,802
Fixed asset investments	2	-	2
Current assets	5,978,750	655,208	6,633,958
Creditors due within one year	(1,243,561)	-	(1,243,561)
Creditors due in more than one year	(2,636,364)	-	(2,636,364)
TOTAL	<u>5,983,539</u>	<u>1,441,139</u>	<u>7,424,678</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	556,885	(2,030,817)
ADJUSTMENTS FOR:		
Depreciation charges	437,864	1,040,591
Amortisation charges	21,298	64,786
Interest receivable	1,258	10,714
(Increase) in stocks	(4,215)	(25,199)
Decrease/(increase) in debtors	281,450	(210,623)
(Decrease) in creditors	(95,652)	(150,546)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	1,198,888	(1,301,094)

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	6,433,323	5,767,436
TOTAL CASH AND CASH EQUIVALENTS	6,433,323	5,767,436

27. ANALYSIS OF CHANGES IN NET DEBT

	At 1 November 2020 £	Cash flows £	At 31 October 2021 £
Cash at bank and in hand	5,767,436	665,887	6,433,323
Bank overdrafts repayable on demand	-	(337)	(337)
Debt due within 1 year	(363,636)	(181,819)	(545,455)
Debt due after 1 year	(2,636,364)	545,455	(2,090,909)
	2,767,436	1,029,186	3,796,622

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

28. CONTINGENT LIABILITIES

In 2005, the Company entered into a 125 year lease with The Council of the Borough of Torbay for land at Beacon Quay, Torquay. Until its closure in the previous financial year, this land was occupied by the Living Coasts Coastal Zoo.

Under the terms of the lease, the Company is obliged to pay only a peppercorn rent, however, is partially responsible for the repair and maintenance of the site, including a sea wall that borders it.

At the date of this report, the directors of the Company are exploring several potential options for the future use of the site, however, none has been agreed.

Given the length of the remaining lease, it is likely that at some point significant repairs will be required to the site, for which the Company is currently partially responsible. However, the timing and cost of these repairs cannot be reliably estimated, and the directors remain optimistic that the lease will be taken on by a new tenant. As such, no liability has been recognised in the financial statements in respect of this ongoing obligation.

A health and safety incident occurred at one of the parks in the year ending 31 October 2020, which resulted in an investigation being made. No resolution has been reached between the parties and the investigation into the incident is still on-going at the date of the audit report. However, it is possible that the Company will be subject to a financial penalty.

The Trustees are not able to assess the probability of any penalty that might arise, nor the probability of this taking place. As such, the Trustees have made no provision in the 2021 financial statements.

29. PENSION COMMITMENTS

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £257,984 (2020: £276,306). £28,103 (2020: £30,024) were payable to the fund at the balance sheet date and are included in creditors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

30. OPERATING LEASE COMMITMENTS

At 31 October 2021 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	4,562	2,244
Later than 1 year and not later than 5 years	4,562	2,244
Later than 5 years	8,619	5,049
	<u>17,743</u>	<u>9,537</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2021	2020
	£	£
Operating lease rentals	2,824	2,244

31. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary undertaking of their ultimate parent, Wild Planet Trust, the Company has taken advantage of the exemption in section 33.1A of FRS 102 in not disclosing intra-group transactions where 100% of the voting rights are controlled within the group.

32. CONTROLLING PARTY

The Company's parent undertaking and controlling party is its shareholder, Wild Planet Trust (charity number 306622). The objects of Wild Planet Trust are the advancement of scientific knowledge, education and the promotion of conservation. Its principal activities are the provision of grant to a range of conservation projects, the management of nature reserves for the benefit of wildlife, and the public and supporting the scientific, conservation and education work of the other charities within the group.

Group accounts for Wild Planet Trust are available from its principal place of business, Paignton Zoo, Totnes Road, Paignton, TQ4 7EU.