

Registered number: 00792877

Charity number: 300923

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2022

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 2022

Trustees	S E Kings, Chair R W J Ford, Vice Chair S Barr BA A C J Cooper BSc R Preziosi (appointed 28 September 2022) R Hill BA(Hons) ACA B K McLaughlin R A Rowe M S Salmon R I Stones (resigned 16 June 2022) A G Hart C Cooper (appointed 16 December 2021) P M C Stevens (resigned 7 February 2022)
Company registered number	00792877
Charity registered number	300923
Registered office	Totnes Road Paignton Devon TQ4 7EU
Company secretary	C E Malkin (Resigned 30 November 2022) M Skipp (Appointed 30 November 2022)
Chief Executive Officer	D Flynn
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

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 OCTOBER 2022

The Trustees submit their report and the audited financial statements for South West Environmental Parks Limited for the year ended 31 October 2022. 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.

STRATEGIC AIM

South West Environmental Parks Limited (the "Charity") 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

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 reintroduced.
- 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.

STRATEGIC FRAMEWORK

The START Programme shapes our Strategic Framework. This 10-year plan is our roadmap for how we are going to achieve our aspirational goals. It provides the basis for subsequent masterplans for our sites and collection plan for the animals and plants. It has three key elements; Narrower, Deeper and Longer. Narrower encourages us to focus our activities across the organisation, Deeper encourages us to invest more deeply in our activities both financially and through resources, and Longer provides an appropriate timeline to realise outcomes fully.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022**

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 Commission's guidance on public benefit. 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.

SUMMARY OF MAIN ACHIEVEMENTS

The Charity supports the overall objectives of the Wild Planet Trust group, via funding and the commitment of its knowledge and resources.

Contribution to Conservation

This year was one of consolidation and review for our conservation programmes. Support for the main long-term projects continued throughout the reporting period, but a strategic review process culminated in the decision to focus resources on projects in southwest UK and Africa in 2023 and beyond. While we remain very proud of our project partners and their achievements in south-east Asia, we believe that a narrower focus will maximize our conservation impact and deliver a cohesive and compelling message to our audiences.

Global Impact

Law enforcement patrols continued in the Uzungwa Scarp Nature Forest Reserve in Tanzania with the rangers removing hundreds of snares left by illegal hunters. Research led by project partners showed that this reserve hosts the larger of the two remaining populations of Sanje mangabey, an endangered primate. Preliminary research was also carried out into the relationships between local people and the forest through community benefit audits at six local villages. This will provide a baseline for further community engagement going forwards. The remarkable biodiversity of Uzungwa Scarp was further highlighted through the completion of an MPhil studentship on the area's amphibians. Over forty species were documented, including at least three new to science.

In Nigeria, our long running environmental education programme continued in the Omo Forest Reserve delivering weekly conservation messages to six primary schools and a secondary school. This programme is run in parallel with law enforcement patrols to reduce the pressure from illegal activities on the critically endangered forest elephants and their core habitat. The rangers and conservation club members also combined to raise and plant over two thousand native tree saplings in recently logged areas. In Zimbabwe, funding continued to ensure the financial survival of Dambari Wildlife Trust as their team delivered separately funded projects to monitor the rhino populations in Matopos National Park and support rangeland management in the adjacent communal lands. Future plans include mitigating the loss of livestock to predators in the same communities.

The Selamatkan Yaki (Save the Macaques) programme in Indonesia continued to focus on reducing the trade in wild meat from protected species through awareness raising, livelihood projects and targeting hunters and market sellers throughout the range of the Sulawesi crested macaque. The most significant research project undertaken was to repeat the range-wide camera trapping survey of 2018 to assess any change in the conservation status of the species in the last four years. A new initiative began addressing negative interactions between people and macaques around Tangkoko Nature Reserve where there has been a perceived increase in macaques visiting farms and villages to forage for crops.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022**

Local Conservation

Targeted management and monitoring continued in our nature reserves in Devon with an emphasis on special habitats such as the limestone grassland in Clennon, wildflower meadow at Primley, and shingle ridge vegetation at Slapton. Work funded by Natural England was undertaken with the Field Studies Council and National Trust to conserve the critically endangered plant strapwort at Slapton and the reintroduction site at Looe Pool respectively.

The Save Our Seagrass Project focused on assessing the success of the three advanced mooring systems installed near Brixham in 2021. The number of boats mooring up as opposed to anchoring in the seagrass was significantly reduced and data collected by our volunteer divers showed signs of seagrass recovery underneath at least one of the buoys. We also invested in social science research during 2022, carrying out online surveys and focal discussion groups with local marine users.

Campaigns and Programmes

The revised organisation structure, which was launched in 20/21 enabled a substantial shift in how our key charitable aims were approached and met. The Campaigns and Programmes Department brings together teams from a variety of disciplines, and its creation catalysed a number of developments that have led to transformational change. Of note is the development of 'Conservation by Design' a content and communication strategy which underpins and directs our organisational main effort of 'telling our story better'. The engagement team have built on the lessons of the covid-19 pandemic to reimagine how we tell this story to visitors and schools.

The year saw a total of 18,043 education admissions at Paignton and 6,725 at Newquay. These are lower than pre-pandemic levels, and reflect a cautious approach from schools as they return to in-person teaching, as well as the budgetary constraints that schools operate under (with regards to the costs of delivering a school trip). A renewed schools offer at both zoo sites places the emphasis on engaging with groups out in the zoo rather than in a classroom setting, with messaging that focusses on our single compelling narrative, and has received a very positive response.

Visitor engagement has been similarly reinvigorated, with the addition of more frequent small group activities alongside a changing talk schedule, with the single compelling narrative acting as the common thread between all interactions.

Social media activity and reach have increased tremendously, and has seen much greater recognition of the value of our digital audiences. Increased outputs, and exploration of additional platforms and the potential for monetisation provide multiple avenues for further development and possible revenue streams.

Alongside all of this, has been a coherent and coordinated drive from the Creative Studio to develop and integrate the Wild Planet Trust brand, and single compelling narrative, into all outward facing aspects of our work. This is providing a clear identity to new developments and products, as well as reinforcing the core message of 'helping halt species decline' and enabling a clearer vision as we move forwards.

FINANCIAL REVIEW

The Charity's financial performance for the year ending 31 October 2022 began positively, but was severely affected by the temporary closures of both Paignton and Newquay Zoos during the course of the year. In February, the southwest was hit by a number of storms, which necessitated the closure of both sites to ensure the safety of our visitors. Paignton closed for five days and Newquay three days, impacting half-term admissions. Avian Influenza was identified at our Paignton site on the August bank holiday. The zoo subsequently closed for ten days whilst our teams responded to the outbreak. Also in August, a sewage pipe issue at Newquay meant the site closed to visitors for two days whilst clean-up operations were carried out.

Unfortunately, the closures all affected periods of peak visitation. Had they not occurred, we would have hit our admission targets for the year.

We are hugely thankful to our teams and their phenomenal efforts in light of the closures, as well as to our visitors, members and donors who supported us through this challenging period.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022**

Overview

Total income for 2021/22 was £9.2m – an increase of £0.6m from 2020/21's income of £8.6m. Income from our charitable activities was down on the previous year, driven by the site closures noted above, but was offset by other income, including donations & legacies and investment income relating to the trading subsidiary.

Total expenditure grew to £9.3m against £8.0m in the prior year, an increase of 16%. The increase reflects the measured re-building of our teams, having undertaken the difficult but necessary cost-reduction programmes in previous years. This has been compounded by wider inflationary pressures impacting all areas of our operations.

INCOMING RESOURCES

The Charity operates Paignton Zoo and Newquay Zoo. The majority of the Charity's income comes from visitors to its zoos and members, in the form of admissions and other charges.

Total income from our charitable activities for 2021/22, which includes admission fees, membership income and income from events and experiences, was £7.2m (2020/21: £7.9m)

Zoo Admissions

Admissions income, including Gift Aid thereon, fell by £1.1m (16%) to £5.7m in 21/22, reflecting the necessary closures of both sites during the peak summer period.

Total visitor numbers of 482,153 were down 8% from the previous year, although member visits were up 20% over the same period. In 2021/22, 21% of visits were made by members (2020/21: 16%). Both zoos are located in regions of high seasonal tourism, and demand for visits by non-members is particularly strong in the summer months.

Memberships

Our members contribute an increasing proportion of our income through their continued and regular support for our activities. We launched our Direct Debit membership offering in Spring 2022, which enables our members to spread the cost of their annual membership over ten months. At the end of 2021/22, membership had grown to 22,528 (2020/21: 19,769). As a result, membership income grew to £0.8m compared to £0.6m in 2020/21.

Trading Income

The Charity's trading subsidiary, South West Zoo Enterprises Limited, which provides retail and food & beverage offerings across the sites, had a turnover of £3.3m in 2021/22 (2020/21: £3.6m) and trading costs of £2.8m (2020/21: £2.7m). This income was impacted by the closures, although was somewhat mitigated by an increase in average spend per visitor. Included within income are charges to the trading subsidiary of £0.3m. It continues to provide an important income stream that supports our charitable activities.

Donations and Legacies

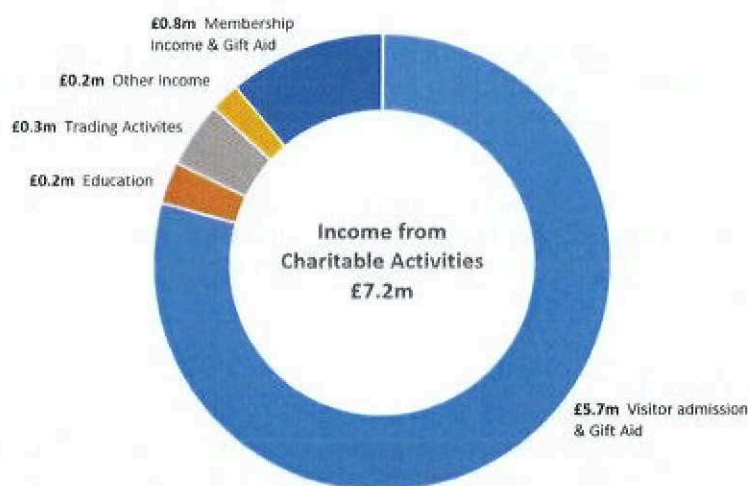
Income from donations and legacies has almost doubled from the previous year to £1.0m. This includes a restricted legacy of £0.7m relating to the care and conservation of large cats. We are hugely grateful to all our supporters, who enable us to invest in our infrastructure and continue our valuable conservation work.

UK Government Covid-19 Support

In 2021/22, the Charity and its trading subsidiary received £nil from the Job Retention Scheme and received £24k of other COVID-19-related grants (2020/21: £182k from Job Retention Scheme and other COVID-19-related grants).

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022



RESOURCES EXPENDED

In 2021/22, the Charity spent £9.3m on its charitable activities. Expenditure relates to the care of the animals in our zoo collections and the people and operations that support them. This increased by £1.3m in 2021/22, rising from £8.0m in the previous year. The Charity continues to re-build, following the significant cost-reduction programmes due to COVID-19.

Expenditure on education increased by £0.2m to £0.3m in 2021/22 and reflects our continued commitment to education programmes.

2021/22 was a period of review and consolidation for our conservation work and expenditure remained flat with the prior year at £0.3m.

Costs associated with staff remuneration, including social security and pension costs, increased to £5.0m in 2021/22 (2020/21: £4.5m). The average Full Time Equivalent (FTE) head count for 2021/22 was 215 compared to 186 in 2020/21 and 198 in 2019/20.

Indirect support costs – which largely comprise support staff and establishment costs – rose by £0.4m to £4.7m in 2021/22. The increase includes costs relating to the vacant Living Coasts site and interest on the Coronavirus Business Interruption Loan (CBIL), on which interest is charged at 1.94% above base rate.

CAPITAL EXPENDITURE

We continue to invest in our sites and in 2021/22 spent £0.6m on capital projects (2020/21: £0.2m). The majority of this spend related to walkways and pathways and the upgrade of our zebra stables. Aging infrastructure at both sites requires significant maintenance and substantial capital investment will be necessary in future years.

BORROWINGS, INVESTMENTS AND RESERVES

It is the general policy of the Charity to apply towards its charitable objectives as much funding as it reasonably can, to avoid accumulating excessive cash reserves. Where considered appropriate, borrowings are undertaken 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 together with any contractual commitments for capital projects. The Charity also considers the risk that its income for any particular year may be impacted by a number of factors outside of its control

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022**

such as periods of prolonged wet weather at peak visitor times, varying levels of economic prosperity and employment, alongside the potential for closure of the zoos to visitors due to the outbreak of contagious disease.

Throughout 2021/22, the Charity maintained minimum available cash reserves of £1m – such reserves being sufficient for the Charity and its trading subsidiaries to operate without significant curtailment of its 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.

In 2020, the Charity entered into a loan agreement through the Coronavirus Business Interruption Loan Scheme. The balance is repayable in instalments over five and a half years. At the end of 2021/22 financial year, the Charity had borrowed £2.0m and had £4.9m of cash reserves (2020/21: £2.6m borrowings and £6.4m of cash reserves).

RESTRICTED AND DESIGNATED FUNDS

Restricted income funds derive from donations, grants and legacies received and are put towards a variety of capital projects and conservation activities. Unrestricted income funds may be designated or freely available for the Charity's general charitable purposes.

After setting aside restricted income funds the balance of the Charity's available funds at the balance sheet date are designated as follows:

- assets held for charitable use, up to a maximum of the net book value of those fixed assets at the balance sheet date, then
- if, after designating unrestricted funds as above, there are funds remaining, these are treated as unrestricted free reserves. Whilst these funds may have been earmarked by the Trustees for particular purposes or uses, they are not committed or restricted legally.

At 31 October 2022 the Charity had total funds employed of £7.1m (2020/21: £8.0m) of which £1.4m (£1.4m) were restricted and £5.7m were considered to be free reserves (2020/21: £6.6m).

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.

The 2022/23 organisational planning and performance goal is:

To deliver a memorable centenary year that further strengthens the connection with our local communities and wider stakeholders.

The 2022/23 priorities are:

- Improve the timely availability of decision-support data.
- Identify and develop roll-out plans for sustainable revenue streams.
- Ensure in-situ conservation programme is aligned with the 'narrower-deeper-longer' strategy.
- Develop a full-spectrum fundraising strategy.
- Establish a five-year capital investment plan.

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

Performance Indicators

The principal KPIs for the year ended 31 October 2022 are as follows:

	2022/23 Target*	2021/22 Actual	2021/22 Target	2021/22 Actual to Target	2020/21 Actual	2021/22 Actual to Previous Year
Total Visitors	514,712	482,153	553,391	-13%	526,227	-8%
Paying Visitors	354,783	334,034	384,120	-13%	409,853	-18%
Education Visitors	48,404	24,768	18,000	38%	8,710	184%
Admissions Income	£5,984,872	£5,383,930	£5,674,827	-5%	£6,255,511	-14%
Education Visit Income	£24,500	£154,992	£135,750	14%	£48,789	218%
Membership Income	£989,689	£708,831	£823,500	-14%	£526,461	35%
Contribution from trading	£502,578	£491,434	£685,816	-28%	£972,542	-49%

*In 2022/23 we celebrate our centenary and KPIs have been adjusted for the increase in footfall we expect. A pillar of our centenary celebrations is, 'Schools Go Free in '23', reflecting our ongoing commitment to education.

PRINCIPAL RISKS & 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.

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

South West Environmental Parks Limited 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. In accordance with the governing document, trustees are elected 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



M L Skipp
(Company Secretary)

Date: 29/03/2023

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 OCTOBER 2022**

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:



M Skipp
(Company Secretary)

Date: 29/03/2023

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

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 2022 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 2022 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.

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

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.

Bishop Fleming LLP

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: *11/4/23*

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 OCTOBER 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:					
Donations and legacies	4	193,016	767,690	960,706	521,356
Charitable activities	5	7,198,131	-	7,198,131	7,897,109
Other trading activities	6	24,329	-	24,329	9,932
Investments	7	978,159	-	978,159	151,027
Other income		36,432	-	36,432	17,200
TOTAL INCOME		8,430,067	767,690	9,197,757	8,596,624
EXPENDITURE ON:					
Raising funds	8	11,329	-	11,329	16,318
Charitable activities	9	9,243,485	52,034	9,295,519	8,023,421
TOTAL EXPENDITURE		9,254,814	52,034	9,306,848	8,039,739
NET MOVEMENT IN FUNDS		(824,747)	715,656	(109,091)	556,885
RECONCILIATION OF FUNDS:					
Total funds brought forward		6,559,196	1,422,367	7,981,563	7,424,678
Net movement in funds		(824,747)	715,656	(109,091)	556,885
TOTAL FUNDS CARRIED FORWARD		5,734,449	2,138,023	7,872,472	7,981,563

SOUTH WEST ENVIRONMENTAL PARKS LIMITED
REGISTERED NUMBER:00792877

BALANCE SHEET
AS AT 31 OCTOBER 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Intangible assets	14	56,064	58,029
Tangible assets	15	4,522,280	4,357,084
Investments	16	2	2
		<u>4,578,346</u>	<u>4,415,115</u>
CURRENT ASSETS			
Stocks	17	136,907	122,644
Debtors	18	1,254,793	466,643
Cash at bank and in hand	26	4,937,875	6,433,323
		<u>6,329,575</u>	<u>7,022,610</u>
Creditors: amounts falling due within one year	19	(1,489,995)	(1,365,253)
NET CURRENT ASSETS		<u>4,839,580</u>	<u>5,657,357</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,417,926</u>	<u>10,072,472</u>
Creditors: amounts falling due after more than one year	20	(1,545,454)	(2,090,909)
TOTAL NET ASSETS		<u><u>7,872,472</u></u>	<u><u>7,981,563</u></u>

SOUTH WEST ENVIRONMENTAL PARKS LIMITED
REGISTERED NUMBER:00792877

BALANCE SHEET (CONTINUED)
AS AT 31 OCTOBER 2022

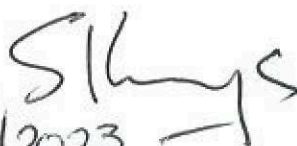
	Note	2022 £	2021 £
CAPITAL, RESERVES AND FUNDS			
Restricted funds	22	2,138,023	1,422,367
Unrestricted funds:			
General funds	22	5,700,811	6,525,558
Called up share capital		10,000	10,000
Share premium account		23,638	23,638
Total unrestricted funds	22	5,734,449	6,559,196
TOTAL FUNDS		7,872,472	7,981,563

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 and signed on their behalf by:

S E Kings
 (Chair of Trustees)

Date: 29/03/2023



R W J Ford
 (Trustee)



The notes on pages 19 to 39 form part of these financial statements.

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2022**

	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash (used in)/generated from operating activities	(1,271,193)	1,198,888
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	978,159	(1,258)
Proceeds from the sale of tangible fixed assets	15,663	-
Purchase of intangible assets	(20,000)	-
Purchase of tangible fixed assets	(584,523)	(168,107)
NET CASH (USED IN) INVESTING ACTIVITIES	389,299	(169,365)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of borrowing	(545,455)	(363,636)
Interest paid	(68,099)	-
NET CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES	(613,554)	(363,636)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	(1,495,448)	665,887
Cash and cash equivalents at the beginning of the year	6,433,323	5,767,436
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	4,937,875	6,433,323

The notes on pages 19 to 39 form part of these financial statements

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

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 risks to the Company. 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.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

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 2022**

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 revenue 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:

Computer software	- 5 years
Goodwill	- 5 years

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

2. ACCOUNTING POLICIES (continued)

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION (CONTINUED)

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.

2.13 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. ACCOUNTING POLICIES (continued)

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.

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 2022

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations from Living Coasts	-	-	-
Donations	193,016	-	193,016
Legacies	-	744,012	744,012
Government grants	-	23,678	23,678
	<u>193,016</u>	<u>767,690</u>	<u>960,706</u>
	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
DONATIONS			
Donations from Living Coasts	10,775	-	10,775
Donations	328,138	-	328,138
Government grants	82,138	100,305	182,443
SUBTOTAL	<u>410,276</u>	<u>100,305</u>	<u>510,581</u>
	<u>421,051</u>	<u>100,305</u>	<u>521,356</u>

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

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Operation of Paignton Zoo	4,687,468	4,687,468	5,342,300
Operation of Newquay Zoo	1,924,272	1,924,272	2,070,269
Education	212,165	212,165	101,265
Field conservation and research	41,898	41,898	38,599
Charges to South West Zoo Enterprises Ltd	332,328	332,328	344,676
	<u>7,198,131</u>	<u>7,198,131</u>	<u>7,897,109</u>

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fundraising	9,419	9,419	9,932
Events	14,910	14,910	-
	<u>24,329</u>	<u>24,329</u>	<u>9,932</u>

7. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Distribution from South West Zoo Enterprises Limited	972,542	972,542	149,769
Interest receivable	5,617	5,617	1,258
	<u>978,159</u>	<u>978,159</u>	<u>151,027</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

8. EXPENDITURE ON RAISING FUNDS

FUNDRAISING TRADING EXPENSES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fundraising	50	50	3,498
Staff costs	11,279	11,279	12,820
	<u>11,329</u>	<u>11,329</u>	<u>16,318</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**
9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES
Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Operation of the Parks	8,705,501	52,034	8,757,535
Education	274,721	-	274,721
Conservation	263,263	-	263,263
	<u>9,243,485</u>	<u>52,034</u>	<u>9,295,519</u>
	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 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.

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Operation of the Parks	4,082,872	4,674,663	8,757,535
Education	274,721	-	274,721
Conservation	263,263	-	263,263
	<u>4,620,856</u>	<u>4,674,663</u>	<u>9,295,519</u>

	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>

ANALYSIS OF SUPPORT COSTS

	Operation of the Parks 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	1,719,536	1,719,536	1,822,516
Establishment costs	1,004,581	1,004,581	980,378
Administration costs	513,116	513,116	342,034
Financial costs	441,880	441,880	259,010
Marketing	352,733	352,733	400,459
Depreciation	411,114	411,114	437,858
Amortisation	21,965	21,965	21,298
Governance	8,825	8,825	17,500
Maintenance of Living Coasts site	200,913	200,913	-
	<u>4,674,663</u>	<u>4,674,663</u>	<u>4,281,053</u>

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

11. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<u>9,075</u>	<u>8,250</u>

12. STAFF COSTS

	2022 £	2021 £
Wages and salaries	4,381,025	3,891,930
Social security costs	354,793	300,734
Contribution to defined contribution pension schemes	277,231	257,984
	<u>5,013,049</u>	<u>4,450,648</u>

Included within wages and salaries are staff restructuring costs for the Company amounting to £nil (2021: £60,000).

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

	2022 No.	2021 No.
Employees	<u>215</u>	<u>186</u>

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1

All Trustees and the CEO/senior leadership team are considered to be key management personnel. The total amount of employee benefits (including employer pension contributions and employer National Insurance contributions) received by key management personnel was £261,544 for three personnel (2021: £395,278 for five personnel). 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 (2021: £Nil).

During the year ended 31 October 2022, travel expenses totalling £208 were reimbursed or paid directly to 3 Trustees (2021: £780 to 4 Trustees).

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

14. INTANGIBLE ASSETS

	Computer software £	Goodwill £	Total £
COST			
At 1 November 2021	131,697	774,875	906,572
Additions	20,000	-	20,000
At 31 October 2022	151,697	774,875	926,572
AMORTISATION			
At 1 November 2021	73,668	774,875	848,543
Charge for the year	21,965	-	21,965
At 31 October 2022	95,633	774,875	870,508
NET BOOK VALUE			
At 31 October 2022	56,064	-	56,064
At 31 October 2021	58,029	-	58,029

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

15. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
COST OR VALUATION				
At 1 November 2021	17,009,364	446,820	3,106,790	20,562,974
Additions	279,015	6,050	299,458	584,523
Disposals	-	-	(41,992)	(41,992)
At 31 October 2022	<u>17,288,379</u>	<u>452,870</u>	<u>3,364,256</u>	<u>21,105,505</u>
DEPRECIATION				
At 1 November 2021	13,877,935	328,735	1,999,220	16,205,890
Charge for the year	148,933	39,352	222,829	411,114
On disposals	-	-	(33,779)	(33,779)
At 31 October 2022	<u>14,026,868</u>	<u>368,087</u>	<u>2,188,270</u>	<u>16,583,225</u>
NET BOOK VALUE				
At 31 October 2022	<u>3,261,511</u>	<u>84,783</u>	<u>1,175,986</u>	<u>4,522,280</u>
At 31 October 2021	<u>3,131,429</u>	<u>118,085</u>	<u>1,107,570</u>	<u>4,357,084</u>

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 2022 comprises £2,030,015 (2021: £1,863,362) in respect of Paignton Zoo, £Nil (2021: £Nil) in respect of Living Coasts which was fully impaired in 2020 and £1,231,496 (2021: £1,268,067) in respect of Newquay Zoo.

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

16. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
COST OR VALUATION	
At 1 November 2021	2
AT 31 OCTOBER 2022	2
NET BOOK VALUE	
AT 31 OCTOBER 2022	2
AT 31 OCTOBER 2021	2

PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the Company:

Names	Company number	Charity reg. number	Registered office	Principal activity	Holding
South West Zoo Enterprises Limited	02494361	NA	Totnes Road, Paignton, Devon	Retail trading for the environmental parks	100%
Living Coasts	04620880	1099076	Totnes Road, Paignton, Devon	Dormant entity	100%

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
South West Zoo Enterprises Limited	3,265,913	(2,784,805)	481,108	481,110

17. STOCKS

	2022 £	2021 £
Consumables	136,907	122,644

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

18. DEBTORS

	2022 £	2021 £
DUE WITHIN ONE YEAR		
Trade debtors	13,432	18,899
Other debtors	13,282	11,814
Prepayments and accrued income	1,177,296	384,263
Tax recoverable	50,783	51,667
	<u>1,254,793</u>	<u>466,643</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Bank overdrafts	-	337
Bank loans	545,455	545,455
Trade creditors	385,105	202,721
Other taxation and social security	88,365	77,960
Other creditors	44,599	33,039
Accruals and deferred income	426,471	505,741
	<u>1,489,995</u>	<u>1,365,253</u>

	2022 £	2021 £
Deferred income		
Deferred income at 1 November 2021	398,913	362,330
Resources deferred during the year	336,270	398,913
Amounts released from previous periods	(398,913)	(362,330)
	<u>336,270</u>	<u>398,913</u>

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 2022****20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2022 £	2021 £
Bank loans	<u>1,545,454</u>	<u>2,090,909</u>

In 2020, 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

	2022 £	2021 £
Issued and fully paid ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

22. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 November 2021 £	Income £	Expenditure £	Balance at 31 October 2022 £
UNRESTRICTED FUNDS				
General Funds	6,559,196	8,430,067	(9,254,814)	5,734,449
RESTRICTED FUNDS				
ERDF Redevelopment Fund	755,746	-	(26,059)	729,687
Crocodile Swamp Fund	650,000	-	-	650,000
Solar PV Array Fund	2,063	-	(2,063)	-
Forest Schools Fund	324	-	-	324
BIAZA Fund	14,234	9,678	(23,912)	-
COVID Grant	-	12,000	-	12,000
Other Restricted Funds	-	2,000	-	2,000
Care and Conservation of Large Cats	-	744,012	-	744,012
	1,422,367	767,690	(52,034)	2,138,023
TOTAL OF FUNDS	7,981,563	9,197,757	(9,306,848)	7,872,472

Restricted funds

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

Care and Conservation of Large Cats - This represents legacy income to assist in the care and conservations of large cats.

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 2022

22. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR 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
COVID Grant	-	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

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

23. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 November 2021 £	Income £	Expenditure £	Balance at 31 October 2022 £
General funds	6,559,196	8,430,067	(9,254,814)	5,734,449
Restricted funds	1,422,367	767,690	(52,034)	2,138,023
	<u>7,981,563</u>	<u>9,197,757</u>	<u>(9,306,848)</u>	<u>7,872,472</u>

SUMMARY OF FUNDS - PRIOR 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
	<u>7,424,678</u>	<u>8,596,624</u>	<u>(8,039,739)</u>	<u>-</u>	<u>7,981,563</u>

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	3,792,593	729,687	4,522,280
Intangible fixed assets	56,064	-	56,064
Fixed asset investments	2	-	2
Current assets	4,921,239	1,408,336	6,329,575
Creditors due within one year	(1,489,995)	-	(1,489,995)
Creditors due in more than one year	(1,545,454)	-	(1,545,454)
TOTAL	<u>5,734,449</u>	<u>2,138,023</u>	<u>7,872,472</u>

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR 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	6,559,196	1,422,367	7,981,563

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

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(109,091)	556,885
ADJUSTMENTS FOR:		
Depreciation charges	411,114	437,864
Amortisation charges	21,965	21,298
Interest receivable	(978,159)	1,258
(Increase) in stocks	(14,263)	(4,215)
Decrease/(increase) in debtors	(788,150)	281,450
(Decrease) in creditors	117,292	(95,652)
Interest payable	68,099	-
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	(1,271,193)	1,198,888

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand	4,937,875	6,433,323

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

27. ANALYSIS OF CHANGES IN NET DEBT

	At 1 November 2021 £	Cash flows £	Other non- cash changes £	At 31 October 2022 £
Cash at bank and in hand	6,433,323	(1,495,448)	-	4,937,875
Bank overdrafts repayable on demand	(337)	337	-	-
Debt due within 1 year	(545,455)	545,455	(545,455)	(545,455)
Debt due after 1 year	(2,090,909)	-	545,455	(1,545,454)
	<u>3,796,622</u>	<u>(949,656)</u>	<u>-</u>	<u>2,846,966</u>

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 financial year ending 31 October 2020, 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.

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 £277,231 (2021: £257,984). £32,174 (2021: £28,103) were payable to the fund at the balance sheet date and are included in creditors.

SOUTH WEST ENVIRONMENTAL PARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

30. OPERATING LEASE COMMITMENTS

At 31 October 2022 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	4,562	4,562
Later than 1 year and not later than 5 years	4,562	4,562
Later than 5 years	4,056	8,619
	13,180	17,743

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

	2022	2021
	£	£
Operating lease rentals	4,562	2,824

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.

