DUDLEY AND WEST MIDLANDS ZOOLOGICAL SOCIETY LIMITED

England & Wales · Charity number 507221

Details

Other names	DUDLEY ZOO AND CASTLE, DUDLEY ZOOLOGICAL GARDENS
Status	Registered
Legal form	Charitable company
Company number	01350864
Registered	1978-02-07
Register	View on the Charity Commission register

Contact

Address	Dudley Zoo Offices Castle Hill Dudley West Midlands DY1 4QF
Phone	01384215310
Email	admin@dudleyzoo.org.uk
Website	www.dudleyzoo.org.uk

Activities

Objects: FOR THE BENEFIT AND EDUCATION OF THE PUBLIC, THE COLLECTION, PRESERVATION, CONSERVATION, CARE AND EXHIBITION ON THE PREMISES OF THE SOCIETY OF LIVING ANIMALS AND THE PROMOTION AND ADVANCEMENT OF THE SCIENCES OF ZOOLOGY, ARBORICULTURE, HORTICULTURE AND BOTANY AND A MORE EXTENDED EDUCATION, STUDY, KNOWLEDGE AND APPRECIATION OF THE ANIMAL AND PLANT KINGDOMS BY THE INTRODUCTION OF NEW, CURIOUS, AND ENDANGERED SPECIES BELONGING TO THEM. (FOR FURTHER DETAILS SEE CLAUSE 3 OF MEMORANDUM).

Activities: The object of the Society is to operate a conservation based organisation for the benefit and education of our visitors to promote zooloogy, arboriculture, horticulture and botany.The purpose of Dudley Zoological Services is to create funds for the pursuit of the above objectives.

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Classification

- **How:** Provides Other Finance, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** Education/training, Animals, Environment/conservation/heritage, Recreation
- **Who:** The General Public/mankind

Geography

- Dudley

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£6,563,725	£6,097,790	£6,998,301	123
2023-12-31	£5,934,308	£5,886,980	£6,532,366	129
2022-12-31	£5,828,640	£5,426,831	£6,485,038	121
2021-12-31	£6,068,986	£4,388,217	£6,083,229	108
2020-12-31	£4,208,121	£4,105,205	£4,402,460	106

Trustees

Name	Role	Appointed
DAVID SPARKS OBE	Chair	
ANDREA GODDARD		2024-05-24
ANDREW JAMES TAYLOR		2017-04-12
Alan Taylor		2022-12-16
KIM FULLER		
Michael John Evans		2024-10-09
PETER JOHN SILVER		
PHILIP IAN LOVEDAY		2018-06-01
Pamela Ann Batson		2024-01-10
Philip James Tart		2016-10-26
STEPHEN PAUL WOOLLARD		2016-12-15
STEVEN KEITH VINCENT		2017-04-12

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DUDLEY AND WEST MIDLANDS ZOOLOGICAL SOCIETY LIMITED

England & Wales - Charity number 507221

Accounts

Dudley and West Midlands Zoological Society Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended
31 December 2024

Company Registration No.1350864
Charity No. 507221

Dudley and West Midlands Zoological Society Limited
OFFICERS

MEMBERS OF THE BOARD

Appointed members	P J Silver D H Sparks OBE P J Tart A J Taylor S K Vincent P A Batson (previously P A Hodgetts) G M Griffiths (appointed 12th June 2024) M J Evans (appointed (9th October 2024)
Nominated members	A Taylor A Goddard (nominated 24th May 2024)
Co-opted members	K Fuller S Woollard P I Loveday
Zoo Director	D A Grove (retired on 31st May 2025)
Zoo Manager	M R Lewis (appointed Zoo Director 1st June 2025)
Finance Manager	J D Ashfield (appointed Finance Director 1st June 2025)

Dudley and West Midlands Zoological Society Limited
ADVISORS AND COMPANY INFORMATION

CHARITY REGISTRATION NUMBER

507221

COMPANY REGISTRATION NUMBER

1350864

AUDITOR

Crowe U.K LLP
4th Floor
St James House
St James' Square
Cheltenham
GL50 3PR

BANKERS

NatWest
2nd Floor
39 Queen Square
Wolverhampton
WV1 1TL

PRINCIPAL AND REGISTERED OFFICE

Castle Hill
Dudley
DY1 4QF

Dudley and West Midlands Zoological Society Limited
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The Trustees, who act as directors of the Charity for the purposes of the Companies Act, present their annual report together with the audited financial statements for the year ended 31 December 2024. The Directors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (Charities SORP (FRS 102)) in preparing the Annual Report and financial statements of the Charity.

REFERENCE & ADMINISTRATIVE DETAILS

Dudley and West Midlands Zoological Society is a charitable company with shares wholly owned by Dudley Metropolitan Borough Council, structured as a charitable organisation, with a trading arm known as Dudley Zoo Services Limited and The Dudley Zoo Development Trust which raises money for animal welfare expenditure. The charity has been in existence since 1978 with the responsibility to run the zoological and historical site in Dudley, West Midlands, as set out in its Articles of Association.

STRUCTURE, GOVERNANCE & MANAGEMENT

The Society is governed by a board of Directors (a maximum of 15), including the Chairman. The management arrangement consists of a Zoo Director and a group of senior managers who administer the day to day running of the business. The Zoo Director, Finance Manager and Zoo Manager attend the main board meetings with other managers attending as and when necessary.

The Zoo Director meets regularly with the Chairman of the board to discuss any issues and reports are produced on a monthly basis for the Directors to keep them informed of day-to-day operational matters, and the board of Directors meet quarterly to discuss and review the activities of the organisation against the overall strategic plan. We operate an open access policy for Directors with the management team.

As part of the infra structure sub groups are also in place, attended by specified Directors and managers to consider specific areas of the business. These include regular topic-based sub group meetings for Finance & Legal, Health and Safety, and Ethics, along with task and finish sub groups set up by the board with an agreed objective and deadlines to review a particular subject or to achieve a set task. All sub groups then report to the full board at the quarterly meetings. Minutes of the board meetings are available on request. Since 2021 Trustees have been given the option of attending meetings via virtual platforms such as Teams as a response to the changing working environment.

Directors are recruited through various means. Up to three Directors are nominated by the shareholder (Dudley Metropolitan Borough Council) and the Executive Board can appoint not less than four or more than eight members using the Nolan process with advertisements and interviews, or by co-opting up to four members who have particular skills lacking within the board. The latter would all be small in numbers as the majority of Directors have a commercial background and no conflict of interest.

All Directors are inducted initially by a one-to-one meeting with the Zoo Director and Chairman and then by meeting with the relevant managers to enable them to fully understand the operational activities of the Society and the future objectives.

All Directors are constantly updated by the Zoo Director and external advisors concerning legal matters ensuring their knowledge of zoo licensing is adequate and they are fully aware of the implications of this unusual legislation.

Directors continue to benchmark the performance of the Society by visiting other similar organisations, which also serves as part of their professional development as a trustee. During 2024 the Board of Trustees made a visit to Hertfordshire Zoo to observe the operations of this organisation.

The Trustees consider the Board of Directors of the Society and the Senior Management Team as being the key management personnel of the Society, responsible for directing and managing the day-to-day operations of the Society's activities. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses are disclosed in the notes to these financial statements. The remuneration of the senior management team is set by the Board of Directors using the facility of the Finance and Legal subgroup to assess their experience and qualifications and comparing it with similar roles within the sector.

The zoo licensing authority Dudley Metropolitan Borough Council (DMBC) carry out regular inspections of operations, consisting of interim inspections every 3 years and a major inspection every 6, as well as annual health and safety inspections. We have regular liaison with Defra (Department for Environment, Food & Rural Affairs) concerning various animal related legislation, which include waste disposal and movement of animals. On the 18th June 2024 we received an inspection from Defra that focussed on bye products under Balai regulations (Institutes and premises that import and export certain animals must comply with Balai directives as per Defra). Furthermore, on the 23rd October 2024, an Animal and Plant Health (APHA) agency undertook an inspection of dry food fed to the livestock and they didn't raise any issues.

A full Zoo inspection took place on the 6th February 2025 and we have now received the written report containing a number of Directions, Conditions, Recommendations and a HSWWA Recommendation. There are no items highlighted within the report that we will not be able to satisfy within the allotted timescale set for each item. With the current Zoo Licence due to expire on the 10th August 2025, we have time to satisfy a number of these items prior to the new Zoo Licence being issued.

As part of our EAZA (European Association for Zoos and Aquaria) membership we have an accreditation visit each 5 years. This took place on 3rd and 4th October 2022 and we received positive feedback on all aspects of the site. We have had no inspections since.

The Public Protection Manager at DMBC conducted the Annual Informal inspection on the 12th April 2024; with the Annual Informal inspection in 2025 being integrated into the Zoo Licence inspection in February 2025.

OBJECTIVES & ACTIVITIES

The object of the Society shall be, for the benefits and education of the public, the collection, preservation, conservation, care and exhibition on the premises of the Society of living animals and the promotion and advancement of the sciences of zoology, arboriculture, horticulture and botany and a more extended education, study, knowledge and appreciation of the animal and plant kingdoms by the introduction of new curious and endangered species belonging to them.

Dudley Zoo and Castle is not only home to a large collection of endangered species, but also an 11th century castle, the world's largest single collection of Tecton buildings and an important geological site.

Our aim is to provide our visitors, via our education and conservation activities, with an understanding and awareness of all elements of this unique site, the history of the castle and the geology, the importance of the architectural design of the Tectons and the opportunity to get closer to the world's rarest animals.

It is vital that every visitor to Dudley Zoo & Castle is informed about our conservation work with endangered species and how they can help us with the protection of these animals.

The purpose of Dudley Zoo Services is to create funds for the pursuit of the objectives mentioned above.

ACHIEVEMENTS & PERFORMANCE

The Society achieved a good performance in 2024 and built on the performance of 2023, which had been a challenging year due to adverse weather at key parts of the year.

We had set a target of 320,000 total visitors for 2024 but due to a slow start to the year and wet weather in March and April we missed out on this target, but still improved slightly on the previous year.

In 2024 we welcomed 303,385 total visitors to Dudley Zoo and Castle compared to 302,386 total visitors in 2023. The total visitors in 2024 represented a 0.3% increase on the previous year.

The Society achieved a surplus after depreciation of £465,935 (2023: £47,328 surplus). There has been an increase in surplus compared to the prior year. In 2024 the Society received a large legacy totalling £526k and this has been the main factor in the increase in surplus achieved. The Society continues to face the challenges of the inflationary pressures that are prevalent throughout the UK economy in 2024.

It remains our long-term strategy to utilise our surplus to improve and develop the site, to maintain it as a quality visitor attraction and to improve the welfare of the animals within our care. In addition, it is our aim to maintain the listed buildings on site.

Towards the latter part of 2023 we started work on the chimpanzee enclosure and in February 2024 we completed works on the climbing frames, which provide additional enrichment to our group of chimpanzees.

In early 2024 we started works in the lower part of the zoo to create a new reindeer enclosure and this was completed and available for visitors to view in July 2024. This provides a larger area for our breeding group of reindeer. The enclosure was very well received by the public.

During the year, we also built nesting sites for our flock of flamingos and reinstated a waterfall in the enclosure.

Essential work on the Chairlift was completed in 2024 that provided not only a facelift for this iconic structure but also updated it with the most up to date paint-covering technology.

At the end of 2024 we started work on a new African Painted Dogs enclosure towards the top of the zoo. This will be completed in 2025 and will provide a spectacular habitat for the re-introduction to Dudley Zoo of this endangered species.

The Castle Creatures exhibit gives an extensive history of Dudley Castle and includes educational and interactive items for visitors. This has been very popular with visitors and provides a valuable facility for educating our visitors on, not only the history of the castle, but on how people co-existed with animals in medieval times. In 2024 we did a small amount of capital work to update this popular visitor feature.

We have taken part in a Visitor Attraction Quality Scheme (VAQAS) for many years, as this scheme provides an unbiased viewpoint of our visitor experience by industry professionals, who produce a full assessment and written report of their visit. The VAQAS accreditation enables us to monitor our performance against ever changing customer expectations. The assessor will replicate our customer experiences throughout all aspects of our attraction, including customer/staff interactions. This year's annual assessment was undertaken in May 2024 and the subsequent report confirmed we had passed the Visit England accreditation once again with an overall score of 89%. This showed we have improved on the high standards of the previous assessment in 2023 (88%). This was a good achievement.

Following on from 2023 we again ran a Santa's Grotto. We welcomed 12,055 visitors to the Grotto in 2024, which was much more than in 2023 (9,071 visitors) and created income of £141k (2023: £104k).

ACHIEVEMENT & PERFORMANCE (cont.)

We have undertaken our annual review of the Long-Term Development Plan for the site to see if the work programme identified last year has changed in priority or relevance. The plan prioritises projects into low, medium and high categories and aims to tackle all the highest priority projects within a period of five years. The plan covers all redevelopment projects, specifically building restoration, visitor services and animal exhibits and will require financing from the operating surplus, fund raising and grants.
The Zoological Society has a strategic vision document outlining the detailed aims of the Society and included within that is the Castle Hill Vision which highlights all the projects that we are seeking external funding assistance for.

Our staff continue to support the wider zoo community through participation in zoo-association led working groups and committees. A member of the DZC staff is a member of the BIAZA Mammal Working Group and another member of our staff has been elected in 2024 as vice chair of the BIAZA Terrestrial Invertebrate Working Group.

In 2024 we continued to have success with our breeding programmes. In 2023 we welcomed a breeding pair of Bush dogs to the collection at Dudley Zoo and they have subsequently bred in 2024 with 4 cubs born.

Notable births included a Linne's two-toed sloth, five Humboldt penguins, four ringed teal, five northern bald ibis, a black lemur, four bush dogs, eight Arctic foxes and five reindeer.
Black Lemurs and northern bald ibis are species that are critically endangered, so we have made a valuable contribution to these breeding programmes.

Animals leaving the collection include four Capuchin monkeys, a black lemur, a Binturong, a male rhea and peccaries.

Awareness days have been a vital tool in previous years for giving visitors a proper understanding of the species that are at risk in the wild and specifically gives a single species a whole day or weekend where the focus is completely on them. In 2024 we continued to undertake these important events and focussed on encouraging visitors to make a behavioural change on a day-to-day basis, that will ultimately benefit wild species.

In February 2024 DZC launched the Spotter Otter community art trail, a local art trail similar to those delivered by 'Wild in Art', in an effort to build partnerships and strengthen the organisations presence within the local community. The trail culminated with a farewell event in October 2024, which raised funds for the Himalayan Otter Network and the UK Wild Otter Trust.

In June we ran our Under 5's days which offers entertainment on site for a specific audience of young children at a reduced cost. These days offer admission at a reduced cost and are extremely popular with toddler groups and parents with young children.

The site also hosts a number of ghost tour operators who use the site to entertain visitors about the ghostly events at this historic location.

We successfully ran 2 film nights at DZC in 2024 and welcomed 1,412 (2023:752) visitors into the Castle Courtyard, which offers a unique outdoor setting to watch a film.

The annual classic car returned in September 2024 and was again held in the castle courtyard. This event proved popular with our visitors and helps highlight the local motoring heritage.

KEY PERFORMANCE INDICATORS

Visitor Numbers – We budgeted to achieve 320,000 (2023: 310,000) Total Visitors and actually achieved Total Visitors of 303,385 (2023: 302,386). Although we missed our budget target, we still achieved growth from the previous year.

Paying Visitor Numbers – We budgeted for 268,000 (2023: 260,000) Paying Visitors and actually received 245,698 (2023: 252,139) Paying Visitors. We were 8% down on budget, and 3% down on previous year.

Admissions Income – In 2024 we actually achieved £3,202,893 (2023: £3,198,240) against a budget for 2024 of £3,425,000 (2023: £3,342,000). We were adverse to budget by 6% on our Admissions Income target in 2024.

Membership Numbers – In 2024 we looked to increase the number of season ticket holders (membership). In 2024 we sold 4,630 season tickets compared to 2,569 in 2023. In 2024 we had 33,672 Member Revisits (2023: 25,005)

Take per Head ("TPH") for retail operation - We aimed in 2024 to achieve a TPH of £2.25 (2023: £2.19) and actually achieved £2.25 (2023: £2.20).

Education Numbers – We achieved 18,778 visitors (2023: 17,408) against a budget of 20,000 visitors (2023: 18,000).
Education numbers were 8% up on 2023's figure and indicates growth in this area of the organisation. Good performance as one of our key objectives is to educate visitors about conservation.

FUNDRAISING

The Society does not normally undertake material fundraising activities and does not employ or use the services of any professional fundraisers, nor is the Society subject to a voluntary scheme for regulating fundraising. During the year the Society received no complaints in respect of its fundraising practices. The society set up a series of fundraising schemes, mainly through digital platforms such as JustGiving, as a safe way for people to donate to the zoo. These schemes continued in 2024 but their use has declined to a low amount.

ACHIEVEMENTS AGAINST OBJECTIVES

It is the aim of the Society to deliver talk times to all our visitors as a way of educating them. Over the years we have built up an extensive talk times programme, which gives daily talks on animals and also history walks which inform visitors about some of the history of the site. In 2024 the education team delivered 2,381 animal talks across the zoo and these have proved very popular with visitors. These are an essential tool in educating people about conservation. In 2024 we continued to run low-cost castle tours, which are specific to the history of the castle and enable visitors to look around the castle as a separate visitor experience to the zoo. We plan to continue undertaking these castle tours in the future.

During 2024 we launched "Bat Walk & Talks", which is a late-night tour using bat detectors. This acted as a valuable educational tool to raise awareness about native bat species at DZC. A total of 216 visitors attended these walks and visitor feedback was very positive.

We commenced upon a Native Bat Conservation Project, which included a period of surveying throughout summer and autumn 2024, where a range of species were trapped and rung.

A wide range of informal learning opportunities are offered to visitors throughout the year, with approximately 30 different animal-keeper talks presented, alongside multiple teaching tables and informal activities (many of which are linked to conservation messaging). The zoo welcomed 18,778 learners via formal school visits in 2024, of which 9,956 attended workshops led by our education team.
The Education team have delivered 4 community outreach sessions at locations in the local area.

Throughout 2024, we continued working towards a variety of objectives outlined in our Equality, Diversity, Inclusion & Accessibility (EDIA) Policy & Plan, which was created in 2023. The document aims to ensure that our site and programming can be enjoyed and accessed by all.

We launched an Education & Engagement Volunteer programme in 2023 and in 2024 we continued to welcome a number of volunteers who have given their time and engaged with visitors and associated with delivery of animals talks and other valuable engagement activities.

In 2024, Dudley Zoo & Castle became the first zoo to be accredited as 'Autism Friendly' by the autism awareness charity Dimensions UK. Following this, a number of additional warning signs and contact for concern signs were erected across the site, in an effort to help improve communication surrounding visitor journeys, wants and needs.

On the 19th May 2024 the zoo hosted its first Quiet Morning, which welcomed visitors who preferred a calmer, less crowded environment. And then in July 2024, DZC launched a British Sign Language (BSL) trail, which included 12 permanent signs teaching BSL for different animal species on site. The trail was officially launched on the 27th July and, one the day of the launch, DZC welcomed a BSL interpreter, who helped sign the daily talk programme.

In 2023 we held our first Home Educator Day and welcomed over 150 learners and their parents. We continued this in 2024 by hosting 5 Home Educator Days, focusing on a range of topics including classification, castle history and conservation. The five events welcomed 405 learners and 295 guardians (700 total). All five events received positive feedback, and we aim to continue running these successful events in the future.

Throughout the 2023-2024 academic year, the DZC education team carried out the 'Chimpanzee Champion' pen pal scheme, in partnership with the Tacugama Chimpanzee Sanctuary in Sierra Leone. The scheme brought together 412 learners in primary schools across Dudley and the Black Country, and approximately 500 learners in the Loma Mountains of Sierra Leone. The scheme had the objective of educating children about the environment of the chimpanzees and was deemed successful. The scheme will be re-launched for the next academic year.

In 2024 we were successful in an application to the Richardson's Brothers Foundation for a grant of £10,000. This grant will be used to fund the cost of education visits to the zoo and outreach visits, allowing primary schools and SEN schools within the Dudley and Sandwell local authority the opportunity to visit the zoo.

We continue to partner with neighbouring universities and the zoo welcomed students from various universities, who undertook both undergraduate and postgraduate studies on various species.

The Zoo's development aims are set out in a 10-year Long Range Site Development Plan which is reviewed and updated annually to reflect physical changes, in order to meet welfare requirements, and to allow us to achieve our aspirations while retaining the zoo's commitment to conservation, education, scientific study and recreation. In 2021 we were confident enough in our financial position to proceed with our long-term aim of developing the outdoor orangutan enclosure to improve the welfare and habitat of these endangered species, which was completed in 2022. We continue to work through this long-term plan and have since completed the giraffe and reindeer enclosure and are now focussed on completing the African painted dog's habitat.

PUBLIC BENEFIT

The Directors are conscious of providing benefit for the local population and that of the region. We offer reduced rates for groups, education visits, young people, senior citizens, special needs groups and those with a disability to ensure we have a diverse appeal. Disabled guests are entitled to a free admission for their carer. We see our conservation work in terms of both animals and buildings and the knowledge this imparts to society in general as an important part of our activities.

The Society works very hard to raise awareness of the plight of endangered species through our educational work for all visitors and also by our support of various organisations in the UK and abroad.

We are continuing to co-ordinate the Black Lemur (European Endangered Species Programme). This is the 33rd year that we have managed the studbook for this important species.

We support in-situ conservation projects such as Madagascan lemurs (AEECL) and have continued to financially assist a project in Madagascar which funds 9 teachers to educate the local population about conservation. We also have an annual commitment to AB (Arctictis Binturong) Conservation – a study programme for Binturongs. In 2024 the Society continued to make a significant financial contribution to the Sintang Orangutan Centre, an Orangutan rescue and rehabilitation project based in Borneo. Funds provided by the Society have been put towards the development of a forest school (rehabilitation facility), further increasing their ability to protect and aid wild populations of the critically endangered Bornean orangutan.

We continued to support the Wild Camel Protection Foundation (WCPF) which works with the last remaining population of wild Bactrian camels. We have sponsored the care of 2 baby camels which subsequently have been named 'Dudley' and 'Noddy' by those working at the centre in Mongolia. Our financial support has helped the WCPF build a new breeding centre in Mongolia.

In 2024 we again contributed to the International Snow Leopard Trust as part of an ongoing commitment to supporting research and conservation in wild snow leopards across their natural range. We have financially supported a number of animal conservation charities as we recognise that it's important to support them.
In 2024, in addition to the projects already mentioned above, we donated to the following organisations; Wildcats Conservation Alliance, World Parrot Trust, Cikananga Conservation Breeding Centre for Birds, Sphenisco, Tacugama Chimpanzee Sanctuary, The BRIDGES Gelada study, and the Red Panda Network.

In 2024 we also took the decision to financially support the Painted Dog conservation in anticipation of having this species at the zoo.

Alongside these international projects we continue to champion work for native species. We provide practical and financial assistance for various projects.
In 2024 the Education team participated in the BIAZA 'Spotted on Site' BioBlitz campaign, to help gain an understanding of what wildlife is present on site.

We welcomed to site multiple external partners during 2024, including the WWF, RSPB and Canal & Rivers Trust.

The Zoo works closely with the West Midlands Birding Club to survey what bird species we have on site. In this year we undertook bird ringing thanks to the help of a keeper at DZC who holds a C licence for bird ringing, allowing us to conduct our own bird ringing on the zoo site.

In the past we have managed to catch and ring many species including migratory birds such as redwing and fieldfare and also recapture more local species to show that individuals were returning to the zoo site, proving it is an excellent habitat for these animals.

PUBLIC BENEFIT (cont.)

We also take great care of the listed buildings and the grounds of the Castle, which is a scheduled monument. The Tecton buildings are now recognized to be of World importance.

Our arrangement with the local college to provide in-house practical training in conjunction with their animal management courses continued in 2024. We welcomed 24 Level 3 Animal Management students over a 12-week period. This proves to be very popular with students as it gives them valuable practical experience.

We have strong links to the community and participate in many local events. The Castle courtyard was again used to host St Georges Day celebrations and welcomed local people to participate in various themed activities. In 2024 the Guild of the Blessed St Edmund attended the St Georges Day event, which help support their organisation.

In June we again welcomed chronically ill and disabled youngsters along with their families for an exclusive after-hours free event called Dream Night. The Internationally recognised zoo event, which takes place around the world on the first Friday in June, saw youngsters in the care of hospices, hospitals and charities visit the zoo for a memorable evening, which included animal talks and feeds, children's entertainers, a fun fair and representatives from the emergency services. Dudley Zoo has hosted the Dream Night event before and staff give up their own time to welcome the children and their families and feedback was so positive that we're hoping to repeat the event again next year.

We support an organisation called The Friends of Dudley Castle by providing facilities for their meetings and offering access to the site for this important historic group.

The Directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Charity and in planning future activities for the year.

SOCIAL INVESTMENT POLICIES

We participate in many events and activities in the community and contribute to society in general by being an employer and by having a positive impact on the local economy as many of our suppliers are from the local vicinity.

VOLUNTEERS

During 2023 we launched an Education & Engagement Volunteer programme. This programme has grown in 2024 and we have inducted 25 volunteers during the year who have contributed 1,321 hours of their time engaging with visitors and assisting with delivery of animals talks and other engagement activities.
We have had volunteers in previous years and acknowledge that they add considerable value to the organisation.

FINANCIAL REVIEW

Income for 2024 of £6,564k (2023: £5,934k) is an increase from 2023 and indicates a good performance by the Society. The increase in income is largely as a result of a large legacy that was left to the Society in 2024. Income from Charitable Activities in 2024 was £3,976k, which was an increase of 1% from 2023 (£3,926k).

The trading activities of the subsidiary have performed well in 2024 and have been boosted by the increase in Take per Head in the year. The Retail outlet achieved an income of £678k, which is a 2% increase from the performance of the previous year (2023: £663k). The Catering Income of £816k is an increase of 2% from 2023 (£780k). We achieved an improved catering performance by opening more outlets at key times throughout the year.
Dudley Zoo Services will gift aid £412,899 in respect of 2024 profits to the Society (2023: £350,000).

In 2024 we achieved an increase in the level of special events income - £91k from what we did in 2023 (£85k), as we increased the amount of out of hours events undertaken.

We have strived to control our fixed overheads where possible, and most importantly have kept salary costs well within budget. Energy costs increased significantly in 2023 as rates increased. We have tried to reduce overall usage but in 2024 the rates have come down and this has helped stabilise costs in this area.

In previous years interest received has been steadily growing as our cash reserves have been built up in expectation of undertaking some major projects. Interest rates have been historically low in previous years and interest earned has not been significant. However, in 2023 interest rates rose fixed rate bonds and also on savings accounts. We have enjoyed quite high interest rates still in 2024. As a consequence of these continued high rates, the interest we earned in 2024 was £108,884, an increase on the previous year of £94,176.

We have engaged in some significant capital projects in the year but despite this, and also as a result of receiving a large legacy later in the year, we have managed to maintain a cash position of above £3m with the balance standing at £3,491k at 31 December 2024 (2023: £3,336k).

The site is an unusual and expensive site to manage compared to a normal operating zoo, having listed buildings and a scheduled monument. The Society receives an annual Dudley Castle Maintenance Grant from DMBC of £150k per annum (£150k during 2023) as a contribution to maintaining the upkeep of the scheduled monument and the surrounding grounds. From March 2022 the grant has been treated as a restricted fund to support the castle maintenance cost base. £37.5k of the £150k grant relates to January to March 2025.

PLANS FOR THE FUTURE

We continue to invest in the charity with the funds created from surpluses and it is expected that moving forward we will create enough funds in the future to enable significant capital expenditure around the site. The long-term aim is to continually regenerate the site, in particular the animal welfare part, and to invest in new revenue streams that will increase visitor numbers and income. This will in turn strengthen the long-term financial position and enable us to redevelop areas of the zoo and maintain the listed buildings around site.

Combined with this plan of internal growth and investment is a desire to attain external funding where possible to provide additional capital to improve the site.

INVESTMENT POLICY

The Charity retained investments in cash-based funds during the year. Interest has been earnt from fixed rate savings accounts, a 35-day notice account and our Special Interest account, which totalled £108,884 (2023: £94,176) in the year. The amount earnt in the year of £108,884 is significant and will contribute to one of the projects we are working on but is still not sufficient enough to fund a major development project in its own right. In 2017 a new investment policy was created in conjunction with a task-based sub group to monitor and control fixed rate savings accounts for the benefit of maximising the Society's cash deposits. This is still regularly monitored under the remit of the Finance and Legal sub group.

INVESTMENT POWERS

Under the memorandum and articles of association the Society has the power to make any investments which the Directors think fit.

RISK MANAGEMENT

The Directors continuously review the major risks and have developed systems to monitor and control these risks to mitigate any impact they may have on the Society in the future.

In particular the Society carries out an annual risk assessment, in the form of a Corporate Risk Management document, to assess what risks the charity may face. These risks are prioritised into categories and we have contingency plans in place with action plans and procedures to mitigate those risks. We have also designed controls that can be implemented should any risks materialise.

Our risk management strategy is administered by the Directors in conjunction with the Society's management team and is reviewed at the Finance and Legal sub group meeting.

The key risks identified by the Directors are:-

- Protection of the Society's assets including its reserves, which is addressed through appropriate governance, relevant insurance and regular reviews.
- Stability of commercial income to cover operating costs, provide funding for our charitable aims and investment for our capital expenditure programme. This is addressed by looking to diversify income streams, and by continually monitoring income and expenditure, general reserves and cash flow forecasts.
- A major operational issue impacting public safety and causing reputational damage which is addressed through documented operational procedures which are regularly tested, health and safety training, and routine inspections.

The Directors and management of the Society regularly assess the risks to the Society and the impact on its cash reserves.
The Society carefully monitors its cash position and produces cashflow forecasts that are regularly updated to give the director's and management the confidence to plan future operations effectively.

RESERVES

The Directors have reviewed the reserves of the charitable company. This review encompassed the ownership of the shares, the nature of the income and expenditure streams, the need to match variable and seasonal income with fixed commitments, and the nature of reserves. The review concluded that the charitable company is in a good position to continue to operate as a self-sustaining business.

The consolidated reserves of the Society at 31 December 2024 were £6,998,301 (2023: £6,485,038. This includes £1,176,931 (2023: £1,116,273) of restricted funds not available for general purposes of the Society at the end of the reporting period.
At 31 December 2024 Dudley and West Midlands Zoological Society Limited is reporting unrestricted funds of £5,821,270 (2023: £5,415,993). After making allowance for designation of £1,500,000 and the carrying amount of fixed assets the Society has free reserves of £1,148,638 (2023: £971,621). The Directors aim to maintain minimum reserves of £750k which covers approximately three months of expenditure. Our free reserves have increased slightly over the year and are above our stated policy. These reserves will be used in the future to make further improvements to the site.

The Designated Fund of £1.5m is to be used in the next 2 to 3 years on match funding for our Visitor and Education Centre project. We feel it will not be necessary to increase the level of Designated Funds and reserve cover for Capital projects in the next 12 months as the level of net current assets is sufficient to cover our future Capital Expenditure programme which has one major project or significant site improvements lined up for the next 2 to 3 years.

GOING CONCERN

The Society will always aim to achieve a surplus and this is then reinvested back into the Society to sustain growth and achieve the Society's objectives. Historically the Society has made surpluses and plans to in the future. The management have drawn up budgets for the immediate future that outline how these surpluses will be achieved. In this respect the Directors see the organisation as a going concern.

The Society's performance in 2023 and 2024 has given the Directors and management confidence that conditions, although challenging in the current economic climate, are stable enough for the Society to generate income in the future. In 2024 we have achieved good levels of income and consequently a surplus, which has maintained our financial position.

Management has regularly assessed the group's financial position through financial modelling forecasts. The financial plans assume levels of income growth in 2025 and the subsequent budgets and cash flow forecasts indicate that the position of retaining cash reserves to cover at least 3 months operational expenditure will be maintained throughout 2025 and beyond.

On 1st April 2024 Dudley Metropolitan Borough Council wrote to the Board of Directors and stated that in its capacity as both owner and shareholder of the Society and its subsidiary, the Council recognised its legal obligation to make good trading losses whilst the Society continues to operate in its current form. It continued with confirmation of the intent of the Council to work with third parties to inject capital investment into the greater Castle Hill area and secure the long-term future of the Society. The letter also makes a commitment to support the Society, subject to certain conditions until 30th September 2025.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Report of the Trustee's and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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

AUDITOR

Crowe U.K. LLP have indicated their willingness to continue in office and will be proposed for reappointment at the AGM.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

On behalf of the board



D H Sparks OBE
Director
3rd June 2025

Opinion
We have audited the financial statements of Dudley and West Midlands Zoological Society Limited (the 'charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statements of Cash Flows and notes to the financial statements, including accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the charitable company's affairs as at 31 December 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the trustee's 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 or the group'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.

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within 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 the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' report.

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

- adequate and sufficient accounting records have not been kept by the charitable company; or
- the charitable company 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Report.

Responsibilities of trustees
As explained more fully in the Statement of Directors' responsibilities set out on page 15, 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 group's and 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.
A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.
We obtained an understanding of the legal and regulatory frameworks within which the charitable company

and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Zoo Licensing Act 1981, Health and safety legislation and Employment legislation.

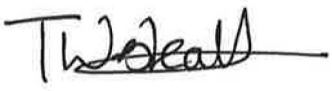
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance & Legal Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance. In respect of recognition of grant income, audit procedures consisted of sample testing to corresponding agreements to ensure appropriate recognition criteria and a review of grant applications in order to assess the completeness.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Tara Westcott (Senior Statutory Auditor)
For and on behalf of Crowe U.K. LLP, Statutory Auditor
Chartered Accountants
4th Floor
St James House
St James' Square
Cheltenham
GL50 3PR

Date
10 June 2025

Dudley and West Midlands Zoological Society Limited

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2024

	Notes	Unrestricted funds General £	Unrestricted funds Designated £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
INCOME FROM:						
Donations and Legacies	2	545,790	-	202,838	748,628	257,906
Charitable Activities	3	3,975,794	-	-	3,975,794	3,926,090
Other trading activities	4	1,730,419	-	-	1,730,419	1,656,136
Investments		108,884	-	-	108,884	94,176
TOTAL		**6,360,887**	-	**202,838**	**6,563,725**	**5,934,308**
EXPENDITURE ON:						
Raising Funds	5	1,481,212	-	-	1,481,212	1,458,118
Charitable Activities	5	4,474,398	-	142,180	4,616,578	4,428,862
TOTAL	5	**5,955,610**	-	**142,180**	**6,097,790**	**5,886,980**
NET INCOME/(EXPENDITURE)	6	405,277	-	60,658	465,935	47,328
Transfers between funds	15	-	-	-	-	-
Net movement in funds		405,277	-	60,658	465,935	47,328
Fund balances brought forward at 1 January 2024		3,915,993	1,500,000	1,116,273	6,532,266	6,484,938
Fund balances carried forward at 31 December 2024	15/17	**4,321,270**	**1,500,000**	**1,176,931**	**6,998,201**	**6,532,266**

The net group income and expenditure and the resulting net movement in funds arise from continuing operations.

There are no recognised gains or losses other than the net movement in funds for the year.

Dudley and West Midlands Zoological Society Limited

CONSOLIDATED BALANCE SHEET

31 December 2024 Company Registration No. 1350864

	Notes	31 December 2024 £	31 December 2023 £
FIXED ASSETS			
Tangible assets	9	4,349,663	4,060,745
CURRENT ASSETS			
Stocks	11	105,003	103,758
Debtors	12	173,310	153,410
Cash at bank and in hand		3,490,880	3,336,388
		3,769,193	3,593,556
CREDITORS: Amounts falling due within one year	13	(670,555)	(631,935)
NET CURRENT ASSETS		3,098,638	2,961,621
TOTAL ASSETS LESS CURRENT LIABILITIES		7,448,301	7,022,366
CREDITORS: Amounts falling due after more than one year	14	(450,000)	(490,000)
NET ASSETS		6,998,301	6,532,366
FUNDS			
Restricted funds	15	1,176,931	1,116,273
Unrestricted funds			
Called up share capital	16	100	100
General income funds	17	4,321,270	3,915,993
Designated funds	17	1,500,000	1,500,000
TOTAL FUNDS EMPLOYED		6,998,301	6,532,366

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 19 to 44 were approved by the board of directors and authorised for issue on 3rd June 2025 and are signed on its behalf by:

D H Sparks OBE
Director

Dudley and West Midlands Zoological Society Limited

COMPANY BALANCE SHEET

31 December 2024 Company Registration No. 1350864

	Notes	31 December 2024 £	31 December 2023 £
FIXED ASSETS			
Tangible assets	9	4,349,663	4,060,745
Investments	10	3,012	3,012
		4,352,675	4,063,757
CURRENT ASSETS			
Stocks	11	12,658	11,754
Debtors	12	137,557	159,124
Cash at bank and in hand		3,193,394	3,312,538
		3,343,609	3,483,416
CREDITORS: Amounts falling due within one year	13	(524,230)	(536,619)
NET CURRENT ASSETS		2,819,379	2,946,797
TOTAL ASSETS LESS CURRENT LIABILITIES		7,172,054	7,010,554
CREDITORS: Amounts falling due after more than one year	14	(450,000)	(490,000)
NET ASSETS		6,722,054	6,520,554
FUNDS			
Restricted funds	15	1,176,931	1,116,273
Unrestricted			
Called up share capital	16	100	100
General income funds	17	4,045,023	3,904,181
Designated funds	17	1,500,000	1,500,000
TOTAL FUNDS EMPLOYED		6,722,054	6,520,554

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The result of the parent charity was a net increase in funds of £201,500 (2023: net increase in funds of £46,949).

The financial statements on pages 19 to 44 were approved by the board of directors and authorised for issue on 3rd June 2025 and are signed on its behalf by:

D H Sparks OBE
Director

Dudley and West Midlands Zoological Society Limited
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

	2024 £	2023 £
Cash flows from operating activities:		
Net cash provided by operating activities	811,019	361,861
Cash flows from investing activities:		
Interest	108,884	94,176
Proceeds from sale of fixed assets	-	-
Purchase of property, plant and equipment	(725,411)	(832,536)
Net cash (used in) investing activities	(616,527)	(738,360)
Cash flows from financing activities:		
Repayments of borrowing	(40,000)	(40,000)
Net cash (used in) financing activities	(40,000)	(40,000)
Change in cash and cash equivalents in the reporting period	154,492	(416,499)
Cash and cash equivalents at the beginning of the reporting period	3,336,388	3,752,887
Cash and cash equivalents at the end of the reporting period	3,490,880	3,336,388
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period (as per the statement of financial activities)	465,935	47,328
Adjustments for:		
Depreciation charges	436,493	403,212
Interest received	(108,884)	(94,176)
Profit on the sale of fixed assets	-	-
Increase in stocks	(1,245)	(4,697)
(Increase)/decrease in debtors	(19,900)	62,538
Increase/(decrease) in creditors	38,620	(52,344)
Net cash provided by operating activities	811,019	361,861
Analysis of cash and cash equivalents		
Cash in hand	3,490,880	3,336,388
Total cash and cash equivalents	3,490,880	3,336,388

Dudley and West Midlands Zoological Society Limited
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

Analysis of changes in net debt

	At 1 January 2024	Cash flows	At 31 December 2024
	£	£	£
Cash at bank and in hand	3,336,388	154,492	3,490,880
Debt due within one year	40,000	-	40,000
Debt due after one year	490,000	(40,000)	450,000
	3,866,388	114,492	3,980,880

GENERAL INFORMATION

Dudley and West Midlands Zoological Society Limited ("the Society") is a charitable company limited by shares and is incorporated in England and Wales (Company registration number 1350864 and charity number 507221). The address of the Society's registered office and principal place of business is Castle Hill, Dudley, DY1 4QF.

The Society's principal activity is the operation of a conservation-based organisation for the benefit and education of its visitors to promote the primary themes of zoology, history and architecture.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

BASIS OF ACCOUNTING

a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Dudley and West Midlands Zoological Society Limited meets the definition of a public benefit entity under the Charities Act, assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

BASIS OF CONSOLIDATION

These financial statements consolidate the financial statements of Dudley and West Midlands Zoological Society Limited ("the Society") and its subsidiaries, Dudley Zoo Services Limited and Dudley Zoo Development Trust ("the subsidiaries") all of which are made up to 31 December 2024.

The financial statements consolidate the results of the Charity and its wholly owned subsidiaries on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006. The unconsolidated profit of the charity was £465,935 (2023: £47,328).

All intra-group transactions, balances and unrealised gains on transactions between Group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

ANIMALS

The animals are acquired by the Society from other zoological organisations at zero cost or bred at our zoo and a realistic valuation cannot be placed thereon. Many of the animals acquired are held in trust with other zoological societies at zero cost.

STOCKS

Stocks on hand of consumables and items for resale are stated at the lower of cost and estimated net realisable value. Net realisable value is based upon estimated selling prices less costs of disposal. Provision is made for obsolete and slow-moving items.

DONATED FACILITIES

The Society leases the site from Dudley Metropolitan Borough Council. The lease was renewed in December 2024 for a term of 96 years, at market rent, which is currently £200 per annum (including the additional lease agreement for the car park). The Trustees do not believe it is practical to reasonably quantify and measure the benefit conferred to the Society under the arrangement due to the Zoo's unique location and as such have not included the value of the donated facilities within the Consolidated Statement of Financial Activities.

TANGIBLE ASSETS AND DEPRECIATION

Other than for interests in land as stated above, tangible fixed assets are capitalised at cost and depreciated from the date that they are brought into use. From time to time a major capital project may not be completed and thus is not in use at the end of the accounting period. In such a case the policy is to capitalise the expenditure to date and show it separately as a capital project under construction within tangible fixed assets but no depreciation is provided until the project is completed and available for use.

Depreciation is calculated to write down the net original cost of the tangible fixed assets by equal annual instalments over its anticipated useful life to its then estimated residual value.

Individual assets under £1,000 are not capitalised (unless they are consistent with what has historically been capitalised).

The depreciation rates used are:

	%
Office Buildings	5% straight line
Animal enclosures	6.66% straight line
Service areas	10 - 20% straight line
Fixtures, fittings and office equipment	10% straight line
Motor vehicles - commercial	20% straight line
- cars	20% straight line
Computers	20% straight line

INVESTMENT IN SUBSIDIARIES

The investments in the subsidiaries are stated at cost less impairment.

HERITAGE ASSETS

The Castle and other heritage assets are located on the Zoo site. The Trustees do not consider that reliable cost or valuation information can be obtained for these assets, because of the unique features of the assets held and the lack of comparable market values. The Society does not therefore recognise these assets on its balance sheet.

FINANCIAL INSTRUMENTS

The Society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Trade debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges. Commitments to receive a loan are measured at cost less impairment.

TAXATION

The Society is a Registered Charity and undertakes activities which, under present legislation, are not subject to Corporation Tax. The Society's subsidiary, Dudley Zoo Services Limited, is not a Registered Charity and undertakes trading activities within the meaning of the Taxes Acts and is liable to Corporation Tax. Typically, however, the subsidiary gift aids all its taxable profits to the Society and as a consequence no provision is usually required for the payment of Corporation Tax either current or deferred.

FUND ACCOUNTING AND RESERVES

Restricted funds are only expendable by the Directors in accordance with the donors' directions. Unrestricted funds are expendable at the discretion of the Directors in furtherance of the objects of the Society. Certain of these funds, at the discretion of the Directors, may be transferred to funds to be used for particular purposes and become designated funds.

CONTRIBUTIONS TO PENSION FUNDS

The Society operates money purchase pension schemes which all employees may join after having served for a qualifying period. Both the Society and the employee make defined contributions to purchase the employees individual pension. All such contributions are held in separate trust funds which are independent of the Society's finances. The pension costs charged against the Society's results represent the amount of the Society's contributions payable to the schemes in respect of the accounting period.

Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. Pension contributions are included in unrestricted expenditure.

BASES AND DEFINITION OF INCOME AND EXPENDITURE

Income:

Income is the total amounts, excluding VAT but including Gift Aid if applicable, received or receivable by the Society which are recognised in the financial statements as follows:-

Income from charitable activities:

Zoo operating income – recognised on a received basis from admission and entry charges including gate receipts, concessionary group and special offer admissions, season tickets and car park fees.

Donations and legacies:

Donation and gifts – recognised on an accruals basis to the extent that the Society has been notified it will receive a donation or gift of a determined amount or the donation or gift has been received. Donations and gifts, whether general, designated or restricted, arise from a number of sources which include members, Dudley Zoo Development Trust, special appeals and the general public.

Government and other grants – grants for upkeep of the site and reimbursement of costs previously incurred are recognised immediately.

Gifts in kind, if material, are included at an estimate of market value.

Legacies are recognised when evidence of entitlement exists, and The Society is able to measure the value reliably.

Legacies are accounted for based on settlement of the estate or receipt of payment, whichever is the earlier. As a result, accrued legacy income is recognised, at times, in advance of receiving the cash.

Other trading activities:

Rental income received – recognised on an accruals basis from the letting of land and property not immediately required for use by the Society.

Retail and catering – income represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

Investments:

Bank interest – recognised as the amount receivable during the year.

Expenditure:

Costs of charitable activities – this includes all costs for the support of zoo animals in accordance with best recognised husbandry practices, keeping them in the appropriate habitats and maintaining the infrastructure of the zoo. Also included are costs incurred that ensure that all the Charity's objects are achieved such as those relating to the preservation and conservation of wildlife, and of education, science, and recreation together with the costs of the good stewardship and management of the Society's assets, organisation, administration and compliance with statutory requirements and those of good practice.

Basis of allocation of support costs – support costs are allocated between activities on a resource used basis so far as possible. The most significant costs arise from payroll costs and some of these costs may arise from individuals who carry out multi-functions. Where such costs are incurred and shared over a number of expense categories estimates have been made based primarily on time occupied by the individual concerned. Similarly with shared non-payroll costs the basis of allocation is based primarily on an assessment of the benefit derived from the cost by each expense head.

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Volunteer costs

The value of services provided by volunteers has not been included in these financial statements.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Society's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not consider that there are any estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

GOING CONCERN

The Society aims to achieve a surplus and this is then reinvested back into the Society to sustain growth and achieve the Society's objectives. Historically the Society has made surpluses and plans to in the future.

On 1st April 2024 Dudley Metropolitan Borough Council wrote to the Board of Directors and stated that in its capacity as both owner and shareholder of the Society and its subsidiary, the Council recognised its legal obligation to make good trading losses whilst the Society continues to operate in its current form. It continued with confirmation of the intent of the Council to work with third parties to inject capital investment into the greater Castle Hill area and secure the long-term future of the Society. The letter also makes a commitment to support the Society, subject to certain conditions until 30th September 2025.

The Directors of the Society continue to consider the wider economic impacts on the charity's position and how this affects the society when preparing the financial statements. The Directors have considered projections to the end of 2025, together with a longer term assessment, to stress test the financial resilience of the Charity which take into account the potential changes in income over this period. The Directors recognise that 2024 has achieved a significant surplus as a result of good income performance, which has strengthened the Society's financial position. As a result, the Directors have considered that it remains appropriate to prepare the financial statements on a going concern basis. The ongoing stress testing of the Charity's financial position has satisfied the Directors that it has adequate reserves and strategies to deal with any future economic impacts or any other unexpected factors.

1 COMPARATIVE INFORMATION – CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted General Funds 2023 £	Designated Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Income from				
Donations and legacies	20,243	-	237,663	257,906
Charitable activities	3,926,090	-	-	3,926,090
Other trading activities	1,656,136	-	-	1,656,136
Investments	94,176	-	-	94,176
TOTAL	**5,696,645**	-	**237,663**	**5,934,308**
EXPENDITURE ON:				
Raising Funds	1,458,118	-	-	1,458,118
Charitable activities	4,301,719	-	127,143	4,428,862
TOTAL	**5,759,837**	-	**127,143**	**5,886,980**
NET INCOME/(EXPENDITURE)	(63,192)	-	110,520	47,328
Transfer between funds	37,500	-	(37,500)	-
Net movement in funds	(25,692)	-	73,020	47,328
Funds brought forward 1 January 2023	3,941,685	1,500,000	1,043,253	6,484,938
Funds carried forward 31 December 2023	**3,915,993**	**1,500,000**	**1,116,273**	**6,532,266**

2 DONATIONS AND LEGACIES

	Year ended 31 December 2024 £	Year ended 31 December 2023 £
Unrestricted		
Donations	545,790	20,243
	545,790	20,243
Restricted		
DMBC – Maintenance Grant	112,500	150,000
CGW Legacy Fund	36,300	-
Richardson Brothers Foundation Grant	10,000	-
LEP Grant	-	3,083
Adult Changing Places Fund	-	40,000
Apprenticeship Fund	-	1,500
Donations and gifts	44,038	43,080
	202,838	237,663
	748,628	257,906

3 INCOME FROM CHARITABLE ACTIVITIES

	Year ended 31 December 2024 £	Year ended 31 December 2023 £
Admissions, season tickets and associated gift aid	3,202,894	3,198,240
Car park and other income	772,900	727,850
	3,975,794	3,926,090

4 OTHER TRADING ACTIVITIES

The Society has a wholly owned trading subsidiary, Dudley Zoo Services Limited (Company number 1350863), which is incorporated in the UK. The principal activity of this company is that of providing and operating gift shops and related activities, and contracted catering service facilities for the zoo site.

	Year ended 31 December 2024 £	Year ended 31 December 2023 £
Turnover (Including intercompany rental income of £164,205 (2023: £152,244)	1,894,624	1,808,381
Cost of sales	(1,242,055)	(1,225,623)
Gross profit	652,569	582,758
Administrative expenses and taxation	(239,157)	(232,495)
Net profit for the year	413,412	350,263

The subsidiary's net funds at 31 December 2024 amounted to £1,939 (2023: £1,539).

The net profit of £413,412 (2023: £350,263) is after recharging management and support costs of £210,400 (2023: £205,933) and labour recharges of £183,428 (2023: £183,320) from the Charity to Dudley Zoo Services Limited.

An amount of £350,000 was paid from Dudley Zoo Services Ltd in 2024 under gift aid (2023: £452,976) and £413,012 will be paid to the Charity from Dudley Zoo Services Limited under Gift Aid for the current year.

5 ANALYSIS OF TOTAL EXPENDITURE	Raising funds £	Charitable activities £	Total costs £
DIRECT COSTS			
Direct wages and salaries	116,779	2,010,099	2,126,878
Other direct costs	1,058,627	35,656	1,094,283
Animal care	-	401,795	401,795
Marketing and publicity	-	134,255	134,255
Utilities	78,417	447,085	525,502
General site maintenance and security	72,043	339,371	411,414
	1,325,866	3,368,261	4,694,127
SUPPORT COSTS			
Indirect wages and salaries	66,649	397,142	463,791
Depreciation	-	436,493	436,493
Site Development Costs	-	19,778	19,778
Irrecoverable VAT	11,626	96,622	108,248
Insurance, legal and professional	46,845	103,382	150,227
Post, print, stationery, IT and communications	8,710	74,618	83,328
Other staff costs, finance and administrative expenses	21,516	120,282	141,798
	155,346	1,248,317	1,403,663
Totals at 31 December 2024	1,481,212	4,616,578	6,097,790
Totals at 31 December 2023	1,458,118	4,428,862	5,886,980

6 NET INCOME/EXPENDITURE

	Year ended 31 December 2024 £	Year ended 31 December 2023 £
Net income/expenditure is stated after charging:		
Operating lease rentals	-	1,531
Auditor's remuneration		
- for audit services	22,500	20,500
- for non-audit services	1,500	525
Depreciation of tangible fixed assets	436,493	403,212

7 DIRECTORS AND EMPLOYEES

	Year ended 31 December 2024 £	Year ended 31 December 2023 £
Group staff costs including directors' emoluments:		
Wages and salaries	2,349,209	2,217,306
Social security costs	189,967	167,858
Pension costs	51,493	46,704
	2,590,669	2,431,868

Average weekly number of employees including directors:	Year ended 31 December 2024 No.	Year ended 31 December 2023 No.
Keepers and ground staff	46	44
Maintenance and gardening	16	16
Admissions and retail	6	7
Management, administration and marketing	15	14
Education	5	4
Seasonal staff	35	44
	123	129

7 DIRECTORS AND EMPLOYEES (continued)

FTE including directors:	Year ended 31 December 2024 No.	Year ended 31 December 2023 No.
Keepers and ground staff	40	40
Maintenance and gardening	15	15
Admissions and retail	6	6
Management, administration and marketing	12	12
Education	5	4
Seasonal staff	15	15
	93	92

Seasonal staff are employed to support the permanent admissions/retail staff and are also engaged in other trading and charitable activities.

The following employees received emoluments, excluding employer's pension and National Insurance contributions, in excess of £60,001 in the year ended 31 December 2024 (2023: 3 in excess of £60,001).

	2024 Number	2023 Number
£60,001 to £70,000	2	2
£70,001 to £80,000	-	1
£80,001 to £90,000	1	-

The Charity made contributions of £6,377 to a group personal pension plan in respect of the higher paid employees (2023: £6,080).

The key management personnel comprise the Zoo Director, Zoo Manager and the Finance Manager (2023: the Zoo Director, Zoo Manager and Finance Manager). The total employee benefits of the key management personnel, including employer's pension and National Insurance contributions, were £244,494 (2023: £232,946).

Volunteers:
The Charity has a number of volunteers who engage with visitors during the day. The estimated value of volunteer time during the year is £45,114 in respect of visitor engagement volunteering (2023: £8,023).

8 DIRECTORS

No Trustee received remuneration during either year. 5 Trustees were reimbursed expenses for personal travel and subsistence of £1,311 in the year to 31 December 2024 (2023: 5 Trustees reimbursed expenses of £1,175).

9 TANGIBLE ASSETS

GROUP	*Buildings and animal enclosures* £	*Service areas* £	*Fixtures & fittings* £	*Vehicles* £	*Assets under construction* £	*Total* £
COST						
At 1 January 2024	6,836,046	478,566	863,444	105,443	89,391	8,372,890
Additions		9,268	758	8,444	706,941	725,411
Transfers	481,389	-	-	-	(481,389)	-
Disposals	-	-	-	(6,704)	-	(6,704)
At 31 December 2024	7,317,435	487,834	864,202	107,183	314,943	9,091,597
DEPRECIATION						
At 1 January 2024	3,040,815	392,871	790,237	88,222	-	4,312,145
Charged in the period	384,539	25,103	20,791	6,060	-	436,493
Disposals	-	-	-	(6,704)	-	(6,704)
At 31 December 2024	3,425,354	417,974	811,028	87,578	-	4,741,934
NET BOOK VALUE						
At 31 December 2024	3,892,081	69,860	53,174	19,605	314,943	4,349,663
At 31 December 2023	3,795,231	85,695	73,207	17,221	89,391	4,060,745

9 TANGIBLE ASSETS (continued)

SOCIETY	*Buildings and animal enclosures* £	*Service areas* £	*Fixtures & fittings* £	*Vehicles* £	*Assets under construction* £	*Total* £
COST						
At 1 January 2024	6,836,046	478,566	640,362	105,443	89,391	8,149,808
Additions	-	9,268	758	8,444	706,941	725,411
Transfers	481,389	-	-	-	(481,389)	-
Disposals	-	-	-	(6,704)	-	(6,704)
At 31 December 2024	7,317,435	487,834	641,120	107,183	314,943	8,868,515
DEPRECIATION						
At 1 January 2024	3,040,815	392,871	567,155	88,222	-	4,089,063
Charged in the period	384,539	25,103	20,791	6,060	-	436,493
Disposals	-	-	-	(6,704)	-	(6,704)
At 31 December 2024	3,425,354	417,974	587,946	87,578	-	4,518,852
NET BOOK VALUE						
At 31 December 2024	3,892,081	69,860	53,174	19,605	314,943	4,349,663
At 31 December 2023	3,795,231	85,695	73,207	17,221	89,391	4,060,745

10 INVESTMENTS

SOCIETY	2024 £	2023 £
Cost of investments – 1 January and 31 December	3,012	3,012

The Directors consider the market value of the investments not to be materially different to its cost.

The Society owns the whole of the issued share capital of Dudley Zoo Services Limited. Dudley Zoo Services Limited is incorporated in, and operates in, the United Kingdom. Its principal activity is the provision of retail, catering and leisure services.

Dudley Zoo Services Limited's profit for the year ended 31 December 2024 was £413,412 (2023: £350,263) and its capital and reserves at 31 December 2024 were £1,939 (2023: £1,539).

Dudley Zoo Development Trust is a subsidiary of the company with the company exercising control over the Trust. Dudley Zoo Development Trust is a registered charity. The objective of the charity is to assist with the development of Dudley Zoo and to assist with the feeding of the animals. Dudley Zoo Development Trust's net income for the year ended 31 December 2024 was £264,035 (2023: net income of £116) and its reserves at 31 December 2024 were £277,320 (2023: £13,285). Dudley Zoo Development Trust was exempt from having an audit in the years ended 31 December 2024 and 2023 by virtue of its size.

11 STOCKS

	Group		Society	
	2024	2023	2024	2023
	£	£	£	£
Food stuffs, materials and consumables	12,658	11,754	12,658	11,754
Goods for sale	92,345	92,004	-	-
	105,003	103,758	12,658	11,754

12 DEBTORS

	Group		Society	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	72,121	39,197	24,280	7,107
Other debtors	4,746	35,131	22,943	77,050
Amounts due from group undertakings	-	-	-	-
Prepayments and accrued income	96,443	79,082	90,334	74,967
	173,310	153,410	137,557	159,124

13 CREDITORS: Amounts falling due within one year

	Group		*Society*	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	323,363	359,000	206,233	247,072
DMBC Loan	40,000	40,000	40,000	40,000
Other taxation and social security	81,619	40,966	43,982	40,966
Other creditors	15,731	15,163	15,491	14,683
Accruals and Deferred Income	209,842	176,806	128,723	122,849
Amount due to group undertakings	-	-	89,801	71,049
	670,555	631,935	524,230	536,619

14 CREDITORS: Amounts falling due in more than one year

	Group		*Society*	
	2024	2023	2024	2023
	£	£	£	£
Dudley Metropolitan Borough Council				
Long term loan	250,000	250,000	250,000	250,000
DMBC Loan	200,000	240,000	200,000	240,000
Total	450,000	490,000	450,000	490,000

The Long-term loan of £250,000 from Dudley Metropolitan Borough Council is interest free and will not be repaid within the next 12 months, though it has no fixed repayment date.

The DMBC Loan is an interest free loan of £400,000 repayable over 10 years with equal repayments of £40,000 per annum.

15 RESTRICTED FUNDS

	Balance 1 January 2024	Incoming resources	Resources expended	Transfers	Balance 31 December 2024
	£	£	£	£	£
GROUP AND SOCIETY					
Donations for animal feed from the Dudley Zoo Development Trust	-	44,038	(44,038)	-	-
Heritage lottery fund:					
Chairlift Project	23,784	-	(6,072)	-	17,712
Tecton Entrance & Shop	135,291	-	(12,394)	-	122,897
Tecton Introductory Exhibit.	6,180	-	(589)	-	5,591
Bear Ravine	160,040	-	(13,916)	-	146,124
European Regional Development Fund:					
Harry Hatch's Cottage	63,170	-	(5,969)	-	57,201
Castle Visitor Centre	179,194	-	(13,275)	-	165,919
Sculptures	10,250	-	(1,500)	-	8,750
Fencing at Entrance	10,150	-	(1,467)	-	8,683
Glass Panels at Entrance	4,387	-	(635)	-	3,752
LEP Grant	231,664	-	(20,000)	-	211,664
Apprenticeship Fund	-	-	-	-	-
LEP Visitor & Education Centre	-	-	-	-	-
Adult Changing Places	39,333	-	(2,666)	-	36,667
Richardson Brothers Foundation Grant	-	10,000	(1,865)	-	8,135
CWG Legacy Fund	-	36,300	(16,923)	-	19,377
Castle Maintenance Grant	252,830	112,500	(871)	-	364,459
	1,116,273	202,838	(142,180)	-	1,176,931

RESTRICTED FUNDS – 2023

	Balance 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance 31 December 2023 £
GROUP AND SOCIETY					
Donations for animal feed from the Dudley Zoo Development Trust		43,080	(43,080)	-	-
Heritage lottery fund:					
Chairlift Project	29,856	-	(6,072)	-	23,784
Tectons Project	-	-	-	-	-
Tecton Entrance & Shop	147,685	-	(12,394)	-	135,291
Tecton Introductory Exhibit.	6,769	-	(589)	-	6,180
Bear Ravine	173,956	-	(13,916)	-	160,040
European Regional Development Fund:					
Harry Hatch's Cottage	69,139	-	(5,969)	-	63,170
Castle Visitor Centre	192,469	-	(13,275)	-	179,194
Sculptures	11,750	-	(1,500)	-	10,250
Fencing at Entrance	11,617	-	(1,467)	-	10,150
Glass Panels at Entrance	5,022	-	(635)	-	4,387
LEP Grant	251,664	-	(20,000)	-	231,664
Apprenticeship Fund		1,500	(1,500)	-	-
LEP Visitor & Education Centre	-	3,083	(3,083)	-	-
Adult Changing Places	-	40,000	(667)	-	39,333
Castle Maintenance Grant	143,326	150,000	(2,996)	(37,500)	252,830
	1,043,253	237,663	(127,143)	(37,500)	1,116,273

DONATIONS FOR ANIMAL FEED FROM THE DUDLEY ZOO DEVELOPMENT TRUST
Income used exclusively for the animal food.

CHAIRLIFT PROJECT
Capital cost of restoring the historic Chairlift. Resources expended are the depreciation charges for the year.

TECTON ENTRANCE & SHOP
The Entrance and Shop Tecton buildings were restored and the resources expended in the year are the depreciation charges.

TECTON INTRODUCTORY EXHIBITION
The Tecton project included an Introductory Exhibition explaining the architectural significance of the Tecton buildings and the project to refurbish them. The resources expended in the year are the depreciation charges.

BEAR RAVINE
The Tecton project involved an extensive restoration of the Bear Ravine Tecton building (the structure used to house bears), and the resources expended in the year are the depreciation charges.

HARRY HATCH'S COTTAGE
This ERDF project involved the significant restoration of a building on site - Harry Hatch's Cottage. This was capital expenditure and the resources expended in the year were depreciation charges.

CASTLE VISITOR CENTRE
The construction of the Castle Visitor Centre was completed in 2015 and branded Castle Creatures. This was capital expenditure and the resources expended in the year were depreciation charges.

SCULPTURES
As part of the ERDF project various steel sculptures at the Zoo entrance were constructed. This was capital expenditure and the resources expended in the year were depreciation charges.

FENCING
The ERDF project included the construction of steel fencing at the Zoo entrance. This was capital expenditure and the resources expended in the year were depreciation charges.

GLASS PANELS
The ERDF project included capital expenditure on glass panelling at the Zoo entrance. This was capital expenditure and the resources expended in the year were depreciation charges.

LEP GRANT
A grant of £300,000 was awarded to the Society in 2020 for the purpose of assisting the Society in paying for the car park works totalling £600,000.

APPRENTICESHIP FUND
The Society has set up an account and received funding from the Education Skills Agency in previous years but nothing in 2024.

LEP GRANT VISITOR & EDUCATION CENTRE
In 2022 a grant of £60,000 was awarded to the Society to help with the development of a plan for a new Visitor and Education centre. This was completely expended in 2023 and currently no balance remains.

ADULT CHANGING PLACES FUND
In 2023 an adult changing place was constructed with the assistance of funding from the Department for Levelling Up, Housing and Communities, which was administered by Dudley MBC. This was capital expenditure and the resources expended in the year were depreciation charges.

RICHARDSON BROTHERS FOUNDATION GRANT
In 2024 we received a grant to fund education visits and outreach visits for local school children. Some of this was expended in 2024 and the rest will be expended in 2025.

CWG LEGACY FUND
In 2024 we were awarded a Commonwealth Games Legacy Fund grant from West Midlands Combined Authority for the preparation of an outline community engagement activity and interpretation plan for Dudley, Tecton structures, and woodlands.

CASTLE MAINTENANCE GRANT
The Society receives an annual grant from Dudley MBC in respect of the Castle and the maintenance thereof. This is either spent in the year it is received and/or carried forward to future periods where it can be utilised for future major restoration work projects. In 2020 (in response to the Covid pandemic) Dudley MBC gave permission for the restricted fund to be released to be used against general operations on site, not just the castle. This grant was unrestricted for the years ending 2019, 2020 and 2021 and has returned to being a restricted fund in 2022. A portion of the grant income received in 2024 relates to January to March 2025.

16 CALLED UP SHARE CAPITAL

GROUP AND SOCIETY	Authorised	Allotted and fully paid
At 31 December 2023 and 31 December 2024		
100 ordinary shares of £1 each	100	100

No shares in the capital of the Society have been authorised or issued since the end of the accounting period. The Society's ordinary shares, which carry no right to fixed income, each carries the right to one vote at general meetings of the Society.

17 UNRESTRICTED FUNDS

GROUP	Balance 1 January 2024 £	Surplus in year £	Transfers £	Balance 31 December 2024 £
General income funds	3,915,993	405,277	-	4,321,270
Designated reserve	1,500,000	-	-	1,500,000
	5,415,993	405,277	-	5,821,270

SOCIETY	Balance 1 January 2024 £	Surplus in year £	Transfers £	Balance 31 December 2024 £
General income funds	3,904,181	140,842	-	4,045,023
Designated reserve	1,500,000	-	-	1,500,000
	5,404,181	140,842	-	5,545,023

	£	£
The designated reserve is to cover:		
- Emergency funds for unexpected events	300,000	300,000
- Capital projects	1,200,000	1,200,000
	1,500,000	1,500,000

The reserves for Capital Projects within Designated Funds of £1.2m will be utilised in the next 2 to 3 years on the following projects; Tiger Enclosure - £400k (2023: £400k), African Painted Dog enclosure - £300k (2023: £100k), and the Chimpanzee enclosure - £200k (2023: £400k), General Site Works (£300,000). In 2024 the Reindeer enclosure was completed and this has been replaced in the designated funds project programme by the African Painted Dog enclosure.

UNRESTRICTED FUNDS - 2023 GROUP	Balance 1 January 2023 £	Surplus in year £	Transfers £	Balance 31 December 2023 £
General income funds	3,941,685	(63,192)	37,500	3,915,993
Designated reserve	1,500,000	-	-	1,500,000
	5,441,685	(63,192)	37,500	5,415,993

SOCIETY	Balance 1 January 2023 £	Surplus in year £	Transfers £	Balance 31 December 2023 £
General income funds	3,930,252	(63,571)	37,500	3,904,181
Designated reserve	1,500,000	-	-	1,500,000
	5,430,252	(63,571)	37,500	5,404,181

	£	£
The designated reserve is to cover:		
- Emergency funds for unexpected events	300,000	300,000
- Capital projects	1,200,000	1,200,000
	1,500,000	1,500,000

18 NET ASSETS BY FUNDS - 2024

	Unrestricted £	Restricted £	Total £
GROUP			
Funds are represented by:			
Fixed assets	3,172,732	1,176,931	4,349,663
Current assets	3,769,193	-	3,769,193
Current liabilities	(670,555)	-	(670,555)
Long term liabilities	(450,000)	-	(450,000)
	5,821,370	1,176,931	6,998,301
SOCIETY			
Funds are represented by:			
Fixed assets	3,175,745	1,176,931	4,352,676
Current assets	3,343,608	-	3,343,608
Current liabilities	(524,230)	-	(524,230)
Long term liabilities	(450,000)	-	(450,000)
	5,545,123	1,176,931	6,722,054

NET ASSETS BY FUNDS - 2023

	Unrestricted £	Restricted £	Total £
GROUP			
Funds are represented by:			
Fixed assets	2,944,472	1,116,273	4,060,745
Current assets	3,593,556	-	3,593,556
Current liabilities	(631,935)	-	(631,935)
Long term liabilities	(490,000)	-	(490,000)
	5,416,093	1,116,273	6,532,366
SOCIETY			
Funds are represented by:			
Fixed assets	2,947,484	1,116,273	4,063,757
Current assets	3,483,416	-	3,483,416
Current liabilities	(536,619)	-	(536,619)
Long term liabilities	(490,000)	-	(490,000)
	5,404,281	1,116,273	6,520,554

19 OPERATING LEASE COMMITMENTS

Financial commitments under non-cancellable operating leases will result in the following total payments to the end of the lease term.

	2024 Land and Buildings £	2023 Land and Buildings £
Payable:		
In less than one year	200	200
In two to five years	800	800
In more than five years	10,133	10,333
	11,133	11,333

20 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of the Society is Dudley Metropolitan Borough Council. They wholly own the shares in the Society and nominate 2 members to the Zoo's Board of Directors. Their accounts can be obtained from the Local Council Offices.

21 RELATED PARTY TRANSACTIONS

At 31 December 2024 the Group owed a total of £252,198 (2023: £332,330) to Dudley Metropolitan Borough Council. These liabilities are included within trade creditors of £0 (2023: £80,131), other creditors £2,198 (2023: £2,198), 10 year £400k loan £240,000 (2023: £280,000) and long-term loans £250,000 (2023: £250,000).

During the year, the group made payments of £93,925 (2023: £145,458) and were invoiced £14,359 (2023: £225,589) for services provided by Dudley Metropolitan Borough Council. The Society also made a £40,000 annual repayment as part of its 10-year loan arrangement of £400,000. The Society is owned by Dudley Metropolitan Borough Council and has the normal relationship and transactions that any other charitable or trading company would enjoy with the Local Authority within whose jurisdiction it resides, in this case Dudley Metropolitan Borough Council.

22 CAPITAL COMMITMENTS

Future capital expenditure contracted for, but not provided in the financial statements as at 31 December 2024 was £50,000 (2023: £85,000).

23 CONTINGENT LIABILITIES

The Society is party to a group VAT registration. At 31 December 2024 the amount outstanding in respect of other group companies as the group was £37,637 (2023:£16,327 being the amount owed); being the amount due for Qtr 4 2024).

DUDLEY AND WEST MIDLANDS ZOOLOGICAL SOCIETY LIMITED

England & Wales - Charity number 507221

Accounts

Dudley and West Midlands Zoological Society Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended
31 December 2023

Company Registration No.1350864
Charity No. 507221

Dudley and West Midlands Zoological Society Limited
OFFICERS

MEMBERS OF THE BOARD

Appointed members	P J Silver D H Sparks OBE P J Tart J Webb (resigned 12th Jan 2023) A J Taylor S K Vincent P A Hodgetts (appointed 10th Jan 2024)
Nominated members	M J Evans (removed 23rd May 2024) A Taylor A Goddard (nominated 24th May 2024)
Co-opted members	K Fuller S Woollard P I Loveday
Zoo Director	D A Grove
Zoo Manager	M R Lewis
Finance Manager	J D Ashfield

Dudley and West Midlands Zoological Society Limited
ADVISORS AND COMPANY INFORMATION

CHARITY REGISTRATION NUMBER

507221

COMPANY REGISTRATION NUMBER

1350864

AUDITOR

Crowe U.K LLP
Black Country House
Rounds Green House
Oldbury
West Midlands
B69 2DG

BANKERS

NatWest
2nd Floor
39 Queen Square
Wolverhampton
WV1 1TL

PRINCIPAL AND REGISTERED OFFICE

Castle Hill
Dudley
DY1 4QF

Dudley and West Midlands Zoological Society Limited
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The Trustees, who act as directors of the Charity for the purposes of the Companies Act, present their annual report together with the audited financial statements for the year ended 31 December 2023. The Directors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (Charities SORP (FRS 102)) in preparing the Annual Report and financial statements of the Charity.

REFERENCE & ADMINISTRATIVE DETAILS

Dudley and West Midlands Zoological Society is a charitable company with shares wholly owned by Dudley Metropolitan Borough Council, structured as a charitable organisation, with a trading arm known as Dudley Zoological Services Limited and The Dudley Zoo Development Trust which raises money for animal welfare expenditure. The charity has been in existence since 1978 with the responsibility to run the zoological and historical site in Dudley, West Midlands, as set out in the Articles.

STRUCTURE, GOVERNANCE & MANAGEMENT

The Society is governed by a board of Directors (a maximum of 13), including a Chairman. The management arrangement consists of a Zoo Director and a group of senior managers who administer the day to day running of the business. The Zoo Director, Finance Manager and Zoo Manager attend the main board meetings with other managers attending as and when necessary.

The Zoo Director meets regularly with the Chairman of the board to discuss any issues and reports are produced on a monthly basis for the Directors to keep them informed of day-to-day operational matters, and the board of Directors meet quarterly to discuss and review the activities of the organisation against the overall strategic plan. We operate an open access policy for Directors with the management team.

As part of the infra structure sub groups are also in place, attended by specified Directors and managers to consider specific areas of the business. These include regular topic-based sub group meetings for Finance & Legal, Health and Safety, and Ethics, along with task and finish sub groups set up by the board with an agreed objective and deadlines to review a particular subject or to achieve a set task. All sub groups then report to the full board at the quarterly meetings. Minutes of the board meetings are available on request. Since 2021 Trustees have been given the option of attending meetings via virtual platforms such as Teams as a response to the Covid situation but also as an acknowledgment of the changing working environment.

Directors are recruited through various means. Up to three nominated by the shareholder (Dudley Metropolitan Borough Council) and the Executive Board appoint not less than four or more than six members using the Nolan process with advertisements and interviews, or by co-opting up to four members who have particular skills lacking within the board. The latter would all be small in numbers as the majority of Directors have a commercial background and no conflict of interest.

All Directors are inducted initially by a one-to-one meeting with the Zoo Director and Chairman and then by meeting with the relevant managers to enable them to fully understand the operational activities of the Society and the future objectives.

All Directors are constantly updated by the Zoo Director and external advisors concerning legal matters ensuring their knowledge of zoo licensing is adequate and they are fully aware of the implications of this unusual legislation.

Directors continue to benchmark the performance of the Society by visiting other similar organisations, which also serves as part of their professional development as a trustee. During 2023 the Board of Trustees made a visit to Ludlow Castle and Hay Castle to observe the operations of these organisations.

The Trustees consider the Board of Directors of the Society and the Senior Management Team as being the key management personnel of the Society, responsible for directing and managing the day-to-day operations of the Society's activities. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses are disclosed in the notes to these financial statements. The remuneration of the senior management team is set by the Board of Directors using the facility of the Finance and Legal subgroup to assess their experience and qualifications and comparing it with similar roles within the sector.

The zoo licensing authority Dudley Metropolitan Borough Council (DMBC) carry out regular inspections of our operations, consisting of interim inspections every 3 years and a major inspection every 6, as well as annual health and safety inspections. We have regular liaison with Defra (Department for Environment, Food & Rural Affairs) concerning various animal related legislation, which include waste disposal and movement of animals. We received an inspection from Defra on the 3rd July 2023 that focussed on bye products under Balai regulations (Institutes and premises that import and export certain animals must comply with Balai directives as per Defra). We passed with no further issues.

A full Zoo inspection took place on the 6th February 2019 and the Zoo Licensing inspection report noted that the overall impression of the zoo was very favourable, with areas for improvement set out in seven Directions, eight Conditions and six recommendations. All items have been actioned. An interim Zoo inspection took place on 8th February 2022 which included various minor recommendations but overall expressed our continued excellent operations. The report also highlighted that the veterinary issues highlighted in the full inspection in 2019 have been successfully addressed and we operate in best practice on veterinary issues and all the items mentioned have been actioned. As part of our EAZA (European Association for Zoos and Aquaria) membership we have an accreditation visit each 5 years. This took place on 3rd and 4th October 2022 and we received positive feedback on all aspects of the site. We have had no inspections since.

The Principal Environmental Officer at DMBC usually conducts an Annual Informal inspection but this was integrated into interim zoo inspection in February 2022, which the Environmental officer attended. The Principal Environmental Officer at DMBC noted the findings of the interim Zoo Licensing inspection report and gave positive feedback on all aspects of the site's operations and stated how impressed they were with the collection's continuing work in the area of conservation and education. We had an annual informal inspection in early 2023 and they stated that they were happy with the works that had been completed from the 2022 inspection and happy with all the general improvements that have been made around site.

OBJECTIVES & ACTIVITIES

The object of the Society shall be, for the benefits and education of the public, the collection, preservation, conservation, care and exhibition on the premises of the Society of living animals and the promotion and advancement of the sciences of zoology, arboriculture, horticulture and botany and a more extended education, study, knowledge and appreciation of the animal and plant kingdoms by the introduction of new curious and endangered species belonging to them.

Dudley Zoo and Castle is not only home to a large collection of endangered species, but also an 11th century castle, the world's largest single collection of Tecton buildings, and an important geological site.

Our aim is to provide our visitors, via our education and conservation activities, with an understanding and awareness of all elements of this unique site, the history of the castle and the geology, the importance of the architectural design of the Tectons, and the opportunity to get closer to the world's rarest animals.

It is vital that every visitor to Dudley Zoo & Castle is informed about our conservation work with endangered species and how they can help us with the protection of these animals.

The purpose of Dudley Zoo Services is to create funds for the pursuit of the objectives mentioned above.

ACHIEVEMENTS & PERFORMANCE

The Society achieved a good performance in 2023 and built on the performance if 2022, which was the first year of fully opening all year since the years we endured closures due to the Covid pandemic.

We had set a target of 310,000 total visitors for 2023 but due to a slow start to the year and wet weather in March and July we missed out on this target, but still improved on the previous year.

In 2023 we welcomed 302.386 total visitors to Dudley Zoo and Castle compared to 300,054 total visitors in 2022. The total visitors in 2023 represented a 1% increase on the previous year.

The Society achieved a surplus after depreciation of £47,328 (2022: £401,890 surplus). There has been a decrease in surplus compared to the prior. In 2023 the Society incurred significantly higher energy costs and this has been one of the main factors in the drop in surplus achieved, combined with the increased effects of inflationary pressures throughout the UK economy.

It remains our long-term strategy to utilise our surplus to improve and develop the site, to maintain it as a quality visitor attraction and to improve the welfare of the animals within our care. In addition, it is our aim to maintain the listed buildings on site.

Towards the latter part of 2022 we started work on the giraffe paddock and house and this work was completed in 2023. It provides an additional area for our collection of giraffes and has improved the layout of the house.

In 2023 we completed works on our triple aviaries and refurbished the parma wallabies and red panda's enclosure. We also created a penguin quarantine area and installed netting over our flamingo enclosure to improve the welfare of this iconic bird species.

We completed the construction of an adult changing place in 2023, which was part funded from the Department for Levelling Up, and this has established a vital facility for the site.

We have enhanced the visitor experience by improving the car park to make it easier and more comfortable for people to park.

At the end of 2023 we started work on improving the chimpanzee enclosure, and in particular the enrichment facilities for the chimpanzees.

The Castle Creatures exhibit gives an extensive history of Dudley Castle and includes educational and interactive items for visitors. This has been very popular with visitors and provides a valuable facility for educating our visitors on, not only the history of the castle, but on how people co-existed with animals in medieval times. This feature remains popular with visitors.

We have taken part in a Visitor Attraction Quality Scheme VAQAS) for many years as this scheme provides an unbiased viewpoint of our visitor experience by industry professionals, who produce a full assessment and written report of their visit. The VAQAS accreditation enables us to monitor our performance against ever changing customer expectations. The assessor will replicate our customer experiences throughout all aspects of our attraction, including customer/staff interactions. This year's annual assessment was undertaken in April 2023 and the subsequent report confirmed we had passed the Visit England accreditation once again with an overall score of 88%. This showed we have improved on the high standards of the previous assessment in 2022 (86%). This was a good achievement.

Following on from 2022, when we took the decision to welcome back our Santa's Grotto after a break due to Covid, we again ran a Santa's Grotto. We welcomed 9,071 visitors to the Grotto in 2023, which was less than in 2022 (11,227 visitors) but still created income of £104k (2022: £124k).

ACHIEVEMENT & PERFORMANCE (cont.)

We have undertaken our annual review of the Long-Term Development Plan for the site to see if the work programme identified last year has changed in priority or relevance. The plan prioritises projects into low, medium and high categories, and aims to tackle all the highest priority projects within a period of five years. The plan covers all redevelopment projects, specifically building restoration, visitor services and animal exhibits and will require financing from the operating surplus, fund raising and grants.
The Zoological Society has a strategic vision document outlining the detailed aims of the Society and included within that is the Castle Hill Vision which highlights all the projects that we are seeking external funding assistance for.

Previously, one of our keepers assisted with the Selamatkan Yaki project conservation project in Sulawesi for black crested macaques and they have continued to support this project in 2023 in the role of UK co-ordinator. Staff from DZC attended the annual EAZA conference in Helsinki and staff continued their development throughout the year by attending various EAZA and BIAZA workshops. These included the BIAZA Skills Development Conference, the ABWAK (Association of British and Irish Wild Animal Keepers) Gibbon Workshop, the BIAZA Regional Educators Meeting, the BIAZA Pinniped Husbandry Conference, the BIAZA Carnivore Subgroup Workshop, a Camelid Workshop, a Conservation Technology Workshop, a Giraffe Care Workshop, the EAZA Plant Working Group, the BIAZA Conservation Education Conference, the 4th EAZA Callitrichid TAG (Taxon Advisory Group) Husbandry Conference, the Primate Nutrition Workshop, and BIAZA Native Species Working Group conference at Paradise Wildlife Park.
In 2023 we were happy to host the 25th Annual BIAZA Research Conference and the BIAZA Terrestrial Invertebrate Working Group Conference, both on behalf of BIAZA.
During the year one of the keepers from Dudley Zoo and Castle undertook a keeper exchange with New Forest Wildlife Park.

In 2022 we continued to have success with our breeding programmes. Notable births included a Linne's two-toed sloth and a giant anteater. These species also saw their previous offspring from 2022 moved onto other collections as part of our participation in other breeding programmes.
Other births included twin black lemurs, two reindeer and a trio of northern bald ibis hatched and were successfully reared. Both of these species are critically endangered and so we have made a valuable contribution to these breeding programmes.

We have created new pairings of Arctic foxes, wolverines, Asian lions, pygmy marmosets, green aracari, white faced saki monkey, red pandas and Bali myna.

Our female group of bush dogs were rehomed to make way for a breeding pair, the first time in the Zoo's history that we have been in this position. Other animals leaving Dudley Zoo & Castle to join other collections were the demoiselle cranes.

We continued to support the Wild Camel Protection Foundation which works with the last remaining population of wild Bactrian camels. We have sponsored the care of 2 baby camels which subsequently have been named 'Dudley' and 'Noddy' by those working at the centre in Mongolia.

Awareness days have been a vital tool in previous years for giving visitors a proper understanding of the species that are at risk in the wild and specifically gives a single species a whole day or weekend where the focus is completely on them. In 2023 we continued to undertake these important events and focussed on encouraging visitors to make a behavioural change on a day-to-day basis that will ultimately benefit wild species.

In June we ran our Under 5's days which offers entertainment on site for a specific audience of young children at a reduced cost. These days offer admission at a reduced cost and are extremely popular with toddler groups and parents with young children.

The site also hosts a number of ghost tour operators who use the site to entertain visitors about the ghostly events at this historic location.

ACHIEVEMENT & PERFORMANCE (cont.)

We successfully ran 2 film nights at DZC in 2023 and welcomed 752 visitors into the Castle Courtyard, which offers a unique outdoor setting to watch a film.

The annual classic car returned in September 2023 and was again held in the castle courtyard. This event proved popular with our visitors and helps highlight the local motoring heritage.

In February 2023 a fully costed Condition Report, along with a Repair and Maintenance Plan for Dudley Castle was delivered by Rodney Melville & Partners. This work was supported by grant assistance from Historic England's, 'Heritage at Risk' fund. Dudley Castle id a Scheduled Monument and Grade I listed structure, with condition noted as 'generally satisfactory but with significant localised problems and principal vulnerability being 'moderate visitor erosion' on Historic England's '2023 Heritage at Risk Register'.

KEY PERFORMANCE INDICATORS

Visitor Numbers – We budgeted to achieve 310,000 (2022: 300,000) Total Visitors and actually achieved Total Visitors of 302,386 (2022: 300,054). Although we missed our budget target, we still achieved growth from the previous year.

Paying Visitor Numbers – We budgeted for 260,000 (2022: 240,000) Paying Visitors and actually received 252,139 (2022: 261,651) Paying Visitors. We were 3% down on budget, and 4% down on previous year.

Admissions Income – In 2023 we actually achieved £3,190,240 (2022: £3,160,579) against a budget for 2023 of £3,342,000 (2022: £3,342,000). We were adverse to budget by 5% on our Admissions Income target in 2023.

Take per Head ("TPH") for retail operation - We aimed in 2023 to achieve a TPH of £2.19 (2022: £2.23) and actually achieved £2.20 (2022: £2.23).

Education Numbers – We achieved 17,408 visitors (2022: 12,442) against a budget of 18,000 visitors (2022: 14,000).
Education numbers were 40% up on 2022's figure and indicates growth in this area of the organisation. Good performance as one of our key objectives is to educate visitors about conservation.

FUNDRAISING

The Society does not normally undertake material fundraising activities and does not employ or use the services of any professional fundraisers, nor is the Society subject to a voluntary scheme for regulating fundraising. During the year the Society received no complaints in respect of its fundraising practices. The society set up a series of fundraising schemes, mainly through digital platforms such as Justgiving, as a safe way for people to donate to the zoo. These schemes continued in 2023 but their use has declined to a low amount.

ACHIEVEMENTS AGAINST OBJECTIVES

It is the aim of the Society to deliver talk times to all our visitors as a way of educating them. Over the years we have built up an extensive talk times programme, which gives daily talks on animals and also history walks which inform visitors about some of the history of the site. In 2022 we were been able to reintroduce a full programme of talks, following the Covid pandemic, and these have proved very popular with visitors and are an essential tool in educating people about conservation. In 2023 we have run low-cost castle tours, which are specific to the history of the castle and enable visitors to look around the castle as a separate visitor experience to the zoo. We plan to continue undertaking these castle tours in the future.

During 2023 we completed the work on a new conservation strategy for the zoo, outlining a range of aims and objectives which puts greater emphasis on celebrating our heritage, and prioritising sustainable development moving forward. This strategy is intended to increase the zoo's conservation, education and research output over the coming five years. This document also ensures the zoo's activities are in-line with zoo licensing requirements, BIAZA/EAZA policy and current trends within conservation programming.

An expanded range of informal learning opportunities was offered to visitors in 2023, with approximately 30 different animal-keeper talks presented throughout the year, alongside multiple teach tables and informal activities (many of which are linked to conservation messaging). The zoo welcomed 17,408 learners via formal school visits in 2023. In 2023 our new extended programme of formal learning opportunities was run with many schools taking up the opportunity to undertake some of our 24 workshops, targeted at a range of ages from EYFS (Early Years Foundation Stage) to further / higher education. All workshops have been developed with accessibility and differentiation, the new conservation strategy and the national curriculum in mind.

We were awarded 3 BIAZA awards in July 2023, including a silver award in the exhibit category for our outdoor Bornean orangutan enclosure, completed in 2022. Our carnivore team picked up a silver award in Behaviour & Welfare category for training our two snow leopards.

In 2023 we began work on an Equality, Diversity, Inclusion and Accessibility (EDIA) policy and plan, helping to ensure that our site can be enjoyed and accessed by all. We were awarded a BIAZA gold award in the Diversity and Inclusion category for spearheading campaign for allergy awareness after installing a number of food allergy signs around site.

We launched an Education & Engagement Volunteer programme in 2023. We have welcomed a number of volunteers who have given their time and engaged with visitors and associated with delivery of animals talks and other engagement activities.

We ran a 'Swing into Summer' celebration, where our visitors created 485 seed bombs to encourage native wildlife and pollinators.

In December 2023 we held a Home Educator Day and welcomed over 150 learners and their parents. We aim to continue running this successful event at regular intervals in the future.

Partnership with neighbouring universities were strengthened, and the zoo welcomed students from various universities, who undertook both undergraduate and postgraduate studies on various species.
The Zoo's development aims are set out in a 10-year Long Range Site Development Plan which is reviewed and updated annually to reflect physical changes, in order to meet welfare requirements, and to allow us to achieve our aspirations while retaining the zoo's commitment to conservation, education, scientific study and recreation. In 2021 we were confident enough in our financial position to proceed with our long-term aim of developing the outdoor orangutan enclosure to improve the welfare and habitat of these endangered species, which was completed in 2022.

In 2022 we gained funding from the LEP as part of their Growing Places Fund, which the Society added match funding to. This project funding was for the design, survey and delivery of planning permission for a new Visitor and Education Centre and was worked on again in 2023.

PUBLIC BENEFIT

The Directors are conscious of providing benefit for the local population and that of the region. We offer reduced rates for groups, education visits, young people, senior citizens, special needs groups and those with a disability to ensure we have a diverse appeal. Disabled guests are entitled to a free admission for their carer. We see our conservation work in terms of both animals and buildings and the knowledge this imparts to society in general as an important part of our activities.

The Society works very hard to raise awareness of the plight of endangered species through our educational work for all visitors and also by our support of various organisations in the UK and abroad.

We are continuing to co-ordinate the Black Lemur (European Endangered Species Programme). This is the 32nd year that we have managed the studbook for this important species.

One of the staff at DZC has the role as Education Co-ordinator within the BIAZA Terrestrial Invertebrate Working Group and another member of staff continued in their role as Chair of the Primate Focus Group within the BIAZA Mammal Working Group.

We support in-situ conservation projects such as Madagascan lemurs (AEECL) and have continued to financially assist a project in Madagascar which funds 9 teachers to educate the local population about conservation. We contribute financially to the yellow-breasted capuchin monkey conservation program (ZGAP – Zoologische Gesellschaft fur Arten und Populationsschutz) and also have an annual commitment to AB (Arctictis Binturong) Conservation – a study programme for Binturongs. In 2023 the Society continued to make a significant financial contribution to the Sintang Orangutan Centre, an Orangutan rescue and rehabilitation project based in Borneo. Funds provided by the Society will be put towards the development of a forest school (rehabilitation facility), further increasing their ability to protect and aid wild populations of the critically endangered Bornean orangutan.

In 2023 we again contributed to the International Snow Leopard Trust as part of an ongoing commitment to supporting research and conservation in wild snow leopards across their natural range. We have financially supported a number of animal conservation charities as we recognise that it's important to support them.
In 2023, in addition to the projects already mentioned above, we donated to the following organisations; Wildcats Conservation Alliance, Wild Camel Foundation, World Parrot Trust, Lowland Tapir Conservation, Giraffe Conservation, Cikananga Conservation Breeding Centre for Birds, Sphenisco, Tacugama Chimpanzee Sanctuary, The BRIDGES Gelada study, and the Red Panda Network.

We took the decision in 2019 to commence with significant financial support to the Save the Tasmanian Devil program which is responding to the threat of extinction of the Tasmanian devil due to Devil Facial Tumour disease. We have continued this financial support in 2023.

Alongside these international projects we continue to champion work for native species. We provide practical and financial assistance for various projects.
In 2023 the Education team participated in the BIAZA 'Spotted on Site' BioBlitz campaign, to help gain an understanding of what wildlife is present on site.

We partnered with the Birmingham and Black Country Amphibian & Reptile Group in the Spring of 2023 and they assisted us with newt surveys in our ponds on site, which revealed we have a number of smooth newts.

We continued with on-site survey work of native species, with regular surveys undertaken for bats (in partnership with Brumbats), birds and moths.

The Zoo works closely with the West Midlands Birding Club to survey what bird species we have on site. In this year we undertook bird ringing thanks to the help of a keeper at DZC who holds a C licence for bird ringing, allowing us to conduct our own bird ringing on the zoo site.

PUBLIC BENEFIT (cont.)

In the past we have managed to catch and ring many species including migratory birds such as redwing and fieldfare and also recapture more local species to show that individuals were returning to the zoo site, proving it is an excellent habitat for these animals.

We also take great care of the listed buildings and the grounds of the Castle, which is a scheduled monument. The Tecton buildings are now recognized to be of World importance.

Our arrangement with the local college to provide in-house practical training in conjunction with their animal management courses continued in 2023. This proves to be very popular with students as it gives them valuable practical experience.

We have strong links to the community and participate in many local festivals and events. In conjunction with the Local Authority the Castle courtyard was used to host St Georges Day celebrations and welcomed local people to participate in various themed activities. In 2023 the Guild of the Blessed St Edmund attended the St Georges Day event, which help support their organisation.

We support an organisation called The Friends of Dudley Castle by providing facilities for their meetings and offering access to the site for this important historic group.

The Directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Charity and in planning future activities for the year.

SOCIAL INVESTMENT POLICIES

We participate in many events and activities in the community and contribute to society in general by being an employer and by having a positive impact on the local economy as many of our suppliers are from the local vicinity.

VOLUNTEERS

During 2023 we launched an Education & Engagement Volunteer programme. We welcomed a number of volunteers who have engaged with visitors and assisted with delivery of animals talks and other engagement activities.
We have had volunteers in previous years and acknowledge that they add considerable value to the organisation.

FINANCIAL REVIEW

Income for 2023 of £5,934k (2022: £5,829) is an increase from 2022 and indicates a strong performance by the Society. The increase in income is largely as a result of increased visitor numbers. Income from Charitable Activities in 2023 was £3,834k, which was an increase of 2% from 2022 (£3,926k).

The trading activities of the subsidiary have performed well in 2023 and have been boosted by the increase in visitor activity in the year. The Retail outlet achieved an income of £663k, which is a similar performance to the previous year (2022: £668k). The Catering Income of £800k is an increase of 1% from 2022 (£789k). We achieved an improved catering performance by opening more outlets at key times throughout the year. Dudley Zoo Services will gift aid £350,000 in respect of 2023 profits to the Society (2022: £452,976).

In 2023 we achieved a similar level of special events income - £85k as we did in 2022 (£85k), as we ran the same events as the previous year.

We have strived to control our fixed overheads where possible, and most importantly have kept salary costs within budget. The increase in energy costs has significantly impacted the organisation as some of the animal enclosures require large amounts of heating, which subsequently uses lots of energy. We have reduced usage overall but it is the increase in rates that are driving the increase in costs. This is one of the main factors in the Society's surplus being less than the previous year.

In previous years interest received has been steadily growing as our cash reserves have been built up in expectation of undertaking some major projects. Interest rates have been historically low in previous years and interest earned has not been significant. However in 2022, and even more so in 2023, interest rates have started to rise on not only fixed rate bonds but also savings accounts. As a consequence of these interest rate rises interest earned in 2023 was £94,176, a significant increase on the previous year of £23,152.

We have engaged in some significant capital projects in the year but despite this we have managed to maintain a cash position of above £3m with the balance standing at £3,336k at 31 December 2022 (2022: £3,753k).

This site is an unusual and expensive site to manage compared to a normal operating zoo, having listed buildings and a scheduled monument. The Society receives an annual Dudley Castle Maintenance Grant from DMBC of £150k per annum (£150k during 2022) as a contribution to maintaining the upkeep of the scheduled monument and the surrounding grounds. From March 2022 the grant has been treated as a restricted fund to support the castle maintenance cost base.

PLANS FOR THE FUTURE

We continue to invest in the charity with the funds created from surpluses and it is expected that moving forward we will create enough funds in the future to enable significant capital expenditure around the site. The long term aim is to continually regenerate the site, in particular the animal welfare part, and to invest in new revenue streams that will increase visitor numbers and income. This will in turn strengthen the long term financial position and enable us to redevelop areas of the zoo and maintain the listed buildings around site.

Combined with this plan of internal growth and investment is a desire to attain external funding where possible to provide additional capital to improve the site.

INVESTMENT POLICY

The Charity retained investments in cash based funds during the year. Interest has been earnt from fixed rate savings accounts, a 35 day notice account and our Special Interest account, which totalled £94,176 (2022: £23,152) in the year. The amount earnt in the year of £94,176 is significant and will contribute to one of the projects we are working on but is still not sufficient enough to fund a major development project. In 2017 a new investment policy was created in conjunction with a task based sub group to monitor and control fixed rate savings accounts for the benefit of maximising the Society's cash deposits. This is still regularly monitored under the remit of the Finance and Legal sub group.

INVESTMENT POWERS

Under the memorandum and articles of association the Society has the power to make any investments which the Directors think fit.

RISK MANAGEMENT

The Directors continuously review the major risks and have developed systems to monitor and control these risks to mitigate any impact they may have on the Society in the future.

In particular the Society carries out an annual risk assessment, in the form of a Corporate Risk Management document, to assess what risks the charity may face. These risks are prioritised into categories and we have contingency plans in place with action plans and procedures to mitigate those risks. We have also designed controls that can be implemented should any risks materialise.

Our risk management strategy is administered by the Directors in conjunction with the Society's management team and is reviewed at the Finance and Legal sub group meeting.

The key risks identified by the Directors are:-

- Protection of the Society's assets including its reserves, which is addressed through appropriate governance, relevant insurance and regular reviews.
- Stability of commercial income to cover operating costs, provide funding for our charitable aims and investment for our capital expenditure programme. This is addressed by looking to diversify income streams, and by continually monitoring income and expenditure, general reserves and cash flow forecasts.
- A major operational issue impacting public safety and causing reputational damage which is addressed through documented operational procedures which are regularly tested, health and safety training, and routine inspections.

The Directors and management of the Society regularly assess the risks to the Society and the impact on its cash reserves.
The Society carefully monitors its cash position and produces cashflow forecasts that are regularly updated to give the director's and management the confidence to plan future operations effectively.

RESERVES

The Directors have reviewed the reserves of the charitable company. This review encompassed the ownership of the shares, the nature of the income and expenditure streams, the need to match variable and seasonal income with fixed commitments, and the nature of reserves. The review concluded that the charitable company is in a good position to continue to operate as a self-sustaining business.

The consolidated reserves of the Society at 31 December 2023 were £6,532,366 (2022:6,485,038. This includes £1,116,273 (2022: £1,043,253) of restricted funds not available for general purposes of the Society at the end of the reporting period.
At 31 December 2023 Dudley Zoo and Castle is reporting unrestricted funds of £5,415,993 (2022: £5,441,685). After making allowance for designation of £1,500,000 and the carrying amount of fixed assets the Society has free reserves of £971,621 (2022: £1,353,617). The Directors aim to maintain minimum reserves of £750k which covers approximately three months of expenditure. Our free reserves have decreased slightly over the year.

The Designated Fund of £1.5m is to be used in the next 2 to 3 years on match funding for our Visitor and Education Centre project. We feel it will not be necessary to increase the level of Designated Funds and reserve cover for Capital projects in the next 12 months as the level of net current assets is sufficient to cover our future Capital Expenditure programme which has one major project lined up for the next 2 to 3 years.

GOING CONCERN

The Society will always aim to achieve a surplus and this is then reinvested back into the Society to sustain growth and achieve the Society's objectives. Historically the Society has made surpluses and plans to in the future. The management have drawn up budgets for the immediate future that outline how these surpluses will be achieved. In this respect the Directors see the organisation as a going concern.

The Society's performance in 2022 and 2023 has given the Directors and management confidence that conditions are returning to normal after the Covid pandemic and that the Society can generate income from events that it undertook pre-Covid. In 2023 we have achieved good levels of income and consequently a surplus, which has maintained our financial position.

Management has regularly assessed the group's financial position through financial modelling forecasts. The financial plans assume levels of income growth in 2024 and the subsequent budgets and cash flow forecasts indicate that the position of retaining cash reserves to cover at least 3 months operational expenditure will be maintained throughout 2024.

On 21st December 2022 Dudley Metropolitan Borough Council wrote to the Board of Directors and stated that in its capacity as both owner and shareholder of the Society and its subsidiary, the Council recognised its legal obligation to make good trading losses whilst the Society continues to operate in its current form. It continued with confirmation of the intent of the Council to work with third parties to inject capital investment into the greater Castle Hill area and secure the long term future of the Society. The letter also makes a commitment to support the Society, subject to certain conditions until 31st March 2025.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Report of the Trustee's and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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

AUDITOR

Crowe U.K. LLP have indicated their willingness to continue in office and will be proposed for reappointment at the AGM.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

On behalf of the board

D H Sparks OBE
Director
5th June 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUDLEY AND WEST MIDLANDS ZOOLOGICAL SOCIETY LIMITED

Opinion

We have audited the financial statements of Dudley and West Midlands Zoological Society Limited (the 'charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statements of Cash Flows and notes to the financial statements, including accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the charitable company's affairs as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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 or the group'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.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within 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 the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' report.

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

- adequate and sufficient accounting records have not been kept by the charitable company; or
- the charitable company 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Report.

Responsibilities of trustees
As explained more fully in the Statement of Directors' responsibilities set out on page 15, 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 group's and 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.
A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.
We obtained an understanding of the legal and regulatory frameworks within which the charitable company

and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Zoo Licensing Act 1981, Health and safety legislation and Employment legislation.

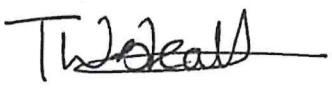
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance & Legal Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance. In respect of recognition of grant income, audit procedures consisted of sample testing to corresponding agreements to ensure appropriate recognition criteria and a review of grant applications in order to assess the completeness.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Tara Westcott (Senior Statutory Auditor)
For and on behalf of Crowe U.K. LLP, Statutory Auditor
Chartered Accountants
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 07 June 2024

Dudley and West Midlands Zoological Society Limited

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2023

	Notes	Unrestricted funds General £	Unrestricted funds Designated £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
INCOME FROM:						
Donations and Legacies	2	20,243	-	237,663	257,906	295,801
Charitable Activities	3	3,926,090	-	-	3,926,090	3,833,860
Other trading activities	4	1,656,136	-	-	1,656,136	1,675,828
Investments		94,176	-	-	94,176	23,151
TOTAL		**5,696,645**	-	**237,663**	**5934,308**	**5,828,640**
EXPENDITURE ON:						
Raising Funds	5	1,458,118	-	-	1,458,118	1,371,412
Charitable Activities	5	4,301,719	-	127,143	4,428,862	4,055,419
TOTAL	5	**5,759,837**	-	**127,143**	**5,886,980**	**5,426,419**
NET INCOME/(EXPENDITURE)	6	(63,192)	-	110,520	47,328	401,809
Transfers between funds	15	37,500	-	(37,500)	-	-
Net movement in funds		(25,692)	-	73,020	47,328	401,809
Fund balances brought forward at 1 January 2023		3,941,685	1,500,000	1,043,253	6,484,938	6,083,129
Fund balances carried forward at 31 December 2023	15/17	**3,915,993**	**1,500,000**	**1,116,273**	**6,532,266**	**6,484,938**

The net group income and expenditure and the resulting net movement in funds arise from continuing operations.

There are no recognised gains or losses other than the net movement in funds for the year.

Dudley and West Midlands Zoological Society Limited

CONSOLIDATED BALANCE SHEET

31 December 2023 Company Registration No. 1350864

	Notes	31 December 2023 £	31 December 2022 £
FIXED ASSETS			
Tangible assets	9	4,060,745	3,631,421
CURRENT ASSETS			
Stocks	11	103,758	99,061
Debtors	12	153,410	215,948
Cash at bank and in hand		3,336,388	3,752,887
		3,593,556	4,067,896
CREDITORS: Amounts falling due within one year	13	(631,935)	(684,279)
NET CURRENT ASSETS		2,961,621	3,383,617
TOTAL ASSETS LESS CURRENT LIABILITIES		7,022,366	7,015,038
CREDITORS: Amounts falling due after more than one year	14	(490,000)	(530,000)
NET ASSETS		6,532,366	6,485,038
FUNDS			
Restricted funds	15	1,116,273	1,043,253
Unrestricted funds			
Called up share capital	16	100	100
General income funds	17	3,915,993	3,941,685
Designated funds	17	1,500,000	1,500,000
TOTAL FUNDS EMPLOYED		6,532,366	6,485,038

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 19 to 44 were approved by the board of directors and authorised for issue on 5th June 2024 and are signed on its behalf by:

D H Sparks OBE
Director

Dudley and West Midlands Zoological Society Limited

COMPANY BALANCE SHEET

31 December 2023 Company Registration No. 1350864

	Notes	31 December 2023 £	31 December 2022 £
FIXED ASSETS			
Tangible assets	9	4,060,745	3,631,421
Investments	10	3,012	3,012
		4,063,757	3,634,433
CURRENT ASSETS			
Stocks	11	11,754	14,290
Debtors	12	159,124	210,228
Cash at bank and in hand		3,312,538	3,701,584
		3,483,416	3,926,102
CREDITORS: Amounts falling due within one year	13	(536,319)	(556,930)
NET CURRENT ASSETS		2,946,797	3,369,172
TOTAL ASSETS LESS CURRENT LIABILITIES		7,010,554	7,003,605
CREDITORS: Amounts falling due after more than one year	14	(490,000)	(530,000)
NET ASSETS		6,520,554	6,473,605
FUNDS			
Restricted funds	15	1,116,273	1,043,253
Unrestricted			
Called up share capital	16	100	100
General income funds	17	3,904,181	3,930,252
Designated funds	17	1,500,000	1,500,000
TOTAL FUNDS EMPLOYED		6,520,554	6,473,605

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The result of the parent charity was a net increase in funds of £46,949 (2022: net increase in funds of £466,624).

The financial statements on pages 19 to 44 were approved by the board of directors and authorised for issue on 5th June 2024 and are signed on its behalf by:

D H Sparks OBE
Director

Dudley and West Midlands Zoological Society Limited
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2023

	2023 £	2022 £
Cash flows from operating activities:		
Net cash provided by operating activities	361,861	759,644
Cash flows from investing activities:		
Interest	94,176	23,151
Proceeds from sale of fixed assets	-	-
Purchase of property, plant and equipment	(832,536)	(682,427)
Net cash (used in) investing activities	(738,360)	(659,276)
Cash flows from financing activities:		
Repayments of borrowing	(40,000)	(40,000)
Net cash (used in) financing activities	(40,000)	(40,000)
Change in cash and cash equivalents in the reporting period	(416,499)	60,368
Cash and cash equivalents at the beginning of the reporting period	3,752,887	3,692,519
Cash and cash equivalents at the end of the reporting period	3,336,388	3,752,887
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period (as per the statement of financial activities)	47,328	401,809
Adjustments for:		
Depreciation charges	403,212	352,601
Interest received	(94,176)	(23,151)
Profit on the sale of fixed assets	-	-
Increase in stocks	(4,697)	3,291
(Increase)/decrease in debtors	62,538	(61,730)
(Decrease) in creditors	(52,344)	86,824
Net cash provided by operating activities	361,861	759,644
Analysis of cash and cash equivalents		
Cash in hand	3,336,388	3,752,887
Total cash and cash equivalents	3,336,388	3,752,887

Dudley and West Midlands Zoological Society Limited
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2023

Analysis of changes in net debt

	At 1 January 2023	Cash flows	At 31 December 2023
	£	£	£
Cash at bank and in hand	3,752,887	(416,499)	3,336,388
Debt due within one year	40,000	-	40,000
Debt due after one year	530,000	(40,000)	490,000
	4,322,887	(456,499)	3,866,388

GENERAL INFORMATION

Dudley and West Midlands Zoological Society Limited ("the Society") is a charitable company limited by shares and is incorporated in England and Wales (Company registration number 1350864 and charity number 507221). The address of the Society's registered office and principal place of business is Castle Hill, Dudley, DY1 4QF.

The Society's principal activity is the operation of a conservation based organisation for the benefit and education of its visitors to promote the primary themes of zoology, history and architecture.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

BASIS OF ACCOUNTING

a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Dudley and West Midlands Zoological Society Limited meets the definition of a public benefit entity under the Charities Act, assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

BASIS OF CONSOLIDATION

These financial statements consolidate the financial statements of Dudley and West Midlands Zoological Society Limited ("the Society") and its subsidiaries, Dudley Zoo Services Limited and Dudley Zoo Development Trust ("the subsidiaries") all of which are made up to 31 December 2023.

The financial statements consolidate the results of the Charity and its wholly owned subsidiaries on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006. The unconsolidated profit of the charity was £47,328 (2022: £466,624).

All intra-group transactions, balances and unrealised gains on transactions between Group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

ANIMALS

The animals are acquired by the Society from other zoological organisations at zero cost or bred at our zoo and a realistic valuation cannot be placed thereon. Many of the animals acquired are held in trust with other zoological societies at zero cost.

STOCKS

Stocks on hand of consumables and items for resale are stated at the lower of cost and estimated net realisable value. Net realisable value is based upon estimated selling prices less costs of disposal. Provision is made for obsolete and slow-moving items.

DONATED FACILITIES

The Society leases the site from Dudley Metropolitan Borough Council. The lease was renewed in March 1984 for a term of 96 years, at market rent which is currently £200 per annum (including the additional lease agreement for the car park). The Trustees do not believe it is practical to reasonably quantify and measure the benefit conferred to the Society under the arrangement due to the Zoo's unique location and as such have not included the value of the donated facilities within the Consolidated Statement of Financial Activities.

TANGIBLE ASSETS AND DEPRECIATION

Other than for interests in land as stated above, tangible fixed assets are capitalised at cost and depreciated from the date that they are brought into use. From time to time a major capital project may not be completed and thus is not in use at the end of the accounting period. In such a case the policy is to capitalise the expenditure to date and show it separately as a capital project under construction within tangible fixed assets but no depreciation is provided until the project is completed and available for use.

Depreciation is calculated to write down the net original cost of the tangible fixed assets by equal annual instalments over its anticipated useful life to its then estimated residual value.

Individual assets under £1,000 are not capitalised.

The depreciation rates used are:

	%
Office Buildings	5% straight line
Animal enclosures	6.66% straight line
Service areas	10 - 20% straight line
Fixtures, fittings and office equipment	10% straight line
Motor vehicles - commercial	20% straight line
- cars	20% straight line
Computers	20% straight line

INVESTMENT IN SUBSIDIARIES

The investments in the subsidiaries are stated at cost less impairment.

HERITAGE ASSETS

The Castle and other heritage assets are located on the Zoo site. The Trustees do not consider that reliable cost or valuation information can be obtained for these assets, because of the unique features of the assets held and the lack of comparable market values. The Society does not therefore recognise these assets on its balance sheet.

FINANCIAL INSTRUMENTS

The Society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Trade debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges. Commitments to receive a loan are measured at cost less impairment.

TAXATION

The Society is a Registered Charity and undertakes activities which, under present legislation, are not subject to Corporation Tax. The Society's subsidiary, Dudley Zoo Services Limited, is not a Registered Charity and undertakes trading activities within the meaning of the Taxes Acts and is liable to Corporation Tax. Typically, however, the subsidiary gift aids all its taxable profits to the Society and as a consequence no provision is usually required for the payment of Corporation Tax either current or deferred.

FUND ACCOUNTING AND RESERVES

Restricted funds are only expendable by the Directors in accordance with the donors' directions. Unrestricted funds are expendable at the discretion of the Directors in furtherance of the objects of the Society. Certain of these funds, at the discretion of the Directors, may be transferred to funds to be used for particular purposes and become designated funds.

CONTRIBUTIONS TO PENSION FUNDS

The Society operates money purchase pension schemes which all employees may join after having served for a qualifying period. Both the Society and the employee make defined contributions to purchase the employees individual pension. All such contributions are held in separate trust funds which are independent of the Society's finances. The pension costs charged against the Society's results represent the amount of the Society's contributions payable to the schemes in respect of the accounting period.

Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. Pension contributions are included in unrestricted expenditure.

BASES AND DEFINITION OF INCOME AND EXPENDITURE

Income:

Income is the total amounts, excluding VAT but including Gift Aid if applicable, received or receivable by the Society which are recognised in the financial statements as follows:-

Income from charitable activities:

Zoo operating income – recognised on a received basis from admission and entry charges including gate receipts, concessionary group and special offer admissions, season tickets and car park fees.

Donations and legacies:

Donation and gifts – recognised on an accruals basis to the extent that the Society has been notified it will receive a donation or gift of a determined amount or the donation or gift has been received. Donations and gifts, whether general, designated or restricted, arise from a number of sources which include members, Dudley Zoo Development Trust, special appeals and the general public.

Government and other grants – grants for upkeep of the site and reimbursement of costs previously incurred are recognised immediately.

Gifts in kind, if material, are included at an estimate of market value.

Other trading activities:

Rental income received – recognised on an accruals basis from the letting of land and property not immediately required for use by the Society.

Retail and catering – income represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

Investments:

Bank interest – recognised as the amount receivable during the year.

Expenditure:

Costs of charitable activities – this includes all costs for the support of zoo animals in accordance with best recognised husbandry practices, keeping them in the appropriate habitats and maintaining the infrastructure of the zoo. Also included are costs incurred that ensure that all the Charity's objects are achieved such as those relating to the preservation and conservation of wildlife, and of education, science, and recreation together with the costs of the good stewardship and management of the Society's assets, organisation, administration and compliance with statutory requirements and those of good practice.

Basis of allocation of support costs – support costs are allocated between activities on a resource used basis so far as possible. The most significant costs arise from payroll costs and some of these costs may arise from individuals who carry out multi-functions. Where such costs are incurred and shared over a number of expense categories estimates have been made based primarily on time occupied by the individual concerned. Similarly with shared non-payroll costs the basis of allocation is based primarily on an assessment of the benefit derived from the cost by each expense head.

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Volunteer costs

The value of services provided by volunteers has not been included in these financial statements.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Society's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not consider that there are any estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

GOING CONCERN

The Society aims to achieve a surplus and this is then reinvested back into the Society to sustain growth and achieve the Society's objectives. Historically the Society has made surpluses and plans to in the future.

On 21st December 2022 Dudley Metropolitan Borough Council wrote to the Board of Directors and stated that in its capacity as both owner and shareholder of the Society and its subsidiary, the Council recognised its legal obligation to make good trading losses whilst the Society continues to operate in its current form. It continued with confirmation of the intent of the Council to work with third parties to inject capital investment into the greater Castle Hill area and secure the long term future of the Society. The letter also makes a commitment to support the Society, subject to certain conditions until 31st March 2025.

In the aftermath of COVID-19 outbreak the Directors considered the significance of the economic impacts this had on the charity and the Directors have reviewed in detail the Charity's position and the appropriate basis on which to prepare the financial statements. The Directors have considered projections to the end of 2023, together with a longer term assessment, to stress test the financial resilience of the Charity which take into account the potential changes in income over this period. The Directors recognise that 2022 has achieved a significant surplus as a result of good income performance, which has strengthened the Society's financial position. As a result, the Directors have considered that it remains appropriate to prepare the financial statements on a going concern basis. The ongoing stress testing of the Charity's financial position has satisfied the Directors that it has adequate reserves and strategies to deal with any future economic impacts or any other unexpected factors.

1 COMPARATIVE INFORMATION – CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted General Funds 2022 £	Designated Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
Income from				
Donations and legacies	39,497	-	256,304	295,801
Charitable activities	3,833,860	-	-	3,833,860
Other trading activities	1,675,828	-	-	1,675,828
Investments	23,151	-	-	23,151
TOTAL	**5,572,336**	-	**256,304**	**5,828,640**
EXPENDITURE ON:				
Raising Funds	1,371,412	-	-	1,371,412
Charitable activities	3,817,697	-	237,722	4,055,419
TOTAL	**5,189,109**	-	**237,722**	**5,426,831**
NET INCOME/(EXPENDITURE)	383,227	-	18,582	401,809
Transfer between funds	-	-	-	-
Net movement in funds	383,227	-	18,582	383,227
Funds brought forward 1 January 2022	3,558,458	1,500,000	1,024,671	6,083,129
Funds carried forward 31 December 2022	**3,941,685**	**1,500,000**	**1,043,253**	**6,484,938**

2 DONATIONS AND LEGACIES

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Unrestricted		
DMBC – Maintenance Grant	-	-
DMBC – Covid19 Grant	-	6,000
Donations	20,243	33,497
	20,243	39,497
Restricted		
DMBC – Maintenance Grant	150,000	150,000
Defra Zoo Fund	-	-
LEP Grant	3,083	56,917
Adult Changing Places Fund	40,000	-
Apprenticeship Fund	1,500	4,500
Donations and gifts	43,080	44,887
	237,663	256,304
	257,906	295,801

3 INCOME FROM CHARITABLE ACTIVITIES

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Admissions, season tickets and associated gift aid	3,198,240	3,160,539
Car park and other income	727,850	673,321
	3,926,090	3,833,860

4 OTHER TRADING ACTIVITIES

The Society has a wholly owned trading subsidiary, Dudley Zoo Services Limited (Company number 1350863), which is incorporated in the UK. The principal activity of this company is that of providing and operating gift shops and related activities, and contracted catering service facilities for the zoo site.

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Turnover (Including intercompany rental income of £152,244 (2022: £149,004)	1,808,381	1,824,832
Cost of sales	(1,225,623)	(1,192,010)
Gross profit	582,758	632,822
Administrative expenses and taxation	(232,495)	(179,402)
Net profit for the year	350,263	453,420

The subsidiary's net funds at 31 December 2022 amounted to £1,539 (2022: £1,276).

The net profit of £350,263 (2022: £453,420) is after recharging management and support costs of £205,933 (2022: £158,497) and labour recharges of £183,320 (2022: £171,153) from the Charity to Dudley Zoo Services Limited.

An amount of £452,976 was paid from Dudley Zoo Services Ltd in 2023 under gift aid (2022: £269,324) and £350,000 will be paid to the Charity from Dudley Zoo Services Limited under Gift Aid for the current year.

5 ANALYSIS OF TOTAL EXPENDITURE	Raising funds £	Charitable activities £	Total costs £
DIRECT COSTS			
Direct wages and salaries	124,972	1,889,601	2,014,573
Other direct costs	1,042,303	57,789	1,100,092
Animal care	-	422,714	422,714
Marketing and publicity	-	136,176	136,176
Utilities	74,256	423,404	497,660
General site maintenance and security	74,889	329,078	403,967
	1,316,240	3258,762	4,575,182
SUPPORT COSTS			
Indirect wages and salaries	58,348	358,947	417,295
Depreciation	-	403,212	403,212
Site Development Costs	-	16,887	16,887
Irrecoverable VAT	12,350	105,028	117,378
Insurance, legal and professional	42,809	98,606	141,415
Post, print, stationery, IT and communications	8,882	79,802	88,684
Other staff costs, finance and administrative expenses	19,309	107,618	126,927
	141,698	1,170,100	1,311,798
Totals at 31 December 2023	1,458,118	4,428,862	5,886,980
Totals at 31 December 2022	1,371,412	4,055,419	5,426,831

6 NET INCOME/EXPENDITURE

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Net income/expenditure is stated after charging:		
Operating lease rentals	1,531	3,157
Auditor's remuneration		
- for audit services	20,500	19,999
- for non-audit services	525	1,400
Depreciation of tangible fixed assets	403,212	352,601

7 DIRECTORS AND EMPLOYEES

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Group staff costs including directors' emoluments:		
Wages and salaries	2,217,306	2,069,473
Social security costs	167,858	156,592
Pension costs	46,704	42,445
	2,431,868	2,268,510

Average weekly number of employees including directors:	Year ended 31 December 2023 No.	Year ended 31 December 2022 No.
Keepers and ground staff	44	46
Maintenance and gardening	16	15
Admissions and retail	7	7
Management, administration and marketing	14	14
Education	4	3
Seasonal staff	44	36
	129	121

7 DIRECTORS AND EMPLOYEES (continued)

FTE including directors:	Year ended 31 December 2022 No.	Year ended 31 December 2021 No.
Keepers and ground staff	40	39
Maintenance and gardening	15	14
Admissions and retail	6	6
Management, administration and marketing	12	12
Education	4	2
Seasonal staff	15	8
	92	81

Seasonal staff are employed to support the permanent admissions/retail staff and are also engaged in other trading and charitable activities.

The following employees received emoluments, excluding employer's pension and National Insurance contributions, in excess of £60,001 in the year ended 31 December 2022 (2022: 1 in excess of £70,000).

	2023 Number	2022 Number
£70,001 to £80,000	1	1
£60,001 to £70,000	2	0

The Charity made contributions of £6,080 to a group personal pension plan in respect of the higher paid employees (2022: £2,212).

The key management personnel comprise the Zoo Director, Zoo Manager and the Finance Manager (2022: the Zoo Director, Zoo Manager and Finance Manager). The total employee benefits of the key management personnel, including employer's pension and National Insurance contributions, were £232,946 (2022: £222,923).

Volunteers:
The Charity has a number of volunteers who engage with visitors during the day. The estimated value of volunteer time during the year is £8,023 in respect of visitor engagement volunteering (2022: £0).

8 DIRECTORS

No Trustee received remuneration during either year. 5 Trustees were reimbursed expenses for personal travel and subsistence of £1,175 in the year to 31 December 2023 (2022: 2 Trustees reimbursed expenses of £478).

9 TANGIBLE ASSETS

GROUP	*Buildings and animal enclosures* £	*Service areas* £	*Fixtures & fittings* £	*Vehicles* £	*Assets under construction* £	*Total* £
COST						
At 1 January 2023	5,891,832	423,691	850,582	96,487	277,762	7,540,354
Additions		54,875	12,862	8,956	755,843	832,536
Transfers	944,214	-	-	-	(944,214)	-
Disposals	-	-	-	-	-	-
At 31 December 2023	6,836,046	478,566	863,444	105,443	89,391	8,372,890
DEPRECIATION						
At 1 January 2023	2,697,521	367,890	765,394	78,038	-	3,908,933
Charged in the period	343,294	24,891	24,813	10,184	-	403,212
Disposals	-	-	-	-	-	-
At 31 December 2023	3,040,815	392,871	790,237	88,222	-	4,312,145
NET BOOK VALUE						
At 31 December 2023	3,795,231	85,695	73,207	17,221	89,391	4,060,745
At 31 December 2022	3,194,311	55,711	85,188	18,449	277,762	3,631,421

9 TANGIBLE ASSETS (continued)

SOCIETY	*Buildings and animal enclosures* £	*Service areas* £	*Fixtures & fittings* £	*Vehicles* £	*Assets under construction* £	*Total* £
COST						
At 1 January 2023	5,891,832	423,691	627,500	96,487	277,762	7,317,272
Additions	-	54,875	12,862	8,956	755,843	832,536
Transfers	944,214	-	-	-	(944,214)	-
Disposals	-	-	-	-	-	-
At 31 December 2023	6,836,046	478,566	640,362	105,443	89,391	8,149,808
DEPRECIATION						
At 1 January 2023	2,697,521	367,980	542,312	78,038	-	3,685,851
Charged in the period	343,294	24,891	24,843	10,184	-	403,212
Disposals	-	-	-	-	-	-
At 31 December 2023	3,040,815	392,871	567,155	88,222	-	4,089,063
NET BOOK VALUE						
At 31 December 2023	3,795,231	85,695	73,207	17,221	89,391	4,060,745
At 31 December 2022	3,194,311	55,711	85,188	18,449	277,762	3,631,421

10 INVESTMENTS

SOCIETY	2023 £	2022 £
Cost of investments – 1 January and 31 December	3,012	3,012

The Directors consider the market value of the investments not to be materially different to its cost.

The Society owns the whole of the issued share capital of Dudley Zoo Services Limited. Dudley Zoo Services Limited is incorporated in, and operates in, the United Kingdom. Its principal activity is the provision of retail, catering and leisure services.

Dudley Zoo Services Limited's profit for the year ended 31 December 2021 was £350,263 (2022: £453,420) and its capital and reserves at 31 December 2023 were £1,539 (2022: £1276).

Dudley Zoo Development Trust is a subsidiary of the company with the company exercising control over the Trust. Dudley Zoo Development Trust is a registered charity. The objective of the charity is to assist with the development of Dudley Zoo and to assist with the feeding of the animals. Dudley Zoo Development Trust's net income for the year ended 31 December 2023 was (£116) (2022: net income of £64,935) and its reserves at 31 December 2023 were £13,285 (2022: £13,169). Dudley Zoo Development Trust was exempt from having an audit in the years ended 31 December 2023 and 2022 by virtue of its size.

11 STOCKS

	Group		*Society*	
	2023	2022	2023	2022
	£	£	£	£
Food stuffs, materials and consumables	11,754	14,290	11,754	14,290
Goods for sale	92,004	84,771	-	-
	103,758	99,061	11,754	14,290

12 DEBTORS

	Group		*Society*	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	39,197	34,369	7,107	3,415
Other debtors	35,131	3,441	77,050	33,104
Amounts due from group undertakings	-	-	-	-
Prepayments and accrued income	79,082	178,138	74,967	173,709
	153,410	215,948	159,124	210,228

13 CREDITORS: Amounts falling due within one year

	Group		Society	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	359,000	407,840	247,072	296,081
DMBC Loan	40,000	40,000	40,000	40,000
Other taxation and social security	40,966	51,606	40,966	35,197
Other creditors	15,163	12,748	14,683	12,508
Accruals and Deferred Income	176,806	172,085	122,849	116,347
Corporation Tax Payable	-	-	-	-
Amount due to group undertakings	-	-	71,049	56,797
	631,935	684,279	536,619	556,930

14 CREDITORS: Amounts falling due in more than one year

	Group		Society	
	2023	2022	2023	2022
	£	£	£	£
Dudley Metropolitan Borough Council				
Long term loan	250,000	250,000	250,000	250,000
DMBC Loan	240,000	280,000	240,000	280,000
Total	490,000	530,000	490,000	530,000

The Long-term loan of £250,000 from Dudley Metropolitan Borough Council is interest free and will not be repaid within the next 12 months, though it has no fixed repayment date.

The DMBC Loan is an interest free loan of £400,000 repayable over 10 years with equal repayments of £40,000 per annum.

15 RESTRICTED FUNDS

	Balance 1 January 2023	Incoming resources	Resources expended	Transfers	Balance 31 December 2023
	£	£	£	£	£
GROUP AND SOCIETY					
Donations for animal feed from the Dudley Zoo Development Trust	-	43,080	(43,080)	-	-
Heritage lottery fund:					
Chairlift Project	29,856	-	(6,072)	-	23,784
Tecton Entrance & Shop	147,685	-	(12,394)	-	135,291
Tecton Introductory Exhibit.	6,769	-	(589)	-	6,180
Bear Ravine	173,956	-	(13,916)	-	160,040
European Regional Development Fund:					
Harry Hatch's Cottage	69,139	-	(5,969)	-	63,170
Castle Visitor Centre	192,469	-	(13,275)	-	179,194
Sculptures	11,750	-	(1,500)	-	10,250
Fencing at Entrance	11,617	-	(1,467)	-	10,150
Glass Panels at Entrance	5,022	-	(635)	-	4,387
Getty Foundation Project	-	-	-	-	-
LEP Grant	251,664	-	(20,000)	-	231,664
Apprenticeship Fund	-	1,500	(1,500)	-	-
LEP Visitor & Education Centre	-	3,083	(3,083)	-	-
Adult Changing Places	-	40,000	(667)	-	39,333
Castle Maintenance Grant	143,326	150,000	(2,996)	(37,500)	252,830
	1,043,253	237,663	(127,143)	(37,500)	1,116,273

RESTRICTED FUNDS - 2022

GROUP AND SOCIETY	Balance 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance 31 December 2022 £
Donations for animal feed from the Dudley Zoo Development Trust		44,887	(44,887)	-	-
Heritage lottery fund:					
Chairlift Project	35,928	-	(6,072)	-	29,856
Tectons Project	-	-	-	-	-
Tecton Entrance & Shop	160,079	-	(12,394)	-	147,685
Tecton Introductory Exhibit.	7,358	-	(589)	-	6,769
Bear Ravine	187,872	-	(13,916)	-	173,956
European Regional Development Fund:					
Harry Hatch's Cottage	75,108	-	(5,969)	-	69,139
Castle Visitor Centre	205,744	-	(13,275)	-	192,469
Sculptures	13,250	-	(1,500)	-	11,750
Fencing at Entrance	13,084	-	(1,467)	-	11,617
Glass Panels at Entrance	5,657	-	(635)	-	5,022
Getty Foundation Project	48,927	-	(48,927)	-	-
LEP Grant	271,664	-	(20,000)	-	251,664
Apprenticeship Fund		4,500	(4,500)	-	-
LEP Visitor & Education Centre	-	56,917	(56,917)	-	-
Castle Maintenance Grant	-	150,000	(6,674)	-	143,326
	1,024,671	256,304	(237,722)	-	1,043,253

ORANGUTAN ENCLOSURE (2021)
Capital cost of the improved indoor area of the Orang-utan enclosure. Resources expended are the depreciation charges for the year.

DONATIONS FOR ANIMAL FEED FROM THE DUDLEY ZOO DEVELOPMENT TRUST
Income used exclusively for the animal food.

CHAIRLIFT PROJECT
Capital cost of restoring the historic Chairlift. Resources expended are the depreciation charges for the year.

TECTON ENTRANCE & SHOP
The Entrance and Shop Tecton buildings were restored and the resources expended in the year are the depreciation charges.

TECTON INTRODUCTORY EXHIBITION
The Tecton project included an Introductory Exhibition explaining the architectural significance of the Tecton buildings and the project to refurbish them. The resources expended in the year are the depreciation charges.

BEAR RAVINE
The Tecton project involved an extensive restoration of the Bear Ravine Tecton building (the structure used to house bears), and the resources expended in the year are the depreciation charges.

HARRY HATCH'S COTTAGE
This ERDF project involved the significant restoration of a building on site - Harry Hatch's Cottage. This was capital expenditure and the resources expended in the year were depreciation charges.

CASTLE VISITOR CENTRE
The construction of the Castle Visitor Centre was completed in 2015 and branded Castle Creatures. This was capital expenditure and the resources expended in the year were depreciation charges.

SCULPTURES
As part of the ERDF project various steel sculptures at the Zoo entrance were constructed. This was capital expenditure and the resources expended in the year were depreciation charges.

FENCING
The ERDF project included the construction of steel fencing at the Zoo entrance. This was capital expenditure and the resources expended in the year were depreciation charges.

GLASS PANELS
The ERDF project included capital expenditure on glass panelling at the Zoo entrance. This was capital expenditure and the resources expended in the year were depreciation charges.

CASTLE MAINTENANCE GRANT
The Society receives an annual grant from Dudley MBC in respect of the Castle and the maintenance thereof. This is either spent in the year it is received and/or carried forward to future periods where it can be utilised for future major restoration work projects. In 2020 (in response to the Covid pandemic) Dudley MBC gave permission for the restricted fund to be released to be used against general operations on site, not just the castle. This grant was unrestricted for the years ending 2019, 2020 and 2021 and has returned to being a restricted fund in 2022.

GETTY FOUNDATION PROJECT
In 2020 the Society successfully applied for a grant of £120,000 which will carry out investigation work into 4 Tecton structures on site. The grant income was reported in the financial statements for 2020 and continuing costs were incurred in 2021.

LEP GRANT
A grant of £300,000 was awarded to the Society in 2020 for the purpose of assisting the Society in paying for the car park works totalling £600,000.

DEFRA ZOO FUND (2021)
In 2020 the society applied for the Zoo support fund set up by Defra and this application was successful in early 2021. The funding was used to support vital animal welfare costs in 2021 and totalled £505,366 in the year.

APPRENTICESHIP FUND
The Society has set up an account and received funding from the Education Skills Agency as a result of employing apprentices in the year.

LEP GRANT VISITOR & EDUCATION CENTRE
In 2022 a grant of £60,000 was awarded to the Society to help with the development of a plan for a new Visitor and Education centre.

ADULT CHANGING PLACES FUND
In 2023 an adult changing place was constructed with the assistance of funding from the Department for Levelling Up, Housing and Communities, which was administered by Dudley MBC.

16 CALLED UP SHARE CAPITAL

GROUP AND SOCIETY	Authorised	Allotted and fully paid
At 31 December 2022 and 31 December 2023		
100 ordinary shares of £1 each	100	100

No shares in the capital of the Society have been authorised or issued since the end of the accounting period. The Society's ordinary shares, which carry no right to fixed income, each carries the right to one vote at general meetings of the Society.

17 UNRESTRICTED FUNDS

GROUP	Balance 1 January 2023 £	Surplus in year £	Transfers £	Balance 31 December 2023 £
General income funds	3,941,685	(63,192)	37,500	3,915,993
Designated reserve	1,500,000	-	-	1,500,000
	5,441,685	(63,192)	37,500	5,415,993

SOCIETY	Balance 1 January 2023 £	Surplus in year £	Transfers £	Balance 31 December 2023 £
General income funds	3,930,252	(63,571)	(37,500)	3,904,181
Designated reserve	1,500,000	-	-	1,500,000
	5,430,252	(63,571)	(37,500)	5,404,181

	£	£
The designated reserve is to cover:		
- Emergency funds for unexpected events	300,000	300,000
- Capital projects	1,200,000	1,200,000
	1,500,000	1,500,000

The reserves for Capital Projects within Designated Funds of £1.2m will be utilised in the next 2 to 3 years on the following projects; Tiger Enclosure - £400k (2021: £400k), Reindeer enclosure -

£300k (2021: £200k), African Wild Dog enclosure - £100k (2021: £100k), and the Chimpanzee enclosure - £400k (2021: £300k). In 2023 the Giraffe enclosure was completed and this has been replaced in the designated funds project programme by the Reindeer enclosure.

UNRESTRICTED FUNDS - 2022 GROUP	Balance 1 January 2022 £	Surplus in year £	Transfers £	Balance 31 December 2022 £
General income funds	3,558,458	383,227	-	3,941,685
Designated reserve	1,500,000	-	-	1,500,000
	5,058,458	383,227	-	5,441,685

SOCIETY	Balance 1 January 2021 £	Surplus in year £	Transfers £	Balance 31 December 2021 £
General income funds	3,482,210	448,042	-	3,930,252
Designated reserve	1,500,000	-	-	1,500,000
	4,982,210	448,042	-	5,430,252

	£	£
The designated reserve is to cover:		
- Emergency funds for unexpected events	300,000	300,000
- Capital projects	1,200,000	1,200,000
	1,500,000	1,500,000

18 NET ASSETS BY FUNDS - 2023

	Unrestricted £	Restricted £	Total £
GROUP			
Funds are represented by:			
Fixed assets	2,944,472	1,116,273	4,060,745
Current assets	3,593,556	-	3,593,556
Current liabilities	(631,935)	-	(631,935)
Long term liabilities	(490,000)	-	(490,000)
	5,416,093	1,116,273	6,536,366
SOCIETY			
Funds are represented by:			
Fixed assets	2,947,484	1,116,273	4,063,757
Current assets	3,483,416	-	3,483,416
Current liabilities	(536,619)	-	(536,619)
Long term liabilities	(490,000)	-	(490,000)
	5,404,281	1,116,273	6,520,554

NET ASSETS BY FUNDS - 2022

	Unrestricted £	Restricted £	Total £
GROUP			
Funds are represented by:			
Fixed assets	2,588,168	1,043,253	3,631,421
Current assets	4,067,896	-	4,067,896
Current liabilities	(684,279)	-	(684,279)
Long term liabilities	(530,000)	-	(530,000)
	5,441,785	1,043,253	6,485,038
SOCIETY			
Funds are represented by:			
Fixed assets	2,591,180	1,043,253	3,634,433
Current assets	3,926,102	-	3,926,102
Current liabilities	(556,930)	-	(556,930)
Long term liabilities	(530,000)	-	(530,000)
	5,430,352	1,043,253	6,473,605

19 OPERATING LEASE COMMITMENTS

Financial commitments under non-cancellable operating leases will result in the following total payments to the end of the lease term.

	2023 Land and Buildings £	2022 Land and Buildings £
Payable:		
In less than one year	200	200
In two to five years	800	800
In more than five years	10,333	10,533
	11,333	11,533

20 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of the Society is Dudley Metropolitan Borough Council. They wholly own the shares in the Society and nominate 2 members to the Zoo's Board of Directors. Their accounts can be obtained from the Local Council Offices.

21 RELATED PARTY TRANSACTIONS

At 31 December 2023 the Group owed a total of £332,330 (2022: £252,198) to Dudley Metropolitan Borough Council. These liabilities are included within trade creditors of £80,131 (2022: nil), other creditors £2,198 (2022: £2,198), accruals £nil (2022: £nil), 10 year £400k loan £280,000 (2022: £320,000) and long-term loans £250,000 (2022: £250,000).

During the year, the group made payments of £145,458 (2022: £46,103) and were invoiced £225,589 (2022: £42,303) for services provided by Dudley Metropolitan Borough Council. The Society also made a £40,000 annual repayment as part of its 10 year loan arrangement of £400,000. The Society is owned by Dudley Metropolitan Borough Council and has the normal relationship and transactions that any other charitable or trading company would enjoy with the Local Authority within whose jurisdiction it resides, in this case Dudley Metropolitan Borough Council.

22 CAPITAL COMMITMENTS

Future capital expenditure contracted for, but not provided in the financial statements as at 31 December 2023 was £85,000 (2022: £128,500).

23 CONTINGENT LIABILITIES

The Society is party to a group VAT registration. At 31 December 2023 no amount is outstanding in respect of other group companies as the group is owed £16,327 (2022:£16,408; being the amount due for Qtr 4 2022).

DUDLEY AND WEST MIDLANDS ZOOLOGICAL SOCIETY LIMITED

England & Wales - Charity number 507221

Accounts

Dudley and West Midlands Zoological Society Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended
31 December 2022

Company Registration No.1350864
Charity No. 507221

Dudley and West Midlands Zoological Society Limited
OFFICERS

MEMBERS OF THE BOARD

Appointed members	P J Silver D H Sparks OBE P J Tart J Webb (resigned 12th Jan 2023) A J Taylor S K Vincent
Nominated members	M J Evans D I A Vickers (deceased 7th Feb 2022) L Taylor-Childs (appointed 16th Feb 2022, removed 16th Dec 2022) A Taylor (appointed 16th Dec 2022)
Co-opted members	K Fuller S Woollard P I Loveday
Zoo Director	D A Grove
Zoo Manager	M R Lewis
Finance Manager	J D Ashfield

Dudley and West Midlands Zoological Society Limited
ADVISORS AND COMPANY INFORMATION

CHARITY REGISTRATION NUMBER

507221

COMPANY REGISTRATION NUMBER

1350864

AUDITOR

Crowe U.K LLP
Black Country House
Rounds Green House
Oldbury
West Midlands
B69 2DG

BANKERS

NatWest
2nd Floor
39 Queen Square
Wolverhampton
WV1 1TL

PRINCIPAL AND REGISTERED OFFICE

Castle Hill
Dudley
DY1 4QF

Dudley and West Midlands Zoological Society Limited
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The Trustees, who act as directors of the Charity for the purposes of the Companies Act, present their annual report together with the audited financial statements for the year ended 31 December 2022. The Directors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (Charities SORP (FRS 102)) in preparing the Annual Report and financial statements of the Charity.

REFERENCE & ADMINISTRATIVE DETAILS

Dudley and West Midlands Zoological Society is a charitable company with shares wholly owned by Dudley Metropolitan Borough Council, structured as a charitable organisation, with a trading arm known as Dudley Zoological Services Limited and The Dudley Zoo Development Trust which raises money for animal welfare expenditure. The charity has been in existence since 1978 with the responsibility to run the zoological and historical site in Dudley, West Midlands, as set out in the Articles.

STRUCTURE, GOVERNANCE & MANAGEMENT

The Society is governed by a board of Directors (a maximum of 13), including a Chairman. The management arrangement consists of a Zoo Director and a group of senior managers who administer the day to day running of the business. The Zoo Director, Finance Manager and Zoo Manager attend the main board meetings with other managers attending as and when necessary.

The Zoo Director meets regularly with the Chairman of the board to discuss any issues and reports are produced on a monthly basis for the Directors to keep them informed of day to day operational matters, and the board of Directors meet quarterly to discuss and review the activities of the organisation against the overall strategic plan. We operate an open access policy for Directors with the management team.

As part of the infra structure sub groups are also in place, attended by specified Directors and managers to consider specific areas of the business. These include regular topic based sub group meetings for Finance & Legal, Health and Safety, and Ethics, along with task and finish sub groups set up by the board with an agreed objective and deadlines to review a particular subject or to achieve a set task. All sub groups then report to the full board at the quarterly meetings. Minutes of the board meetings are available on request. Since 2021 Trustees have been given the option of attending meetings via virtual platforms such as Teams as a response to the Covid situation but also as an acknowledgment of the changing working environment.

Directors are recruited through various means. By appointment through the local authority, using the Nolan process with advertisements and interviews, or by co-opting (if they have particular skills lacking within the board). The latter would all be small in numbers as the majority of Directors have a commercial background and no conflict of interest.

All Directors are inducted initially by a one to one meeting with the Zoo Director and Chairman and then by meeting with the relevant managers to enable them to fully understand the operational activities of the Society and the future objectives.

All Directors are constantly updated by the Zoo Director and external advisors concerning legal matters ensuring their knowledge of zoo licensing is adequate and they are fully aware of the implications of this unusual legislation.

Directors continue to benchmark the performance of the Society by visiting other similar organisations, which also serves as part of their professional development as a trustee. During 2022 the Board of Trustees made a visit to the Dudley Canal Trust to observe the operations of this organisation.

The Trustees consider the Board of Directors of the Society and the Senior Management Team as being the key management personnel of the Society, responsible for directing and managing the day to day operations of the Society's activities. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses are disclosed in the notes to these financial statements. The remuneration of the senior management team is set by the Board of Directors using the facility of the Finance and Legal subgroup to assess their experience and qualifications and comparing it with similar roles within the sector.

The zoo licensing authority Dudley Metropolitan Borough Council (DMBC) carry out regular inspections of our operations, consisting of interim inspections every 3 years and a major inspection every 6, as well as annual health and safety inspections. We have regular liaison with DEFRA concerning various animal related legislation, which include waste disposal and movement of animals.

A full Zoo inspection took place on the 6th February 2019 and the Zoo Licensing inspection report noted that the overall impression of the zoo was very favourable, with areas for improvement set out in seven Directions, eight Conditions and six recommendations. All items have been actioned. An interim Zoo inspection took place on 8th February 2022 which included various minor recommendations but overall expressed our continued excellent operations. The report also highlighted that the veterinary issues highlighted in the full inspection in 2019 have been successfully addressed and we operate in best practice on veterinary issues and all the items mentioned have been actioned. As part of our EAZA membership we have an accreditation visit each 5 years. This took place on 3rd and 4th October 2022 and we received positive feedback on all aspects of the site.

The Principal Environmental Officer at DMBC usually conducts an Annual Informal inspection but this was integrated into interim zoo inspection in February which the Environmental officer attended. The Principal Environmental Officer at DMBC noted the findings of the interim Zoo Licensing inspection report and gave positive feedback on all aspects of the site's operations and stated how impressed they were with the collection's continuing work in the area of conservation and education. We had an annual informal inspection in early 2023 and they stated that they were happy with the works that had been completed from the 2022 inspection and happy with all the general improvements that have been made around site.

OBJECTIVES & ACTIVITIES

The object of the Society shall be, for the benefits and education of the public, the collection, preservation, conservation, care and exhibition on the premises of the Society of living animals and the promotion and advancement of the sciences of zoology, arboriculture, horticulture and botany and a more extended education, study, knowledge and appreciation of the animal and plant kingdoms by the introduction of new curious and endangered species belonging to them.

Dudley Zoo and Castle ('DZC') is not only home to a large collection of endangered species, but also an 11th century castle, the world's largest single collection of Tecton buildings, and an important geological site.

Our aim is to provide our visitors, via our education and conservation activities, with an understanding and awareness of all elements of this unique site, the history of the castle and the geology, the importance of the architectural design of the Tectons, and the opportunity to get closer to the world's rarest animals.

It is vital that every visitor to Dudley Zoo & Castle is informed about our conservation work with endangered species and how they can help us with the protection of these animals.

The purpose of Dudley Zoo Services is to create funds for the pursuit of the objectives mentioned above.

ACHIEVEMENTS & PERFORMANCE

The Society achieved a good performance in 2022 after the unsettling period of the Covid pandemic. The Zoo had no closures during the year, unlike in the previous 2 years. We had set a target of 300,000 total visitors for 2022 and we had a good start to the year and subsequently achieved our target despite visitor numbers falling away in the autumn.
In 2022 we welcomed 300,054 total visitors to the Zoo and Castle compared to 228,255 total visitors in 2021. In 2022 total visitor numbers were 31% up on the previous year.

The Society achieved a surplus after depreciation of £401,809 (2021: £1,680,769 surplus). There has been a significant decrease in surplus compared to the prior however, in 2021 there were a number of one-off items that contributed to the increased surplus and result in an unfair comparison between 2022 and 2021.
In 2021 the Society received grants from the Defra Zoo support fund of £505,366, Covid support funding from the Local Authority of £386,750 and £250,000 from an insurance settlement in respect of the Covid outbreak. The net effect of these activities was a surplus of £1,142,116. Excluding these, the surplus for 2021 would have been £538,653 which represents a more realistic picture of the Society's financial performance and is more appropriate to compare with 2022's performance.
In 2022 we saw an increase in costs as we returned to normal trading conditions which encompassed the effects of increased inflationary pressures experienced throughout the UK economy.

It remains our long term strategy to utilise our surplus to improve and develop the site, to maintain it as a quality visitor attraction and to improve the welfare of the animals within our care. In addition it is our aim to maintain the listed buildings on site.

In 2022 we were able to continue with our works on the Orangutan enclosure and this significant development to the site was completed and opened for the Orangutan in May along with new educational interpretation highlighting the importance of sustainable sourced palm oil. The sculpture highlighting the message of conservation for these endangered species was put into place in December and completed this particular phase of the Orangutan enclosure. At the start of the year we redeveloped an enclosure to house a Wolverine, which is a new species for Dudley Zoo & Castle.

In 2022 we completed works on the Tapir, Tortoise and Gelada enclosures and completely renovated the Snowy Owl aviary.

Towards the end of the summer we started work on the Giraffe paddock and house to significantly improve this enclosure. We also started work on Parma Wallaby enclosure to build a new house and update the outside area. These projects are all part of the planned development programme within the Society's strategy. The funds for this have been set aside in our designated funds to protect the project from any uncertain external factors. We also continued with the redevelopment of the Triple aviaries that will improve the welfare of several bird species.

The Castle Creatures exhibit gives an extensive history of Dudley Castle and includes educational and interactive items for visitors. This has been very popular with visitors and provides a valuable facility for educating our visitors on, not only the history of the castle, but on how people co-existed with animals in medieval times. Due to the fact that this exhibit is inside it was closed for large parts of 2020 and 2021 but was opened again in 2022 and remains popular with visitors.

We have taken part in a Visitor Attraction Quality Scheme for many years as this scheme provides an unbiased viewpoint of our visitor experience by industry professionals, who produce a full assessment and written report of their visit. The VAQAS accreditation enables us to monitor our performance against ever changing customer expectations. The assessor will replicate our customer experiences throughout all aspects of our attraction, including customer/staff interactions. This year's annual assessment was undertaken in May 2022 and the subsequent report confirmed we had passed the Visit England accreditation once again with an overall score of 86%. This showed we have maintained the same high standards as previous assessment in 2021 (86%). This was a good achievement.

ACHIEVEMENT & PERFORMANCE (cont.)

In 2022 we took the decision to run our Santa's grotto, which due to Covid we had not hosted since 2019. It was great to welcome back families to the traditional event and we welcomed over 11,000 to the Grotto in December 2022. The Grotto event brought in £124k of income compared to £108k in 2019 (the last time we did the Grotto).

We have undertaken our annual review of the Long Term Development Plan for the site to see if the work programme identified last year and since the Covid pandemic has changed in priority or relevance. The plan prioritises projects into low, medium and high categories, and aims to tackle all the highest priority projects within a period of five years. The plan covers all redevelopment projects, specifically building restoration, visitor services and animal exhibits and will require financing from the operating surplus, fund raising and grants.
The Zoological Society has a strategic vision document outlining the detailed aims of the Society and included within that is the Castle Hill Vision which highlights all the projects that we are seeking external funding assistance for.

In 2016 one of our keepers assisted with the Selamatkan Yaki project conservation project in Sulawesi for Black crested macaques and they have continued to support this project in 2022 in the role of UK co-ordinator. We attended the annual EAZA conference in Portugal and staff continued their development throughout the year by attending various EAZA and BIAZA workshops. These included the BIAZA Bird working Group conference at Blackpool Zoo, the BIAZA Education conference at Dartmoor Zoological Park, the BIAZA Mammal Working Group conference at Chester and BIAZA Native Species Working Group conference at Wildwood.

In 2022 we continued to have success with our breeding programmes. Notable births included 2 Orangutan, 1 Binturong, 2 Bactrian camels, 5 Naked mole rats, numerous Rainbow lorikeets, Barberry sheep, 2 Black swans, 1 Anteater, 1 Sloth, Red tailed snakes and a Reindeer. We have welcomed into Dudley Zoo & Castle to join our existing collection an Arctic fox, a Cotton top tamarin, a Palawan peacock pheasant, a Snowy owl, 2 Sumatran laughing thrushes, a Wolverine and Red panda.
Animals leaving DZC to join other collections were Barberry sheep, Mara's, Parma wallabies and Pygmy marmosets.
We continued to support the Wild Camel Protection Foundation which works with the last remaining population of wild Bactrian camels. We have sponsored the care of a baby camel which has subsequently been named 'Dudley' by those working at the centre in Mongolia.

Awareness days have been a vital tool in previous years for giving visitors a proper understanding of the species that are at risk in the wild and specifically gives a single species a whole day or weekend where the focus is completely on them. Unfortunately the Covid 19 pandemic made it difficult to run these days as they rely on us being able to host visitors as well as having areas to have conversations with our visitors which were no longer suitable due to social distancing regulations. In 2022 we were able to return to undertaking these valuable events and focussed on encouraging visitors to make a behavioural change on a day-to-day basis that will ultimately benefit wild species.

In June we ran our Under 5's days which offers entertainment on site for a specific audience of young children at a reduced cost. This had been cancelled in 2020 and 2021 due to the Covid restrictions in place at the time. These days offer admission at a reduced cost and are extremely popular with toddler groups and parents with young children.

The site also hosts a number of ghost tour operators who use the site to entertain visitors about the ghostly events at this historic location.
We successfully ran 3 film nights at DZC in 2022 and welcomed over 1,500 visitors into the Castle Courtyard, which offers a unique outdoor setting to watch a film.

The annual classic car returned in September 2022 and was held in the castle courtyard. This event proved popular with our visitors and helps highlight the local motoring heritage.

KEY PERFORMANCE INDICATORS

Visitor Numbers – We budgeted to achieve 300,000 (2021: 275,000) Total Visitors and actually achieved Total Visitors of 300,054 (2021: 228,255). This was a good achievement as we achieved budget and increased visitor numbers from the previous year.

Paying Visitor Numbers – We budgeted for 240,000 (2021: 225,000) Paying Visitors and actually received 261,651 (2021: 194,030) Paying Visitors. A great performance as we were 9% up on budget. We were 35% up on previous year figure and were open for only 27% more of the year, which shows an improvement above being open more in 2022 (we were open for a total of 267 days in 2021 out of a total of 364 (73%).

Admissions Income – In 2022 we actually achieved £3,160,579 (2021: £2,938,577) against a budget for 2022 of £3,134,000 (2021: £3,012,000). We were favourable to budget by 8% on our Admissions Income target in 2022.

Take per Head ("TPH") for retail operation - We aimed in 2022 to achieve a TPH of £2.13 (2021: £1.63) and actually achieved £2.23 (2021: £2.34).

Education Numbers – We achieved 12,442 visitors (2021: 4,200) against a budget of 14,000 visitors (2021: zero).
The resurgence of Education numbers is mainly due to schools wanting to come for general visits that also include workshops as well. This is a positive sign after the adverse impact of the coronavirus on this part of the organisation in 2020 and 2021.

FUNDRAISING

The Society does not normally undertake material fundraising activities and does not employ or use the services of any professional fundraisers, nor is the Society subject to a voluntary scheme for regulating fundraising. During the year the Society received no complaints in respect of its fundraising practices. In response to the Covid outbreak and subsequent zoo closure the society set up a series of fundraising schemes, mainly through digital platforms such as Justgiving, as a safe way for people to donate to the zoo. This continued in 2021 but their use has declined in 2022 to almost zero.

ACHIEVEMENTS AGAINST OBJECTIVES

It is the aim of the Society to deliver talk times to all our visitors as a way of educating them. Over the years we have built up an extensive talk times programme, which gives daily talks on animals and also history walks which inform visitors about some of the history of the site. Unfortunately these talk times had to be curtailed during the Covid pandemic, due to the requirement to observe social distancing regulations. In 2022 we have been able to reintroduce a full programme of talks, with 15 different species covered across site. These talks have proved very popular with visitors and are an essential in educating people about conservation.

During 2022 work began on a new conservation strategy for the zoo, outlining a range of aims and objectives intended to increase the zoo's conservation, education and research output over the coming five years. This document also ensures the zoo's activities are in-line with zoo licensing requirements, BIAZA/EAZA policy and current trends within conservation programming.

An expanded range of informal learning opportunities was offered to visitors in 2022, with approximately 15 different animal-keeper talks presented throughout the year, alongside multiple teach tables and informal activities (many of which are linked to conservation messaging). The zoo welcomed 12,400 learners via formal school visits in 2022. In September 2022, a new extended programme of formal learning opportunities was launched with 24 new workshops, targeted at a range of ages from EYFS (Early Years Foundation Stage) to further / higher education. All workshops have been developed with accessibility and differentiation, the new conservation strategy and the national curriculum in mind.

Partnership with neighbouring universities were strengthened, and the zoo welcomed students from various universities, who undertook both undergraduate and postgraduate studies on various species.

The Zoo's development is set out in a 10 year Long Range Site Development Plan which is reviewed and updated annually to reflect physical changes, in order to meet welfare requirements, and to allow us to achieve our aspirations while retaining the zoo's commitment to conservation, education, scientific study and recreation. In 2021 we were confident enough in our financial position to proceed with our long term aim of developing the outdoor Orangutan enclosure to improve the welfare and habitat of these endangered species.

During 2020 we attained funding from the Getty Foundation to carry out investigation work into 4 Tecton structures on site. This work was completed in 2022, with some match funding from the Society and the final report proving valuable in helping us to understand what the next stage should be for refurbishing these important structures.

In 2022 we gained funding from the LEP as part of their Growing Places Fund, which the Society added match funding to. This project funding was for the design, survey and delivery of planning permission for a new Visitor and Education Centre.

PUBLIC BENEFIT

The Directors are conscious of providing benefit for the local population and that of the region. We offer reduced rates for groups, education visits, young people, senior citizens, special needs groups and those with a disability to ensure we have a diverse appeal. Disabled guests are entitled to a free admission for their carer. We see our conservation work in terms of both animals and buildings and the knowledge this imparts to society in general as an important part of our activities.

The Society works very hard to raise awareness of the plight of endangered species through our educational work for all visitors and also by our support of various organisations in the UK and abroad.

We are continuing to co-ordinate the Black Lemur (European Endangered Species Programme). This is the 31st year that we have managed the studbook for this important species.

One of the staff at DZC has the role as Education Co-ordinator within the BIAZA Terrestrial Invertebrate Working Group and another member of staff continued in their role as Lead Chair of the Primate Focus Group within the BIAZA Mammal Working Group.

We support in-situ conservation projects such as Madagascan lemurs (AEECL) and have continued to financially assist a project in Madagascar which funds 9 teachers to educate the local population about conservation. We contribute financially to The Yellow-breasted capuchin monkey conservation program (ZGAP) and also have an annual commitment to AB Conservation – a study programme for Binturongs. In early 2022 the Society made a significant financial contribution to the Sintang Orangutan Centre, an Orangutan rescue and rehabilitation project based in Borneo. Funds provided by the Society will be put towards the development of a forest school (rehabilitation facility), further increasing their ability to protect and aid wild populations of the critically endangered Bornean Orangutan.
In July 2022 we contributed to the International Snow Leopard Trust. This is the fourth year of a five year commitment to supporting research and conservation in wild Snow Leopards across their natural range. We have financially supported a number of animal conservation charities as we recognise that, post Covid, these are financially challenging times for these organisations as well, and it's important to support them.
In 2022 we donated to the following organisations; Wildcats Conservation Alliance, World Parrot Trust, Lowland Tapir Conservation, Giraffe Conservation, Kibale Chimp project and the Red Panda Network.

We took the decision in 2019 to commence with significant financial support to the Save the Tasmanian Devil program which is responding to the threat of extinction of the Tasmanian devil due to Devil Facial Tumour disease. We have continued this financial support in 2022.

Alongside these International projects we continue to champion work for native species. We provide practical and financial assistance for various projects.
In the summer construction work began on a new display wildlife garden within the zoo grounds. This display aims to create high quality habitat for native species while also informing visitors on actions they can take at home to benefit native species. We continued with on-site survey work of native species, with regular surveys undertaken for bats (in partnership with Brumbats), birds and moths.

The Zoo works closely with the West Midlands Birding Club to survey what bird species we have on site. In this year we undertook bird ringing thanks to the help of a keeper at DZC who holds a C licence for bird ringing, allowing us to conduct our own bird ringing on the zoo site. Unfortunately the bird ringing efforts have been disrupted during winter periods due to avian influenza outbreaks at the end of 2022.
In the past we have managed to catch and ring many species including migratory birds such as redwing and fieldfare and also recapture more local species to show that individuals were returning to the zoo site, proving it is an excellent habitat for these animals.

We also plan to set up a bee hive on site with a local apiarist to aid local pollinators. We have worked with other local wildlife groups during the course of the year.

PUBLIC BENEFIT (cont.)

In 2019 we sponsored a university student for the duration of their animal degree course. 2022 saw the final year of this three year commitment.

We also take great care of the listed buildings and the grounds of the Castle, which is a scheduled monument. The Tecton buildings are now recognized to be of World importance.

Our arrangement with the local college to provide in-house practical training in conjunction with their animal management courses was reintroduced in 2022. This proves to be very popular with students as it gives them valuable practical experience.

We have strong links to the community and participate in many local festivals and events. In conjunction with the Local Authority the Castle courtyard was used to host St Georges Day celebrations and welcomed local people to participate in various themed activities. In 2022 the Guild of the Blessed St Edmund attended the St Georges Day event, which help support their organisation.

We continue to welcome various organisations for activities associated with the Tecton buildings that we have on site and of the repair programme that was undertaken. In 2022 we welcomed a group from Historic England to a lecture and a study tour of the repair work.

We support an organisation called The Friends of Dudley Castle by providing facilities for their meetings and offering access to the site for this important historic group.

The Directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Charity and in planning future activities for the year.

SOCIAL INVESTMENT POLICIES

We participate in many events and activities in the community and contribute to society in general by being an employer and by having a positive impact on the local economy as many of our suppliers are from the local vicinity.

VOLUNTEERS

During 2022 we had no volunteers at Dudley Zoo and Castle. We have had volunteers in previous years and acknowledge that they add considerable value to the organisation but none were used in the last year.

FINANCIAL REVIEW

Income for 2022 of £5,829k (2021: £6,069k) is a decrease from 2021 but the previous year included £1,142k of exceptional income of one-off grants and an insurance claim. If you exclude this from the previous year's income figure then we have actually increased our income performance from 2021 and indicates that the Society has performed well in its first full year after Covid. The Society did not lose any days in 2022 due to Covid. Income from Charitable Activities in 2022 was £3,834k, which was an increase from 2021 (£3,604k).

The trading activities of the subsidiary have performed well in 2022 and have been boosted by the increase in visitor activity in the year. The Retail outlet achieved an income of £668k, which is an increase in sales of 26% from 2021 £632k). The Catering Income of £789k is an increase of 27% from 2021 (£620k). We were able to open the main restaurant on site all through the year, unlike in 2021 when it had to be closed due to Covid rules.
Dudley Zoo Services will gift aid £452,976 in respect of 2022 profits to the Society (2021: £269,324).

As 2022 returned to normal after Covid we were able to do more events in the year, which resulted in more income being achieved. In 2022 we achieved £85k of special events income compared to only £30k in 2021.

We have strived to control our fixed overheads where possible, and most importantly have kept salary costs within budget. The increase in energy costs have started to impact the organisation as some of the animal enclosures require large amounts of heating, which uses lots of energy, but the full impact will be felt in 2023 when rates increase further.

In previous years interest received has been steadily growing as our cash reserves have been built up in expectation of undertaking some major projects. Interest rates have been low and therefore interest earned in the year has not been significant. However in 2022 interest rates have started to rise on not only fixed rate bonds but also savings accounts. As a result interest earned in 2022 was £23,152, a significant increase on the previous year of £1,276.

We have engaged in some significant capital projects in the year but despite this we have maintained our cash position through the year standing at £3,753k at 31 December 2022 (2021: £3,693k).

This site is an unusual and expensive site to manage compared to a normal operating zoo, having listed buildings and a scheduled monument. The Society receives an annual Dudley Castle Maintenance Grant from DMBC of £150k (£150k during 2021) as a contribution to maintaining the upkeep of the scheduled monument and the surrounding grounds. In 2019 this maintenance grant was treated as a restricted fund within the accounts and had a balance of £146k brought forward from 2019. Given the huge financial pressure that the Covid 19 pandemic brought DMBC released the restriction so it can be used to support all of the site's core functions in the financial years of 2020 and 2021. From 2022 the grant has once again been treated as a restricted fund to support the castle maintenance cost base.

PLANS FOR THE FUTURE

We continue to invest in the charity with the funds created from surpluses and it is expected that moving forward after Covid we will create enough funds in the future to enable significant capital expenditure around the site. The long term aim is to continually regenerate the site, in particular the animal welfare part, and to invest in new revenue streams that will increase visitor numbers and income. This will in turn strengthen the long term financial position and enable us to redevelop areas of the zoo and maintain the listed buildings around site.

Combined with this plan of internal growth and investment is a desire to attain external funding where possible to provide additional capital to improve the site.

INVESTMENT POLICY

The Charity retained investments in cash based funds during the year. Interest has been earnt from fixed rate savings accounts, a 35 day notice account and our Special Interest account, which totalled £23,152 (2021: £1,276) in the year. In prior years this investment fund would be used for continuing development; however although £23,152 is an improvement on previous years it is insufficient for any major project. In 2017 a new investment policy was created in conjunction with a task based sub group to monitor and control fixed rate savings accounts for the benefit of maximising the Society's cash deposits. This is still regularly monitored under the remit of the Finance and Legal sub group.

INVESTMENT POWERS

Under the memorandum and articles of association the Society has the power to make any investments which the Directors think fit.

RISK MANAGEMENT

The Directors continuously review the major risks and have developed systems to monitor and control these risks to mitigate any impact they may have on the Society in the future.

In particular the Society carries out an annual risk assessment, in the form of a Corporate Risk Management document, to assess what risks the charity may face. These risks are prioritised into categories and we have contingency plans in place with action plans and procedures to mitigate those risks. We have also designed controls that can be implemented should any risks materialise.

Our risk management strategy is administered by the Directors in conjunction with the Society's management team and is reviewed at the Finance and Legal sub group meeting.

The key risks identified by the Directors are:-

- Protection of the Society's assets including its reserves, which is addressed through appropriate governance, relevant insurance and regular reviews.
- Stability of commercial income to cover operating costs, provide funding for our charitable aims and investment for our capital expenditure programme. This is addressed by looking to diversify income streams, and by continually monitoring income and expenditure, general reserves and cash flow forecasts.
- A major operational issue impacting public safety and causing reputational damage which is addressed through documented operational procedures which are regularly tested, health and safety training, and routine inspections.

During the Covid pandemic the Directors and management of the Society regularly assessed the impact of the Covid outbreak and the risks to the business this brought. The main risk to the Society was the impact on cash reserves. The Society carefully monitored its cash position throughout Covid and benefitted from various funding and saved money by utilising the governments furlough scheme. The Society benefitted from various funding sources in 2021 which strengthened the cash position of the Society, enabling it to operate effectively going forward into 2022.

RESERVES

The Directors have reviewed the reserves of the charitable company. This review encompassed the ownership of the shares, the nature of the income and expenditure streams, the need to match variable and seasonal income with fixed commitments, and the nature of reserves. The review concluded that the charitable company is in a good position to continue to operate as a self-sustaining business.

The consolidated reserves of the Society at 31 December 2022 were £6,485,038. This includes £1,043,253 of restricted funds not available for general purposes of the Society at the end of the reporting period. At 31 December 2022 Dudley Zoo and Castle is reporting unrestricted funds of £5,441,685 (2021: £5,058,458). After making allowance for designations of £1,500,000 and the carrying amount of fixed assets the Society has free reserves of £1,353,617 (2021: £1,281,634). The Directors aim to maintain minimum reserves of £750k which covers approximately three months of expenditure. We have been able to slightly grow our free reserves through our performance in 2022.

The Designated Fund of £1.5m is to be used in the next 2 to 3 years on the following projects; Funds for unexpected events £300k; tiger enclosure - £400k, Giraffe house and enclosure - £100k, African Wild Dog enclosure - £300k and the Chimpanzee Enclosure - £400k. We feel it will not be necessary to increase the level of Designated Funds and reserve cover for Capital projects in the next 12 months as the level of net current assets is sufficient to cover our future Capital Expenditure programme which has 4 major projects lined up for the next 3 to 5 years.

GOING CONCERN

The Society will always aim to achieve a surplus and this is then reinvested back into the Society to sustain growth and achieve the Society's objectives. Historically the Society has made surpluses and plans to in the future. It is the view of the Directors and management that the Covid pandemic has effected the organisation in 2020 and 2021 but conditions are returning to the point where the business can make surpluses going forward. In this respect the Directors see the organisation as a going concern.

The Society's performance in 2022 has given the Directors and management confidence that conditions are returning to normal after the Covid pandemic and that the Society can generate income from events that it undertook pre-Covid. In 2022 we have achieved good levels of income and consequently surplus, which has strengthened our financial position.

Management has regularly assessed the group's financial position through financial modelling forecasts. The financial plans assume levels of income growth in 2023 and the subsequent budgets and cash flow forecasts indicate that the position of retaining cash reserves to cover at least 3 months operational expenditure will be maintained throughout 2023.

On 21st December 2022 Dudley Metropolitan Borough Council wrote to the Board of Directors and stated that in its capacity as both owner and shareholder of the Society and its subsidiary, the Council recognised its legal obligation to make good trading losses whilst the Society continues to operate in its current form. It continued with confirmation of the intent of the Council to work with third parties to inject capital investment into the greater Castle Hill area and secure the long term future of the Society. The letter also makes a commitment to support the Society, subject to certain conditions until 31st March 2025.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Report of the Trustee's and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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

AUDITOR

Crowe U.K. LLP have indicated their willingness to continue in office and will be proposed for reappointment at the AGM.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

On behalf of the board

D H Sparks OBE
Director
2nd June 2023

Opinion
We have audited the financial statements of Dudley and West Midlands Zoological Society Limited (the 'charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statements of Cash Flows and notes to the financial statements, including accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the charitable company's affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the trustee's 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 or the group'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.

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within 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 the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' report.

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

- adequate and sufficient accounting records have not been kept by the charitable company; or
- the charitable company 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Report.

Responsibilities of trustees
As explained more fully in the Statement of Directors' responsibilities set out on page 15, 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 group's and 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.
A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.
We obtained an understanding of the legal and regulatory frameworks within which the charitable company

and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Zoo Licensing Act 1981, Health and safety legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance & Legal Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance. In respect of recognition of grant income, audit procedures consisted of sample testing to corresponding agreements to ensure appropriate recognition criteria and a review of grant applications in order to assess the completeness.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Dave Darlaston (Senior Statutory Auditor)
For and on behalf of Crowe U.K. LLP, Statutory Auditor
Chartered Accountants
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date 5 June 2023

Dudley and West Midlands Zoological Society Limited

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2022

	Notes	Unrestricted funds General £	Unrestricted funds Designated £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:						
Donations and Legacies	2	39,497	-	256,304	295,801	1,278,068
Charitable Activities	3	3,833,860	-	-	3,833,860	3,604,381
Other trading activities	4	1,675,828	-	-	1,675,828	1,185,261
Investments		23,151	-	-	23,151	1,276
TOTAL		**5,572,336**	-	**256,304**	**5,828,640**	**6,068,986**
EXPENDITURE ON:						
Raising Funds	5	1,371,412	-	-	1,371,412	1,033,351
Charitable Activities	5	3,817,697	-	237,722	4,055,419	3,354,866
TOTAL	5	**5,189,109**	-	**237,722**	**5,426,831**	**4,388,217**
NET INCOME/(EXPENDITURE)	6	383,227	-	18,582	401,809	1,680,769
Transfers between funds	15	-	-	-	-	-
Net movement in funds		383,227	-	18,582	401,809	1,680,769
Fund balances brought forward at 1 January 2022		3,558,458	1,500,000	1,024,671	6,083,129	4,402,360
Fund balances carried forward at 31 December 2022	15/17	**3,941,685**	**1,500,000**	**1,043,253**	**6,484,938**	**6,083,129**

The net group income and expenditure and the resulting net movement in funds arise from continuing operations.

There are no recognised gains or losses other than the net movement in funds for the year.

Dudley and West Midlands Zoological Society Limited

CONSOLIDATED BALANCE SHEET

31 December 2022 Company Registration No. 1350864

	Notes	31 December 2022 £	31 December 2021 £
FIXED ASSETS			
Tangible assets	9	3,631,421	3,301,595
CURRENT ASSETS			
Stocks	11	99,061	102,352
Debtors	12	215,948	154,218
Cash at bank and in hand		3,752,887	3,692,519
		4,067,896	3,949,089
CREDITORS: Amounts falling due within one year	13	(684,279)	(597,455)
NET CURRENT ASSETS		3,383,617	3,351,634
TOTAL ASSETS LESS CURRENT LIABILITIES		7,015,038	6,653,229
CREDITORS: Amounts falling due after more than one year	14	(530,000)	(570,000)
NET ASSETS		6,485,038	6,083,229
FUNDS			
Restricted funds	15	1,043,253	1,024,671
Unrestricted funds			
Called up share capital	16	100	100
General income funds	17	3,941,685	3,558,458
Designated funds	17	1,500,000	1,500,000
TOTAL FUNDS EMPLOYED		6,485,038	6,083,229

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 19 to 44 were approved by the board of directors and authorised for issue on 2nd June 2023 and are signed on its behalf by:

D H Sparks OBE
Director

Dudley and West Midlands Zoological Society Limited

COMPANY BALANCE SHEET

31 December 2022 Company Registration No. 1350864

	Notes	31 December 2022 £	31 December 2021 £
FIXED ASSETS			
Tangible assets	9	3,631,421	3,301,595
Investments	10	3,012	3,012
		3,634,433	3,304,607
CURRENT ASSETS			
Stocks	11	14,290	10,234
Debtors	12	210,228	116,693
Cash at bank and in hand		3,701,584	3,599,115
		3,926,102	3,726,042
CREDITORS: Amounts falling due within one year	13	(556,930)	(453,668)
NET CURRENT ASSETS		3,369,172	3,272,374
TOTAL ASSETS LESS CURRENT LIABILITIES		7,003,605	6,576,981
CREDITORS: Amounts falling due after more than one year	14	(530,000)	(570,000)
NET ASSETS		6,473,605	6,006,981
FUNDS			
Restricted funds	15	1,043,253	1,024,671
Unrestricted			
Called up share capital	16	100	100
General income funds	17	3,930,252	3,482,210
Designated funds	17	1,500,000	1,500,000
TOTAL FUNDS EMPLOYED		6,473,605	6,006,981

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The result of the parent charity was a net increase in funds of £466,624 (2021: net increase in funds of £1,721,626).

The financial statements on pages 19 to 44 were approved by the board of directors and authorised for issue on 2nd June 2023 and are signed on its behalf by:

D H Sparks OBE
Director

Dudley and West Midlands Zoological Society Limited
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2022

	2022 £	2021 £
Cash flows from operating activities:		
Net cash provided by operating activities	759,644	2,136,398
Cash flows from investing activities:		
Interest	23,151	1,276
Proceeds from sale of fixed assets	-	-
Purchase of property, plant and equipment	(682,427)	(313,600)
Net cash (used in) investing activities	(659,276)	(312,324)
Cash flows from financing activities:		
Repayments of borrowing	(40,000)	(40,000)
Net cash (used in) financing activities	(40,000)	(40,000)
Change in cash and cash equivalents in the reporting period	60,368	1,784,074
Cash and cash equivalents at the beginning of the reporting period	3,692,519	1,908,445
Cash and cash equivalents at the end of the reporting period	3,752,887	3,692,519
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period (as per the statement of financial activities)	401,809	1,680,769
Adjustments for:		
Depreciation charges	352,601	353,130
Interest received	(23,151)	(1,276)
Profit on the sale of fixed assets	-	-
Increase in stocks	3,291	(24,282)
(Increase)/decrease in debtors	(61,730)	13,227
(Decrease) in creditors	86,824	114,830
Net cash provided by operating activities	759,644	2,136,398
Analysis of cash and cash equivalents		
Cash in hand	3,752,887	3,692,519
Total cash and cash equivalents	3,752,887	3,692,519

Dudley and West Midlands Zoological Society Limited
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2022

Analysis of changes in net debt

	At 1 January 2022	Cash flows	At 31 December 2022
	£	£	£
Cash at bank and in hand	3,692,519	60,368	3,752,887
Debt due within one year	40,000	-	40,000
Debt due after one year	570,000	(40,000)	530,000
	4,302,519	20,368	4,322,887

Dudley and West Midlands Zoological Society Limited
ACCOUNTING POLICIES

GENERAL INFORMATION

Dudley and West Midlands Zoological Society Limited ("the Society") is a charitable company limited by shares and is incorporated in England and Wales (Company registration number 1350864 and charity number 507221). The address of the Society's registered office and principal place of business is Castle Hill, Dudley, DY1 4QF.

The Society's principal activity is the operation of a conservation based organisation for the benefit and education of its visitors to promote the primary themes of zoology, history and architecture.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

BASIS OF ACCOUNTING

a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Dudley and West Midlands Zoological Society Limited meets the definition of a public benefit entity under the Charities Act, assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

BASIS OF CONSOLIDATION

These financial statements consolidate the financial statements of Dudley and West Midlands Zoological Society Limited ("the Society") and its subsidiaries, Dudley Zoo Services Limited and Dudley Zoo Development Trust ("the subsidiaries") all of which are made up to 31 December 2022.

The financial statements consolidate the results of the Charity and its wholly owned subsidiaries on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006. The unconsolidated profit of the charity was £466,624 (2021: £1,721,626).

All intra-group transactions, balances and unrealised gains on transactions between Group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

ANIMALS

The animals are acquired by the Society from other zoological organisations at zero cost or bred at our zoo and a realistic valuation cannot be placed thereon. Many of the animals acquired are held in trust with other zoological societies at zero cost.

STOCKS

Stocks on hand of consumables and items for resale are stated at the lower of cost and estimated net realisable value. Net realisable value is based upon estimated selling prices less costs of disposal. Provision is made for obsolete and slow moving items.

DONATED FACILITIES

The Society leases the site from Dudley Metropolitan Borough Council. The lease was renewed in March 1984 for a term of 96 years, at market rent which is currently £200 per annum (including the additional lease agreement for the car park). The Trustees do not believe it is practical to reasonably quantify and measure the benefit conferred to the Society under the arrangement due to the Zoo's unique location and as such have not included the value of the donated facilities within the Consolidated Statement of Financial Activities.

TANGIBLE ASSETS AND DEPRECIATION

Other than for interests in land as stated above, tangible fixed assets are capitalised at cost and depreciated from the date that they are brought into use. From time to time a major capital project may not be completed and thus is not in use at the end of the accounting period. In such a case the policy is to capitalise the expenditure to date and show it separately as a capital project under construction within tangible fixed assets but no depreciation is provided until the project is completed and available for use.

Depreciation is calculated to write down the net original cost of the tangible fixed assets by equal annual instalments over its anticipated useful life to its then estimated residual value.

Individual assets under £1,000 are not capitalised.

The depreciation rates used are:

	%
Office Buildings	5% straight line
Animal enclosures	6.66% straight line
Service areas	10 - 20% straight line
Fixtures, fittings and office equipment	10% straight line
Motor vehicles - commercial	20% straight line
- cars	20% straight line
Computers	20% straight line

INVESTMENT IN SUBSIDIARIES

The investments in the subsidiaries are stated at cost less impairment.

HERITAGE ASSETS

The Castle and other heritage assets are located on the Zoo site. The Trustees do not consider that reliable cost or valuation information can be obtained for these assets, because of the unique features of the assets held and the lack of comparable market values. The Society does not therefore recognise these assets on its balance sheet.

FINANCIAL INSTRUMENTS

The Society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Trade debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges. Commitments to receive a loan are measured at cost less impairment.

TAXATION

The Society is a Registered Charity and undertakes activities which, under present legislation, are not subject to Corporation Tax. The Society's subsidiary, Dudley Zoo Services Limited, is not a Registered Charity and undertakes trading activities within the meaning of the Taxes Acts and is liable to Corporation Tax. Typically, however, the subsidiary gift aids all its taxable profits to the Society and as a consequence no provision is usually required for the payment of Corporation Tax either current or deferred.

FUND ACCOUNTING AND RESERVES

Restricted funds are only expendable by the Directors in accordance with the donors' directions. Unrestricted funds are expendable at the discretion of the Directors in furtherance of the objects of the Society. Certain of these funds, at the discretion of the Directors, may be transferred to funds to be used for particular purposes and become designated funds.

CONTRIBUTIONS TO PENSION FUNDS

The Society operates money purchase pension schemes which all employees may join after having served for a qualifying period. Both the Society and the employee make defined contributions to purchase the employees individual pension. All such contributions are held in separate trust funds which are independent of the Society's finances. The pension costs charged against the Society's results represent the amount of the Society's contributions payable to the schemes in respect of the accounting period.

Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. Pension contributions are included in unrestricted expenditure.

BASES AND DEFINITION OF INCOME AND EXPENDITURE

Income:

Income is the total amounts, excluding VAT but including Gift Aid if applicable, received or receivable by the Society which are recognised in the financial statements as follows:-

Income from charitable activities:

Zoo operating income – recognised on a received basis from admission and entry charges including gate receipts, concessionary group and special offer admissions, season tickets and car park fees.

Donations and legacies:

Donation and gifts – recognised on an accruals basis to the extent that the Society has been notified it will receive a donation or gift of a determined amount or the donation or gift has been received. Donations and gifts, whether general, designated or restricted, arise from a number of sources which include members, Dudley Zoo Development Trust, special appeals and the general public.

Government and other grants – grants for upkeep of the site and reimbursement of costs previously incurred are recognised immediately.

Gifts in kind, if material, are included at an estimate of market value.

Other trading activities:

Rental income received – recognised on an accruals basis from the letting of land and property not immediately required for use by the Society.

Retail and catering – income represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

Investments:

Bank interest – recognised as the amount receivable during the year.

Expenditure:

Costs of charitable activities – this includes all costs for the support of zoo animals in accordance with best recognised husbandry practices, keeping them in the appropriate habitats and maintaining the infrastructure of the zoo. Also included are costs incurred that ensure that all the Charity's objects are achieved such as those relating to the preservation and conservation of wildlife, and of education, science, and recreation together with the costs of the good stewardship and management of the Society's assets, organisation, administration and compliance with statutory requirements and those of good practice.

Basis of allocation of support costs – support costs are allocated between activities on a resource used basis so far as possible. The most significant costs arise from payroll costs and some of these costs may arise from individuals who carry out multi-functions. Where such costs are incurred and shared over a number of expense categories estimates have been made based primarily on time occupied by the individual concerned. Similarly with shared non-payroll costs the basis of allocation is based primarily on an assessment of the benefit derived from the cost by each expense head.

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Volunteer costs

The value of services provided by volunteers has not been included in these financial statements.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Society's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not consider that there are any estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

GOING CONCERN

The Society aims to achieve a surplus and this is then reinvested back into the Society to sustain growth and achieve the Society's objectives. Historically the Society has made surpluses and plans to in the future.

On 21st December 2022 Dudley Metropolitan Borough Council wrote to the Board of Directors and stated that in its capacity as both owner and shareholder of the Society and its subsidiary, the Council recognised its legal obligation to make good trading losses whilst the Society continues to operate in its current form. It continued with confirmation of the intent of the Council to work with third parties to inject capital investment into the greater Castle Hill area and secure the long term future of the Society. The letter also makes a commitment to support the Society, subject to certain conditions until 31st March 2025.

In the aftermath of COVID-19 outbreak the Directors considered the significance of the economic impacts this had on the charity and the Directors have reviewed in detail the Charity's position and the appropriate basis on which to prepare the financial statements. The Directors have considered projections to the end of 2023, together with a longer term assessment, to stress test the financial resilience of the Charity which take into account the potential changes in income over this period. The Directors recognise that 2022 has achieved a significant surplus as a result of good income performance, which has strengthened the Society's financial position. As a result the Directors have considered that it remains appropriate to prepare the financial statements on a going concern basis. The ongoing stress testing of the Charity's financial position has satisfied the Directors that it has adequate reserves and strategies to deal with any future economic impacts or any other unexpected factors.

1 COMPARATIVE INFORMATION – CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted General Funds 2021 £	Designated Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Income from				
Donations and legacies	590,245	-	687,823	1,278,068
Charitable activities	3,604,381	-	-	3,604,381
Other trading activities	1,185,261	-	-	1,185,261
Investments	1,276	-	-	1,276
TOTAL	**5,381,163**	-	**687,823**	**6,068,986**
EXPENDITURE ON:				
Raising Funds	1,033,351	-	-	1,033,351
Charitable activities	2,523,607	-	831,259	3,354,866
TOTAL	**3,556,958**	-	**831,259**	**4,388,217**
NET INCOME/(EXPENDITURE)	1,824,205	-	(143,436)	1,680,769
Transfer between funds	(500,000)	500,000	-	-
Net movement in funds	1,324,205	500,000	(143,436)	1,680,769
Funds brought forward 1 January 2021	2,234,253	1,000,000	1,168,107	4,402,360
Funds carried forward 31 December 2021	**3,558,458**	**1,500,000**	**1,024,671**	**6,083,129**

2 DONATIONS AND LEGACIES

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Unrestricted		
DMBC – Maintenance Grant	-	150,000
DMBC – Covid19 Grant	6,000	386,750
Donations	33,497	53,495
	39,497	590,245
Restricted		
DMBC – Maintenance Grant	150,000	-
Defra Zoo Fund	-	505,366
LEP Grant	56,917	-
Govt. Grant - JRS	-	119,070
Apprenticeship Fund	4,500	5,000
Donations and gifts	44,887	58,387
	256,304	687,823
	295,801	1,278,068

3 INCOME FROM CHARITABLE ACTIVITIES

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Admissions, season tickets and associated gift aid	3,160,539	2,938,577
Car park and other income	673,321	665,803
	3,833,860	3,604,380

4 OTHER TRADING ACTIVITIES

The Society has a wholly owned trading subsidiary, Dudley Zoo Services Limited (Company number 1350863), which is incorporated in the UK. The principal activity of this company is that of providing and operating gift shops and related activities, and contracted catering service facilities for the zoo site.

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Turnover (Including intercompany rental income of £149,004 (2021: £117,717)	1,824,832	1,302,978
Cost of sales	(1,192,010)	(905,740)
Gross profit	632,822	397,238
Administrative expenses and taxation	(179,402)	(127,611)
Net profit for the year	453,420	269,627

The subsidiary's net funds at 31 December 2022 amounted to £1,276 (2021: £1,156).

The net profit of £453,420 (2021: £269,627) is after recharging management and support costs of £158,497 (2021: £110,582) and labour recharges of £171,153 (2021: £140,980) from the Charity to Dudley Zoo Services Limited.

An amount of £269,324 was paid from Dudley Zoo Services Ltd in 2022 under gift aid (2021: £41,544) and £452,976 will be paid to the Charity from Dudley Zoo Services Limited under Gift Aid for the current year.

5 ANALYSIS OF TOTAL EXPENDITURE	Raising funds £	Charitable activities £	Total costs £
DIRECT COSTS			
Direct wages and salaries	113,228	1,741,948	1,855,176
Other direct costs	1,020,858	59,952	1,080,810
Animal care	-	393,458	393,458
Marketing and publicity	-	121,156	121,156
Utilities	43,489	249,202	292,691
General site maintenance and security	65,575	315,148	380,723
	1,243,150	2,880,864	4,124,014
SUPPORT COSTS			
Indirect wages and salaries	57,925	355,409	413,334
Depreciation	-	352,601	352,601
Site Development Costs	-	129,479	129,479
Irrecoverable VAT	7,611	74,009	81,620
Insurance, legal and professional	35,024	86,242	121,266
Post, print, stationery, IT and communications	8,487	77,703	86,190
Other staff costs, finance and administrative expenses	19,215	99,112	118,327
	128,262	1,174,555	1,302,817
Totals at 31 December 2022	1,371,412	4,055,419	5,426,831
Totals at 31 December 2021	1,033,351	3,354,866	4,388,217

6 NET INCOME/EXPENDITURE

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Net income/expenditure is stated after charging:		
Operating lease rentals	3,157	3,157
Auditor's remuneration		
- for audit services	19,999	18,701
- for non-audit services	1,400	5,250
Depreciation of tangible fixed assets	352,601	353,131

7 DIRECTORS AND EMPLOYEES

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Group staff costs including directors' emoluments:		
Wages and salaries	2,069,473	1,749,228
Social security costs	156,592	125,204
Pension costs	42,445	37,175
	2,268,510	1,911,607

Average weekly number of employees including directors:	Year ended 31 December 2022 No.	Year ended 31 December 2021 No.
Keepers and ground staff	46	41
Maintenance and gardening	15	15
Admissions and retail	7	7
Management, administration and marketing	14	14
Education	3	2
Seasonal staff	36	29
	121	108

7 DIRECTORS AND EMPLOYEES (continued)

FTE including directors:	Year ended 31 December 2022 No.	Year ended 31 December 2021 No.
Keepers and ground staff	41	39
Maintenance and gardening	15	14
Admissions and retail	6	6
Management, administration and marketing	12	12
Education	3	2
Seasonal staff	12	8
	89	81

Seasonal staff are employed to support the permanent admissions/retail staff and are also engaged in other trading and charitable activities.

The following employees received emoluments, excluding employer's pension and National Insurance contributions, in excess of £80,000 in the year ended 31 December 2022 (2021: 1 in excess of £70,000).

	2022 Number	2021 Number
£70,000 to £80,000		1
£80,000 to £90,000	1	

The Charity made contributions of £2,212 to a group personal pension plan in respect of the higher paid employee (2021: £2,108).

The key management personnel comprise the Zoo Director, Zoo Manager and the Finance Manager (2022: the Zoo Director, Zoo Manager and Finance Manager). The total employee benefits of the key management personnel, including employer's pension and National Insurance contributions, were £222,923 (2021: £211,647).

Volunteers:
There were no volunteers in the year and therefore no estimated value of volunteer time during the year (2021: none).

8 DIRECTORS

No Trustee received remuneration during either year. 2 Trustees were reimbursed expenses for personal travel and subsistence of £478 in the year to 31 December 2022 (2021: 2 Trustees reimbursed expenses of £283).

9 TANGIBLE ASSETS

GROUP	*Buildings and animal enclosures* £	*Service areas* £	*Fixtures & fittings* £	*Vehicles* £	*Assets under construction* £	*Total* £
COST						
At 1 January 2022	5,230,128	414,308	816,735	89,287	310,769	6,861,227
Additions		9,383	33,847	10,500	628,697	682,427
Transfers	661,704	-	-	-	(661,704)	-
Disposals	-	-	-	(3,300)	-	(3,300)
At 31 December 2022	5,891,832	423,691	850,582	96,487	277,762	7,540,354
DEPRECIATION						
At 1 January 2022	2,417,286	341,978	731,271	69,097	-	3,559,632
Charged in the period	280,235	26,002	34,123	12,241	-	352,601
Disposals	-	-	-	(3,300)	-	(3,300)
At 31 December 2022	2,697,521	367,980	765,394	78,038	-	3,908,933
NET BOOK VALUE						
At 31 December 2022	3,194,311	55,711	85,188	18,449	277,762	3,631,421
At 31 December 2021	2,812,842	72,330	85,464	20,190	310,769	3,301,595

9 TANGIBLE ASSETS (continued)

SOCIETY	*Buildings and animal enclosures* £	*Service areas* £	*Fixtures & fittings* £	*Vehicles* £	*Assets under construction* £	*Total* £
COST						
At 1 January 2022	5,230,128	414,308	593,653	89,287	310,769	6,638,145
Additions	-	9,383	33,847	10,500	628,697	682,427
Transfers	661,704	-	-	-	(661,704)	-
Disposals	-	-	-	(3,300)	-	(3,300)
At 31 December 2022	5,891,832	423,691	627,500	96,487	277,762	7,317,272
DEPRECIATION						
At 1 January 2022	2,417,286	341,978	508,189	69,097	-	3,336,550
Charged in the period	280,235	26,002	34,123	12,241	-	352,601
Disposals	-	-	-	(3,300)	-	(3,300)
At 31 December 2022	2,697,521	367,980	542,312	78,038	-	3,685,851
NET BOOK VALUE						
At 31 December 2022	3,194,311	55,711	85,188	18,449	277,762	3,631,421
At 31 December 2021	2,812,842	72,330	85,464	20,190	310,769	3,301,595

10 INVESTMENTS

SOCIETY	2022 £	2021 £
Cost of investments – 1 January and 31 December	3,012	3,012

The Directors consider the market value of the investments not to be materially different to its cost.

The Society owns the whole of the issued share capital of Dudley Zoo Services Limited. Dudley Zoo Services Limited is incorporated in, and operates in, the United Kingdom. Its principal activity is the provision of retail, catering and leisure services.

Dudley Zoo Services Limited's profit for the year ended 31 December 2021 was £453,420 (2021: £269,627) and its capital and reserves at 31 December 2022 were £1,276 (2021: £1,156).

Dudley Zoo Development Trust is a subsidiary of the company with the company exercising control over the Trust. Dudley Zoo Development Trust is a registered charity. The objective of the charity is to assist with the development of Dudley Zoo and to assist with the feeding of the animals. Dudley Zoo Development Trust's net income for the year ended 31 December 2022 was (£64,935) (2021: net income of £60) and its reserves at 31 December 2022 were £13,169 (2021: £78,104). Dudley Zoo Development Trust was exempt from having an audit in the years ended 31 December 2022 and 2021 by virtue of its size.

11 STOCKS

	Group		*Society*	
	2022	2021	2022	2021
	£	£	£	£
Food stuffs, materials and consumables	14,290	10,234	14,290	10,234
Goods for sale	84,771	92,118	-	-
	99,061	102,352	14,290	10,234

12 DEBTORS

	Group		*Society*	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	34,369	30,833	3,415	1,584
Other debtors	3,441	669	33,104	8,987
Amounts due from group undertakings	-	-	-	-
Prepayments and accrued income	178,138	122,716	173,709	106,122
	215,948	154,218	210,228	116,693

13 CREDITORS: Amounts falling due within one year

	Group		*Society*	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	407,840	262,755	296,081	204,363
DMBC Loan	40,000	40,000	40,000	40,000
Other taxation and social security	51,606	38,801	35,197	31,177
Other creditors	12,748	11,934	12,508	11,694
Accruals	172,085	243,965	116,347	101,665
Corporation Tax Payable	-	-	-	-
Amount due to group undertakings	-	-	56,797	64,769
	684,279	597,455	556,930	453,668

14 CREDITORS: Amounts falling due in more than one year

	Group		*Society*	
	2022	2021	2022	2021
	£	£	£	£
Dudley Metropolitan Borough Council				
Long term loan	250,000	250,000	250,000	250,000
DMBC Loan	280,000	320,000	280,000	320,000
Total	530,000	570,000	530,000	570,000

The Long-term loan of £250,000 from Dudley Metropolitan Borough Council is interest free and will not be repaid within the next 12 months, though it has no fixed repayment date.

The DMBC Loan is an interest free loan of £400,000 repayable over 10 years with equal repayments of £40,000 per annum.

15 RESTRICTED FUNDS

	Balance 1 January 2022	Incoming resources	Resources expended	Transfers	Balance 31 December 2022
	£	£	£	£	£
GROUP AND SOCIETY					
Donations for animal feed from the Dudley Zoo Development Trust	-	44,887	(44,887)	-	-
Heritage lottery fund:					
Chairlift Project	35,928	-	(6,072)	-	29,856
Tecton Entrance & Shop	160,079	-	(12,394)	-	147,685
Tecton Introductory Exhibit.	7,358	-	(589)	-	6,769
Bear Ravine	187,872	-	(13,916)	-	173,956
European Regional Development Fund:					
Harry Hatch's Cottage	75,108	-	(5,969)	-	69,139
Castle Visitor Centre	205,744	-	(13,275)	-	192,469
Sculptures	13,250	-	(1,500)	-	11,750
Fencing at Entrance	13,084	-	(1,467)	-	11,617
Glass Panels at Entrance	5,657	-	(635)	-	5,022
Getty Foundation Project	48,927	-	(48,927)	-	-
LEP Grant	271,664	-	(20,000)	-	251,664
Apprenticeship Fund		4,500	(4,500)	-	-
LEP Visitor & Education Centre	-	56,917	(56,917)	-	-
Castle Maintenance Grant	-	150,000	(6,674)	-	143,326
	1,024,671	256,304	(237,722)	-	1,043,253

RESTRICTED FUNDS - 2021

	Balance 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance 31 December 2021 £
GROUP AND SOCIETY					
Donation for orangutan enclosure	994	-	(994)	-	-
Donations for animal feed from the Dudley Zoo Development Trust		58,387	(58,387)	-	-
Heritage lottery fund:					
Chairlift Project	42,000	-	(6,072)	-	35,928
Tectons Project	-	-	-	-	-
Tecton Entrance & Shop	172,473	-	(12,394)	-	160,079
Tecton Introductory Exhibit.	7,947	-	(589)	-	7,358
Bear Ravine	201,788	-	(13,916)	-	187,872
European Regional Development Fund:					
Harry Hatch's Cottage	81,077	-	(5,969)	-	75,108
Castle Visitor Centre	219,019	-	(13,275)	-	205,744
Sculptures	14,750	-	(1,500)	-	13,250
Fencing at Entrance	14,551	-	(1,467)	-	13,084
Glass Panels at Entrance	6,292	-	(635)	-	5,657
Getty Foundation Project	115,552	-	(66,625)	-	48,927
LEP Grant	291,664	-	(20,000)	-	271,664
Defra Zoo Fund	-	505,366	(505,366)	-	-
Apprenticeship Fund	-	5,000	(5,000)	-	-
Govt. Grant - JRS	-	119,070	(119,070)	-	-
	1,168,107	687,823	(831,259)	-	1,024,671

ORANGUTAN ENCLOSURE (2021)
Capital cost of the improved indoor area of the Orang-utan enclosure. Resources expended are the depreciation charges for the year.

DONATIONS FOR ANIMAL FEED FROM THE DUDLEY ZOO DEVELOPMENT TRUST
Income used exclusively for the animal food.

CHAIRLIFT PROJECT
Capital cost of restoring the historic Chairlift. Resources expended are the depreciation charges for the year.

TECTON ENTRANCE & SHOP
The Entrance and Shop Tecton buildings were restored and the resources expended in the year are the depreciation charges.

TECTON INTRODUCTORY EXHIBITION
The Tecton project included an Introductory Exhibition explaining the architectural significance of the Tecton buildings and the project to refurbish them. The resources expended in the year are the depreciation charges.

BEAR RAVINE
The Tecton project involved an extensive restoration of the Bear Ravine Tecton building (the structure used to house bears), and the resources expended in the year are the depreciation charges.

HARRY HATCH'S COTTAGE
This ERDF project involved the significant restoration of a building on site - Harry Hatch's Cottage. This was capital expenditure and the resources expended in the year were depreciation charges.

CASTLE VISITOR CENTRE
The construction of the Castle Visitor Centre was completed in 2015 and branded Castle Creatures. This was capital expenditure and the resources expended in the year were depreciation charges.

SCULPTURES
As part of the ERDF project various steel sculptures at the Zoo entrance were constructed. This was capital expenditure and the resources expended in the year were depreciation charges.

FENCING
The ERDF project included the construction of steel fencing at the Zoo entrance. This was capital expenditure and the resources expended in the year were depreciation charges.

GLASS PANELS
The ERDF project included capital expenditure on glass panelling at the Zoo entrance. This was capital expenditure and the resources expended in the year were depreciation charges.

CASTLE MAINTENANCE GRANT
The Society receives an annual grant from Dudley MBC in respect of the Castle and the maintenance thereof. This is either spent in the year it is received and/or carried forward to future periods where it can be utilised for future major restoration work projects. In 2020 (in response to the Covid pandemic) Dudley MBC gave permission for the restricted fund to be released to be used against general operations on site, not just the castle. This grant was unrestricted for the years ending 2019, 2020 and 2021 and has returned to being a restricted fund in 2022.

GETTY FOUNDATION PROJECT
In 2020 the Society successfully applied for a grant of £120,000 which will carry out investigation work into 4 Tecton structures on site. The grant income was reported in the financial statements for 2020 and continuing costs were incurred in 2021.

LEP GRANT
A grant of £300,000 was awarded to the Society in 2020 for the purpose of assisting the Society in paying for the car park works totalling £600,000.

GOVT. GRANT JRS (2021)
During the year the Society benefitted from the furlough scheme run by the government in response to the Covid crisis. A total of £119,070 was claimed through the Job Retention Scheme in 2021.

DEFRA ZOO FUND (2021)
In 2020 the society applied for the Zoo support fund set up by Defra and this application was successful in early 2021. The funding was used to support vital animal welfare costs in 2021 and totalled £505,366 in the year.

APPRENTICESHIP FUND
The Society has set up an account and received funding from the Education Skills Agency as a result of employing apprentices in the year.

LEP GRANT VISITOR & EDUCATION CENTRE
In 2022 a grant of £60,000 was awarded to the Society to help with the development of a plan for a new Visitor and Education centre.

16 CALLED UP SHARE CAPITAL

GROUP AND SOCIETY	Authorised	Allotted and fully paid
At 31 December 2021 and 31 December 2022		
100 ordinary shares of £1 each	100	100

No shares in the capital of the Society have been authorised or issued since the end of the accounting period. The Society's ordinary shares, which carry no right to fixed income, each carries the right to one vote at general meetings of the Society.

17 UNRESTRICTED FUNDS

GROUP	Balance 1 January 2022 £	Surplus in year £	Transfers £	Balance 31 December 2022 £
General income funds	3,558,458	383,227	-	3,941,685
Designated reserve	1,500,000	-	-	1,500,000
	5,058,458	383,227	-	5,441,685

SOCIETY	Balance 1 January 2022 £	Surplus in year £	Transfers £	Balance 31 December 2022 £
General income funds	3,482,210	448,042	-	3,930,252
Designated reserve	1,500,000	-	-	1,500,000
	4,982,210	448,042	-	5,430,252

	£	£
The designated reserve is to cover:		
- Emergency funds for unexpected events	300,000	300,000
- Capital projects	1,200,000	1,200,000
	1,500,000	1,500,000

The reserves for Capital Projects within Designated Funds of £1.2m will be utilised in the next 2 to 3 years on the following projects; Tiger Enclosure - £400k (2021: £400k), Giraffe House and enclosure - £100k (2021: £200k), African Wild Dog enclosure - £300k (2021: £100k), and the Chimpanzee enclosure - £400k (2021: £300k). In 2022 the Orangutan enclosure was completed and this has been replaced in the designated funds project programme by increasing the funds for the African Wild Dog enclosure and the Chimpanzee enclosure.

UNRESTRICTED FUNDS - 2021 GROUP	Balance 1 January 2021 £	Surplus in year £	Transfers £	Balance 31 December 2021 £
General income funds	2,234,253	1,824,205	(500,000)	3,558,458
Designated reserve	1,000,000	-	500,000	1,500,000
	3,234,253	1,824,205	-	5,058,458

SOCIETY	Balance 1 January 2021 £	Surplus in year £	Transfers £	Balance 31 December 2021 £
General income funds	2,117,148	1,865,062	-	3,982,210
Designated reserve	1,000,000	-	-	1,000,000
	3,117,148	1,865,062	-	4,982,210

	£	£
The designated reserve is to cover:		
- Emergency funds for unexpected events	300,000	300,000
- Capital projects	700,000	1,200,000
	1,000,000	1,500,000

18 NET ASSETS BY FUNDS - 2022

	Unrestricted £	Restricted £	Total £
GROUP			
Funds are represented by:			
Fixed assets	2,588,168	1,043,253	3,631,421
Current assets	4,067,896	-	4,067,896
Current liabilities	(684,279)	-	(684,279)
Long term liabilities	(530,000)	-	(530,000)
	5,441,785	1,043,253	6,485,038
SOCIETY			
Funds are represented by:			
Fixed assets	2,591,180	1,043,253	3,634,433
Current assets	3,926,102	-	3,926,102
Current liabilities	(556,930)	-	(556,930)
Long term liabilities	(530,000)	-	(530,000)
	5,430,352	1,043,253	6,473,605

NET ASSETS BY FUNDS - 2021

	Unrestricted £	Restricted £	Total £
GROUP			
Funds are represented by:			
Fixed assets	2,276,924	1,024,671	3,301,595
Current assets	3,949,089	-	3,949,089
Current liabilities	(597,455)	-	(597,455)
Long term liabilities	(570,000)	-	(570,000)
	5,058,558	1,024,671	6,083,229
SOCIETY			
Funds are represented by:			
Fixed assets	2,279,936	1,024,671	3,304,607
Current assets	3,726,042	-	3,726,042
Current liabilities	(453,668)	-	(453,668)
Long term liabilities	(570,000)	-	(570,000)
	4,982,310	1,024,671	6,006,981

19 OPERATING LEASE COMMITMENTS

Financial commitments under non-cancellable operating leases will result in the following total payments to the end of the lease term.

	2022 Land and Buildings £	2021 Land and Buildings £
Payable:		
In less than one year	200	200
In two to five years	800	800
In more than five years	10,533	10,960
	11,533	11,960

20 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of the Society is Dudley Metropolitan Borough Council. They wholly own the shares in the Society and nominate 2 members to the Zoo's Board of Directors. Their accounts can be obtained from the Local Council Offices.

21 RELATED PARTY TRANSACTIONS

At 31 December 2022 the Group owed a total of £252,198 (2021: £255,599) to Dudley Metropolitan Borough Council. These liabilities are included within trade creditors of nil (2021: £3,801), other creditors £2,198 (2021: £2,198), accruals £nil (2021: £nil), 10 year £400k loan £320,000 (2021: £360,000) and long term loans £250,000 (2021: £250,000).

During the year, the group made payments of £46,103 (2021: £96,143) and were invoiced £42,303 (2020: £17,673) for services provided by Dudley Metropolitan Borough Council. The Society also made a £40,000 annual repayment as part of its 10 year loan arrangement of £400,000. The Society is owned by Dudley Metropolitan Borough Council and has the normal relationship and transactions that any other charitable or trading company would enjoy with the Local Authority within whose jurisdiction it resides, in this case Dudley Metropolitan Borough Council.

22 CAPITAL COMMITMENTS

Future capital expenditure contracted for, but not provided in the financial statements as at 31 December 2022 was £128,500 (2021: £10,875).

23 CONTINGENT LIABILITIES

The Society is party to a group VAT registration. At 31 December 2022 the amount outstanding in respect of other group companies was £16,408 (2021:£7,624; being the amount due for Qtr 4 2021).

DUDLEY AND WEST MIDLANDS ZOOLOGICAL SOCIETY LIMITED

England & Wales - Charity number 507221

Accounts

Dudley and West Midlands Zoological Society Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended
31 December 2021

Company Registration No.1350864
Charity No. 507221

Dudley and West Midlands Zoological Society Limited
OFFICERS

MEMBERS OF THE BOARD

Appointed members	P J Silver D H Sparks OBE P J Tart J Webb A J Taylor S K Vincent
Nominated members	M J Evans D I A Vickers (deceased 7th Feb 2022) L Taylor-Childs (appointed 16th Feb 2022)
Co-opted members	K Fuller S Woollard P I Loveday
Zoo Director	D A Grove
Zoo Manager	M R Lewis
Finance Manager	J D Ashfield

Dudley and West Midlands Zoological Society Limited
ADVISORS AND COMPANY INFORMATION

CHARITY REGISTRATION NUMBER

507221

COMPANY REGISTRATION NUMBER

1350864

AUDITOR

Crowe U.K LLP
Black Country House
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Oldbury
West Midlands
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BANKERS

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2nd Floor
39 Queen Square
Wolverhampton
WV1 1TL

PRINCIPAL AND REGISTERED OFFICE

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Dudley
DY1 4QF

Dudley and West Midlands Zoological Society Limited
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The Trustees, who act as directors of the Charity for the purposes of the Companies Act, present their annual report together with the audited financial statements for the year ended 31 December 2021. The Directors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (Charities SORP (FRS 102)) in preparing the Annual Report and financial statements of the Charity.

REFERENCE & ADMINISTRATIVE DETAILS

Dudley and West Midlands Zoological Society is a charitable company with shares wholly owned by Dudley Metropolitan Borough Council, structured as a charitable organisation, with a trading arm known as Dudley Zoological Services Limited and The Dudley Zoo Development Trust which raises money for animal welfare expenditure. The charity has been in existence since 1978 with the responsibility to run the zoological and historical site in Dudley, West Midlands, as set out in the Articles.

STRUCTURE, GOVERNANCE & MANAGEMENT

The Society is governed by a board of Directors (a maximum of 13), including a Chairman. The management arrangement consists of a Zoo Director and a group of senior managers who administer the day to day running of the business. The Zoo Director, Finance Manager and Zoo Manager attend the main board meetings with other managers attending as and when necessary.

The Zoo Director meets regularly with the Chairman of the board to discuss any issues and reports are produced on a monthly basis for the Directors to keep them informed of day to day operational matters, and the board of Directors meet quarterly to discuss and review the activities of the organisation against the overall strategic plan. We operate an open access policy for Directors with the management team.

As part of the infra structure sub groups are also in place, attended by specified Directors and managers to consider specific areas of the business. These include regular topic based sub group meetings for Finance & Legal, Health and Safety, and Ethics, along with task and finish sub groups set up by the board with an agreed objective and deadlines to review a particular subject or to achieve a set task. All sub groups then report to the full board at the quarterly meetings. Minutes of the board meetings are available on request. During 2021 Trustees have been given the option of attending meetings via virtual platforms such as Teams as a response to the Covid situation.

Directors are recruited through various means. By appointment through the local authority, using the Nolan process with advertisements and interviews, or by co-opting (if they have particular skills lacking within the board). The latter would all be small in numbers as the majority of Directors have a commercial background and no conflict of interest.

All Directors are inducted initially by a one to one meeting with the Zoo Director and Chairman and then by meeting with the relevant managers to enable them to fully understand the operational activities of the Society and the future objectives.

All Directors are constantly updated by the Zoo Director and external advisors concerning legal matters ensuring their knowledge of zoo licensing is adequate and they are fully aware of the implications of this unusual legislation.

Directors continue to benchmark the performance of the Society by visiting other similar organisations, which also serves as part of their professional development as a trustee. Unlike in previous years in 2021 the Trustees did not make visits to any other similar sites due to the Covid 19 outbreak and associated social distancing measures making this difficult.

The Trustees consider the Board of Directors of the Society and the Senior Management Team as being the key management personnel of the Society, responsible for directing and managing the day to day operations of the Society's activities. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses are disclosed in the notes to these financial statements. The remuneration of the senior management team is set by the Board of Directors using the facility of the Finance and Legal subgroup to assess their experience and qualifications and comparing it with similar roles within the sector.

The zoo licensing authority Dudley Metropolitan Borough Council (DMBC) carry out regular inspections of our operations, consisting of interim inspections every 3 years and a major inspection every 6, as well as annual health and safety inspections. We have regular liaison with DEFRA concerning various animal related legislation, which include waste disposal and movement of animals.

A full Zoo inspection took place on the 6th February 2019 and the Zoo Licensing inspection report noted that the overall impression of the zoo was very favourable, with areas for improvement set out in seven Directions, eight Conditions and six recommendations. All items have been actioned within the agreed timeframes. An interim Zoo inspection took place on 8th February 2022 which included various minor recommendations but overall expressed our continued excellent operations. The report also highlighted that the veterinary issues highlighted in the full inspection in 2019 have been successfully addressed and we operate in best practice on veterinary issues.

The Principal Environmental Officer at DMBC usually conducts an Annual Informal inspection but this was integrated into interim zoo inspection in February which the Environmental officer attended. The Principal Environmental Officer at DMBC noted the findings of the interim Zoo Licensing inspection report and gave positive feedback on all aspects of the site's operations and stated how impressed they were with the collection's continuing work in the area of conservation and education.

OBJECTIVES & ACTIVITIES

The object of the Society shall be, for the benefits and education of the public, the collection, preservation, conservation, care and exhibition on the premises of the Society of living animals and the promotion and advancement of the sciences of zoology, arboriculture, horticulture and botany and a more extended education, study, knowledge and appreciation of the animal and plant kingdoms by the introduction of new curious and endangered species belonging to them.

Dudley Zoo and Castle ('DZC') is not only home to a large collection of endangered species, but also an 11th century castle, the world's largest single collection of Tecton buildings, and an important geological site.

Our aim is to provide our visitors, via our education and conservation activities, with an understanding and awareness of all elements of this unique site, the history of the castle and the geology, the importance of the architectural design of the Tectons, and the opportunity to get closer to the world's rarest animals.

It is vital that every visitor to Dudley Zoo & Castle is informed about our conservation work with endangered species and how they can help us with the protection of these animals.

The purpose of Dudley Zoo Services is to create funds for the pursuit of the objectives mentioned above.

ACHIEVEMENTS & PERFORMANCE

The Society had another challenging year in 2021. The Covid 19 outbreak continued to adversely affect the Society by forcing the Zoo to close between early January 2021 and mid-April 2021. We have brought in some initiatives over the previous year to enable us to generate strong visitor numbers and remain as profitable as possible. We had set a target of 275,000 total visitors for 2021 but the imposed lockdown in January 2021 and subsequent closure of the Zoo and Castle for over 3 months meant we missed a large part of the year and, significantly, the busy Easter period. The Zoo re-opened on the 12th April and we experienced a good performance between April and September. In total 97 days out of a possible 364 days were lost due to the Covid 19 pandemic in 2021. In 2021 we welcomed 228,255 total visitors to the Zoo and Castle compared to 196,787 total visitors in 2020. In 2021 total visitor numbers were 16% up on the previous year.

The Society achieved a surplus after depreciation of £1,680,769 (2020: £102,916 surplus). In the year the Society received grants from the Defra Zoo support fund (£505,366 – which has been used in the year on the animal welfare costs) and £386,750 of Covid support funding from the Local Authority. The Society also received £250,000 from an insurance settlement in respect of the Covid outbreak. The net effect of these activities is a surplus of £1,142,116. The amended result for the Society after taking this into account is a surplus of £538,653 from the surplus of £1,680,769. This represents a more realistic picture of the Society's financial performance in 2021.

It remains our long term strategy to utilise our surplus to improve and develop the site, to maintain it as a quality visitor attraction.

Despite the ongoing Covid situation in 2021 we were able to improve some areas of the site. In May 2021 we completed our new Cassowary enclosure in time to welcome a male bird of this fascinating species, which is a new species to Dudley Zoo and Castle. We completed a macaque exhibit in the Zoo in July 2021 to house a separate group of this important animal.

Towards the end of the summer we started work on the outdoor Orangutan enclosure which is part of the planned development programme within the Society's strategy. The funds for this have been set aside in our designated funds to protect the project from any uncertain external factors.

The Castle Creatures exhibit gives an extensive history of Dudley Castle and includes educational and interactive items for visitors. This has been very popular with visitors and provides a valuable facility for educating our visitors on, not only the history of the castle, but on how people co-existed with animals in medieval times. Due to the fact that this exhibit is inside it was closed for large parts of 2020 and 2021 but was opened again once restrictions eased and is proving popular with visitors.

We have taken part in a Visitor Attraction Quality Scheme for many years as this scheme provides an unbiased viewpoint of our visitor experience by industry professionals, who produce a full assessment and written report of their visit. The VAQAS accreditation enables us to monitor our performance against ever changing customer expectations. The assessor will replicate our customer experiences throughout all aspects of our attraction, including customer/staff interactions. This year's annual assessment was undertaken in June 2021 and showed an improvement from the previous assessment in 2019. This was a significant achievement given the challenges that Covid has presented to the organisation.

In 2021 we again took the difficult decision not to run our Santa's grotto. In 2020 we also didn't undertake Santa's grotto due to the uncertainty brought about by the Covid pandemic.

We have undertaken our annual review of the Long Term Development Plan for the site to see how Covid continues to impact this. The plan prioritises projects into low, medium and high categories, and aims to tackle all the highest priority projects within a period of five years. The plan covers all redevelopment projects, specifically building restoration, visitor services and animal exhibits and will require financing from the operating surplus, fund raising and grants.

Some of the development plans have been affected by the Covid situation by being delayed but we very much plan to continue with the development plans. We have had to be more flexible with the timeframes around doing the projects and continue to analyse how the development plans can be progressed.

The Zoological Society has a strategic vision document outlining the detailed aims of the Society and included within that is the Castle Hill Vision which highlights all the projects that we are seeking external funding assistance for.

In 2016 one of our keepers assisted with the Selamatkan Yaki project conservation project in Sulawesi for Black Crested Macaques and they have continued to support this project in 2021 in the role of UK co-ordinator. In November 2018 Dudley Zoo hosted a Macaque workshop which included delegates from all over Europe to develop husbandry techniques for the Macaque species and debate conservation issues in general. Unfortunately the chance to attend workshops in 2021 still remained limited. We virtually attended the BIAZA mammal working group, EAZA conference and the DMZAA annual meeting. Some of our keepers attended a course on positive reinforcement training with chimps, a virtual webinar run by project chimps in America.

In 2021 we continued to have success with our breeding programmes. Notable births included 3 rainbow lorikeets, a cinnamon teal, a crested wood partridge, a Bactrian camel, a grey capped emerald dove, 2 Dumeril's boa constrictors, a gelada baboon, a pygmy marmoset, an emperor tamarin, a red crested turaco and a ring tailed lemur. We have welcomed a male Orangutan from Aalborg zoo in Denmark to join our 2 females and introduced a male Cassowary into the zoological collection. Coming into the collection we welcomed at DZC a mellers duck, 7 sun conures, a scarlet ibis, some green aracari, 6 Cameroon sheep, 2 fire skinks, a male reindeer and some white's tree frogs.

Due to the continued impact of the Covid crisis we were restricted in our fund raising events in 2021
We continued to support the Wild Camel Protection Foundation which works with the last remaining population of wild Bactrian camels. We have sponsored the care of a baby camel which has subsequently been named 'Dudley' by those working at the centre in Mongolia.

Awareness days have been a vital tool in previous years for giving visitors a proper understanding of the species that are at risk in the wild and specifically gives a single species a whole day or weekend where the focus is completely on them. Unfortunately the Covid 19 pandemic made it difficult to run these days as they rely on us being able to host visitors as well as having areas to have conversations with our visitors which were no longer suitable due to social distancing regulations. We have been trying to explore different ways of engaging with our visitors which has mainly been done through digital platforms.

In June we usually run an Under 5's days which offers entertainment on site for a specific audience of young children at a reduced cost but this was cancelled in 2021 due to the Covid restrictions still in place at the time.

The site also hosts a number of ghost tour operators who use the site to entertain visitors about the ghostly events at this historic location, however due to the Covid restrictions these have been either limited in number or cancelled.

We successfully ran 3 film nights at DZC in 2021 after not being able to do so the previous year due to Covid.

The annual classic car returned in September 2021 and was held in the castle courtyard after having to be cancelled in 2020. This event proved popular with our visitors and helps highlight the local heritage.

KEY PERFORMANCE INDICATORS

Visitor Numbers – We budgeted to achieve 275,000 (2020: 320,000) Total Visitors and actually achieved Total Visitors of 228,255 (2020: 196,787). This was a good achievement as we achieved 83% (228,255/275,000) of our target even though we were only open for 73% of our usual time (267 days out of 364).

Paying Visitor Numbers – We budgeted for 225,000 (2020: 250,000) Paying Visitors and actually received 194,030 (2020: 168,088) Paying Visitors. A good performance considering we achieved 86% (194,030/225,000) of the budget even though we were only open for 73% (267/364 days) of our usual available time.

Admissions Income – In 2021 we actually achieved £2,938,577 (2020: £2,232,578) against a budget for 2021 of £3,012,000 (2020: £2,747,000). We achieved 98% of our Admissions Income target in 2021 (£2,938,577/£3,012,000) even though we were only open for 73% of the usual available time (267 days out of 364).

Take per Head ("TPH") for retail operation - We aimed in 2021 to achieve a TPH of £1.63 (2020: £1.64) and actually achieved £2.34 (2020: £1.67).

Education Numbers – We achieved 4,200 (2020: 1,748) against a budget of zero (2020: 19,000).
The resurgence of Education numbers is mainly due to schools wanting to come for general visits but some have undertaken workshops as well. This is a positive sign after the adverse impact of the coronavirus on this part of the organisation in 2020.

FUNDRAISING

The Society does not normally undertake material fundraising activities and does not employ or use the services of any professional fundraisers, nor is the Society subject to a voluntary scheme for regulating fundraising. During the year the Society received no complaints in respect of its fundraising practices. In response to the Covid outbreak and subsequent zoo closure the society set up a series of fundraising schemes, mainly through digital platforms such as Justgiving, as a safe way for people to donate to the zoo. This has continued in 2021.

ACHIEVEMENTS AGAINST OBJECTIVES

It is the aim of the Society to deliver talk times to all our visitors as a way of educating them. Over the years we have built up an extensive talk times programme, which gave daily talks on approximately 10 species of animals and also history walks which inform visitors about some of the history of the site. Unfortunately these talk times and walks attract crowds and therefore due to Covid social distancing regulations we had suspended them, along with the castle tours. Later in 2021 we were able to reintroduce some of these talks which have proved very popular with visitors and are an essential in educating people about conservation.

We are currently undertaking various techniques to deliver virtual conservation and educational messages. We are doing weekly 'conservation matters' videos on social media, where we focus on a particular species each week to talk about, with particular interest in their conservation status. We have made online talks which people can connect to using QR codes on their smart devices around the zoo site. These codes will be located at all major animal enclosures to give people the opportunity to learn more about the species. By doing the talks this way we can consistently add to the talk times over time and offer more talks than we ever done before.

The Zoo's development is set out in a 10 year Long Range Site Development Plan which is reviewed and updated annually to reflect physical changes, in order to meet welfare requirements, and to allow us to achieve our aspirations while retaining the zoo's commitment to conservation, education, scientific study and recreation. In 2021 we were confident enough in our financial position to proceed with our long term aim of developing the outdoor Orangutan enclosure to improve the welfare and habitat of these endangered species.

PUBLIC BENEFIT

The Directors are conscious of providing benefit for the local population and that of the region. We offer reduced rates for groups, education visits, young people, senior citizens, special needs groups and those with a disability to ensure we have a diverse appeal. Disabled guests are entitled to a free admission for their carer. We see our conservation work in terms of both animals and buildings and the knowledge this imparts to society in general as an important part of our activities.

We have in previous years regularly donated admission tickets to local bodies as contributions for fund raising activities. This ranges from schools and church fetes to other charitable organisations. We have had to curtail this during the Covid 19 pandemic but towards the end of 2021 we have been able to contribute again to local projects by providing tickets for prizes.

The Society works very hard to raise awareness of the plight of endangered species through our educational work for all visitors and also by our support of various organisations in the UK and abroad.

We are continuing to co-ordinate the Black Lemur (European Endangered Species Programme). This is the 30th year that we have managed the studbook for this important species.

PUBLIC BENEFIT (continued)

We support in-situ conservation projects such as Madagascan Lemurs (AEECL) and have continued to financially assist a project in Madagascar which funds 9 teachers to educate the local population about conservation. We contribute financially to The Yellow-breasted Capuchin Monkey Conservation Program (ZGAP) and also have an annual commitment to AB Conservation – a study programme for Binturongs and to a Natural History study into geladas and herpes. In August 2021 we contributed to the International Snow Leopard Trust. This is the third year of a five year commitment to supporting research and conservation in wild Snow Leopards across their natural range. Although the Society has been adversely affected by the Covid outbreak we still felt it was necessary to support projects that we have made a commitment to. We have also financially supported various animal conservation charities as we recognise that these are financially challenging times for these organisations as well, and it's important to support them.
In 2021 we donated to the Wildcats Conservation Alliance after a direct appeal to help fund conservation work with Sumatran Tigers, which we also house here at the zoo.

We took the decision in 2019 to commence with significant financial support to the Save the Tasmanian Devil program which is responding to the threat of extinction of the Tasmanian devil due to Devil Facial Tumour disease. We have continued this financial support in 2021.

Alongside these International projects we continue to champion work for Native Species. We provide practical and financial assistance for various projects.
In 2019 we began detailed bat surveys on key locations around our site and have established that the site contains at least 10 species of bat. We continued bat surveys with local bat conservation trust group Brumbats on both big ben cavern and stores cavern where we conducted DNA sampling on multiple species of the Myotis family as well as the locally rare Lesser Horseshoe bat where we are believed to be on the edge of its northern range in the UK. This DNA work is feeding into a PHD project being conducted at the University of Wolverhampton to distinguish if these bats are moving across the Birmingham and Black Country region or if they are restricted by the growing metropolitan area around them into smaller pocket populations. The findings of this project will have huge implications for conservation planning in the area and has really put Dudley Zoo on the map as one of the only regions in the country conducting such bat surveying methods.

The Zoo works closely with the West Midlands Birding Club to survey what bird species we have on site. In this year we continued bird ringing thanks to the help of a keeper at DZC who holds a C licence for bird ringing, allowing us to conduct our own bird ringing on the zoo site. Unfortunately the bird ringing efforts have been disrupted during winter periods due to avian influenza outbreaks at the start and end of 2021.
In the past we have managed to catch and ring many species including migratory birds such as redwing and fieldfare and also recapture more local species to show that individuals were returning to the zoo site, proving it is an excellent habitat for these animals.

We also planned to set up a bee hive on site with a local apiarist to aid local pollinators. However due to the zoo closure and social distancing restrictions we are now hoping to conduct this work in 2022 as well as working with other local wildlife groups.

In 2019 we sponsored a university student for the duration of their course. We are now in the final year of this three year commitment.

We also take great care of the listed buildings and the grounds of the Castle, which is a scheduled monument. The Tecton buildings are now recognized to be of World importance.

Our arrangement with the local college to provide in-house practical training in conjunction with their animal management courses had to be cancelled in 2021 due to the closure of the Zoo and the Covid restrictions in place. We are optimistic that this valuable training will be reintroduced in 2022 as it is popular with the students and gives them invaluable practical experience.

PUBLIC BENEFIT (continued)

Several events that we have historically undertaken have not taken place in 2021 due to the Covid-19 pandemic.
We have strong links to the community and usually participate in many local festivals and events. We visit local schools and educate pupils on our conservation work and also give guidance to pupils on careers in animal welfare. This has all been adversely affected by the Covid-19 outbreak. In the past we have promoted the zoo's conservation message to a wider audience within the community by undertaking educational outreach programmes throughout the year. Unfortunately this has not been possible in 2021 due to Covid.

We support an organisation called The Friends of Dudley Castle by providing facilities for their meetings and offering access to the site for this important historic group.

The Directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Charity and in planning future activities for the year.

SOCIAL INVESTMENT POLICIES

We participate in many events and activities in the community and contribute to society in general by being an employer and by having a positive impact on the local economy as many of our suppliers are from the local vicinity.

VOLUNTEERS

During 2021 we had no volunteers at Dudley Zoo and Castle. We have had volunteers in previous years and acknowledge that they add considerable value to the organisation but none were used in the last year.

Note 7 details the value in financial terms of the contribution that the volunteers make to the organisation.

FINANCIAL REVIEW

Income for 2021 of £6,069k (2020: £4,208k) is an increase from 2020 and indicates that the Society is coping well with the continued issues that the Covid pandemic brings. Even though we were closed for a large part of early 2021 (97 days), due to the government imposed lockdown, we were still able to achieve a good level of income in the year. Income from charitable activities was £3,604k in 2021 which is an increase of 43% from last year's figure (£2,512k).

The trading activities of the subsidiary have continued to be affected by the Covid 19 pandemic in the same way as the charity, but the change in the VAT rate to 5% has helped enormously. A reduction in visitors, due to the closure of the zoo has had repercussions for secondary income levels and although we are down on normal levels we are at least up on the previous year. Income from trading activities of £1,185k was 61% up 2020 (2020: £738). We have only been able to generate limited income from events as we have had to cancel many events such as Under 5's days, Santa's grotto and Halloween nights to name but a few. Retail income in 2021 (£532k) was 62% up on previous year (2020:£329k) which is a good performance given the reduction in visitor numbers.

Catering income in 2021 (£620k) is 53% up on 2020 (£404k) and highlights the effect the reduction in the VAT rate is having on the hospitality income. Like in 2020 we had to close the restaurant for part of the year and sell from kiosks. The Trading Services company has achieved a profit and will gift aid £269,000 in respect of 2021 profits to the Society (2020: £41,544k).

We have strived to save costs where possible, however many of our fixed overheads relate to the caring of the animals on site which cannot be easily altered. We have been able to utilise the governments Job Retention Scheme and kept maintenance jobs around site to a minimum, especially in the early part of the year.

In previous years interest received has been steadily growing as our cash reserves have been built up in expectation of undertaking some major projects. However in 2021 interest rates were very low and cash reserves were depleted due to the impact of the Covid situation. As a result we have only achieved £1,276 of interest compared to £5,953 in 2020. We have therefore only earned a nominal figure during the 12 month period.

Despite the challenges presented by Covid cash remained positive throughout the year standing at £3,693k at 31 December 2021 (2020: £1,908k).

This site is an unusual and expensive site to manage compared to a normal operating zoo, having listed buildings and a scheduled monument. The Society receives an annual Dudley Castle Maintenance Grant from DMBC of £150k (£150k during 2020) as a contribution to maintaining the upkeep of the scheduled monument and the surrounding grounds. In 2019 this maintenance grant was treated as a restricted fund within the accounts and had a balance of £146k brought forward from 2019. Given the huge financial pressure that the Covid 19 pandemic has brought DMBC has since released the restriction so it can be used to support all of the site's core functions. This will be the case for the financial years of 2020 and 2021. After that the grant will once again be treated as a restricted fund to support the castle maintenance cost base.

PLANS FOR THE FUTURE

We continue to invest in the charity with the funds created from surpluses and it is expected that despite the difficulties that Covid has presented we will create enough funds in the future to enable significant capital expenditure around the site. The long term aim is to continually regenerate the site, in particular the animal welfare part, and to invest in new revenue streams that will increase visitor numbers and income. This will in turn strengthen the long term financial position.

Combined with this plan of internal growth and investment is a desire to attain external funding where possible to provide additional capital to improve the site.

INVESTMENT POLICY

The Charity retained investments in cash based funds during the year. Interest has been earnt from fixed rate savings accounts, a 35 day notice account and our Special Interest account, which totalled £1,276 (2020: £5,953) in the year. In prior years this investment fund would be used for continuing development; however it is obvious that £1,276 is insufficient for any major project. In 2017 a new investment policy was created in conjunction with a task based sub group to monitor and control fixed rate savings accounts for the benefit of maximising the Society's cash deposits. This is still monitored under the remit of the Finance and Legal sub group.

INVESTMENT POWERS

Under the memorandum and articles of association the Society has the power to make any investments which the Directors think fit.

RISK MANAGEMENT

The Directors continuously review the major risks and have developed systems to monitor and control these risks to mitigate any impact they may have on the Society in the future.

In particular the Society carries out an annual risk assessment, in the form of a Corporate Risk Management document, to assess what risks the charity may face. These risks are prioritised into categories and we have contingency plans in place with action plans and procedures to mitigate those risks. We have also designed controls that can be implemented should any risks materialise.

Our risk management strategy is administered by the Directors in conjunction with the Society's management team and is reviewed at the Finance and Legal sub group meeting.

The key risks identified by the Directors are:-

- Protection of the Society's assets including its reserves, which is addressed through appropriate governance, relevant insurance and regular reviews.
- Stability of commercial income to cover operating costs, provide funding for our charitable aims and investment for our capital expenditure programme. This is addressed by looking to diversify income streams, and by continually monitoring income and expenditure, general reserves and cash flow forecasts.
- A major operational issue impacting public safety and causing reputational damage which is addressed through documented operational procedures which are regularly tested, health and safety training, and routine inspections.

In 2021 the Directors and management of the Society have had to regularly assess the impact of the Covid outbreak and the unprecedented risks to the business this has brought. The main risk to the Society is the impact on cash reserves. The Society carefully monitors its cash position and has benefitted from various funding and has tried to save money by utilising the governments furlough scheme. The Society has benefitted from various funding sources in 2021 which has strengthened the cash position of the Society.

RESERVES

The Directors have reviewed the reserves of the charitable company. This review encompassed the ownership of the shares, the nature of the income and expenditure streams, the need to match variable and seasonal income with fixed commitments, and the nature of reserves. The review concluded that the charitable company is in a good position to continue to operate as a self-sustaining business despite the pressures of the Covid crisis in 2020 and 2021.

The consolidated reserves of the Society at 31 December 2021 were £6,083,229. This includes £1,024,671 of restricted funds not available for general purposes of the Society at the end of the reporting period. At 31 December 2021 Dudley Zoo and Castle is reporting unrestricted funds of £5,058,458. After making allowance for designations of £1,500,000 and the carrying amount of fixed assets the Society has free reserves of £1,281,634 (2020: £61,335). The Directors aim to maintain reserves of £750k which covers approximately three months of expenditure. We have been able to rebuild our free reserves through our performance in 2021 and by benefitting from funding in the year.

The Designated Fund of £1.5m is to be used in the next 2 to 3 years on the following projects; tiger enclosure - £450k, Giraffe house and enclosure - £230k, African Wild Dog enclosure - £120k, Orangutan enclosure - £200k and the Chimpanzee Enclosure - £500k. We feel it will be necessary to increase the level of Designated Funds and reserve cover for Capital projects in the next 12 months as the level of net current assets has increased and will better reflect our future Capital Expenditure programme which has 4 major projects lined up for the next 3 to 5 years.

GOING CONCERN

The Society will always aim to achieve a surplus and this is then reinvested back into the Society to sustain growth and achieve the Society's objectives. Historically the Society has made surpluses and plans to in the future. It is the view of the Directors and management that the Covid pandemic has effected the organisation in 2020 and 2021 but conditions are returning to the point where the business can make surpluses going forward. In this respect the Directors see the organisation as a going concern.

The Covid-19 outbreak has caused considerable disruption to the Society during 2020 and 2021. As a result of the government imposed lockdowns we have had long periods of closure which has impacted the Society's ability to generate income. The Society has continued to utilise the Job Retention scheme in 2021 and has closely monitored operational costs to ensure we mitigate the loss of revenue where appropriate. In 2021 we have achieved good levels of income, when we have reopened, and have benefitted from an insurance settlement and some funding support from various sources that have significantly strengthened our financial position.

Management has regularly assessed the group's financial position through financial modelling forecasts. The financial plans assume levels of income returning to pre-Covid levels in 2022 and the subsequent budgets and cash flow forecasts indicate that the position of retaining cash reserves to cover at least 3 months operational expenditure will be maintained throughout 2022.

On 15th March 2021 Dudley Metropolitan Borough Council wrote to the Board of Directors and stated that in its capacity as both owner and shareholder of the Society and its subsidiary, the Council recognised its legal obligation to make good trading losses whilst the Society continues to operate in its current form. It continued with confirmation of the intent of the Council to work with third parties to inject capital investment into the greater Castle Hill area and secure the long term future of the Society. The letter also makes a commitment to support the Society, subject to certain conditions. We have since received a letter on the 21st March 2022 confirming this continued support until 31st March 2023.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Report of the Trustee's and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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

AUDITOR

Crowe U.K. LLP have indicated their willingness to continue in office and will be proposed for reappointment at the AGM.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

On behalf of the board

D H Sparks OBE
Director
31.5. 2022

Opinion
We have audited the financial statements of Dudley and West Midlands Zoological Society Limited (the 'charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statements of Cash Flows and notes to the financial statements, including accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the charitable company's affairs as at 31 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the trustee's 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 or the group'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.

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within 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 the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' report.

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

- adequate and sufficient accounting records have not been kept by the charitable company; or
- the charitable company 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Report.

Responsibilities of trustees
As explained more fully in the Statement of Directors' responsibilities set out on page 15, 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 group's and 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Zoo Licensing Act 1981, Health and safety legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income and the override of controls by management. Our audit procedures to

respond to these risks included enquiries of management, and the Finance & Legal Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Dave Darlaston (Senior Statutory Auditor)
For and on behalf of Crowe U.K. LLP, Statutory Auditor
Chartered Accountants
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date 6 June 2022

Dudley and West Midlands Zoological Society Limited

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2021

	Notes	Unrestricted funds General £	Unrestricted funds Designated £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:						
Donations and Legacies	2	590,245	-	687,823	1,278,068	956,886
Charitable Activities	3	3,604,381	-	-	3,604,381	2,507,549
Other trading activities	4	1,185,261	-	-	1,185,261	737,733
Investments		1,276	-	-	1,276	5,953
TOTAL		**5,381,163**	**-**	**687,823**	**6,068,986**	**4,208,121**
EXPENDITURE ON:						
Raising Funds	5	1,033,351	-	-	1,033,351	753,343
Charitable Activities	5	2,523,607	-	831,259	3,354,866	3,351,862
TOTAL	5	**3,556,958**	**-**	**831,259**	**4,388,217**	**4,105,205**
NET INCOME/(EXPENDITURE)	6	1,824,205	-	(143,436)	1,680,769	102,916
Transfers between funds	15	(500,000)	500,000	-	-	-
Net movement in funds		1,324,205	500,000	(143,436)	1,680,769	102,916
Fund balances brought forward at 1 January 2021		2,234,253	1,000,000	1,168,107	4,402,360	4,299,544
Fund balances carried forward at 31 December 2021	15/17	**3,558,458**	**1,500,000**	**1,024,671**	**6,083,129**	**4,402,360**

The net group income and expenditure and the resulting net movement in funds arise from continuing operations.

There are no recognised gains or losses other than the net movement in funds for the year.

Dudley and West Midlands Zoological Society Limited

CONSOLIDATED BALANCE SHEET

31 December 2021 Company Registration No. 1350864

	Notes	31 December 2021 £	31 December 2020 £
FIXED ASSETS			
Tangible assets	9	3,301,595	3,341,125
CURRENT ASSETS			
Stocks	11	102,352	78,070
Debtors	12	154,218	167,445
Cash at bank and in hand		3,692,519	1,908,445
		3,949,089	2,153,960
CREDITORS: Amounts falling due within one year	13	(597,455)	(482,625)
NET CURRENT ASSETS		3,351,634	1,671,335
TOTAL ASSETS LESS CURRENT LIABILITIES		6,653,229	5,012,460
CREDITORS: Amounts falling due after more than one year	14	(570,000)	(610,000)
NET ASSETS		6,083,229	4,402,460
FUNDS			
Restricted funds	15	1,024,671	1,168,107
Unrestricted funds			
Called up share capital	16	100	100
General income funds	17	3,558,458	2,234,253
Designated funds	17	1,500,000	1,000,000
TOTAL FUNDS EMPLOYED		6,083,229	4,402,460

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 19 to 43 were approved by the board of directors and authorised for issue on 31. 5. 2022 and are signed on its behalf by:

D H Sparks OBE
Director

Dudley and West Midlands Zoological Society Limited

COMPANY BALANCE SHEET

31 December 2021 Company Registration No. 1350864

	Notes	31 December 2021 £	31 December 2020 £
FIXED ASSETS			
Tangible assets	9	3,301,595	3,340,886
Investments	10	3,012	3,012
		3,304,607	3,343,898
CURRENT ASSETS			
Stocks	11	10,234	10,202
Debtors	12	116,693	163,957
Cash at bank and in hand		3,599,115	1,820,825
		3,726,042	1,994,984
CREDITORS: Amounts falling due within one year	13	(453,668)	(443,527)
NET CURRENT ASSETS		3,272,374	1,551,457
TOTAL ASSETS LESS CURRENT LIABILITIES		6,576,981	4,895,355
CREDITORS: Amounts falling due after more than one year	14	(570,000)	(610,000)
NET ASSETS		6,006,981	4,285,355
FUNDS			
Restricted funds	15	1,024,671	1,168,107
Unrestricted			
Called up share capital	16	100	100
General income funds	17	3,482,210	2,117,148
Designated funds	17	1,500,000	1,000,000
TOTAL FUNDS EMPLOYED		6,006,981	4,285,355

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The result of the parent charity was a net increase in funds of £1,721,626 (2020: net increase in funds of £235,712).

The financial statements on pages 19 to 43 were approved by the board of directors and authorised for issue on 31.5. 2022 and are signed on its behalf by:

D H Sparks OBE
Director

Dudley and West Midlands Zoological Society Limited

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

	2021 £	2020 £
Cash flows from operating activities:		
Net cash provided by operating activities	2,096,398	636,656
Cash flows from investing activities:		
Interest	1,276	5,953
Proceeds from sale of fixed assets	-	-
Purchase of property, plant and equipment	(313,600)	(748,520)
Net cash (used in) investing activities	(312,324)	(742,567)
Cash flows from financing activities:		
Repayments of borrowing	-	-
Net cash used in financing activities	-	-
Change in cash and cash equivalents in the reporting period	1,784,074	(105,911)
Cash and cash equivalents at the beginning of the reporting period	1,908,445	2,014,356
Cash and cash equivalents at the end of the reporting period	3,692,519	1,908,445
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period (as per the statement of financial activities)	1,680,769	102,916
Adjustments for:		
Depreciation charges	353,130	337,925
Interest received	(1,276)	(5,953)
Profit on the sale of fixed assets	-	-
Increase in stocks	(24,282)	10,887
(Increase)/decrease in debtors	13,227	(31,585)
(Decrease) in creditors	74,830	222,466
Net cash provided by operating activities	2,096,398	636,656
Analysis of cash and cash equivalents		
Cash in hand	3,692,519	1,908,445
Total cash and cash equivalents	3,692,519	1,908,445

Analysis of changes in net debt

	At 1 January 2021	Cash flows	At 31 December 2021
	£	£	£
Cash at bank and in hand	1,908,445	1,784,074	3,692,519
Debt due within one year	40,000	-	40,000
Debt due after one year	610,000	(40,000)	570,000
	2,558,445	1,744,074	4,302,519

GENERAL INFORMATION

Dudley and West Midlands Zoological Society Limited ("the Society") is a charitable company limited by shares and is incorporated in England and Wales (Company registration number 1350864 and charity number 507221). The address of the Society's registered office and principal place of business is Castle Hill, Dudley, DY1 4QF.

The Society's principal activity is the operation of a conservation based organisation for the benefit and education of its visitors to promote the primary themes of zoology, history and architecture.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

BASIS OF ACCOUNTING

a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Dudley and West Midlands Zoological Society Limited meets the definition of a public benefit entity under the Charities Act, assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

BASIS OF CONSOLIDATION

These financial statements consolidate the financial statements of Dudley and West Midlands Zoological Society Limited ("the Society") and its subsidiaries, Dudley Zoo Services Limited and Dudley Zoo Development Trust ("the subsidiaries") all of which are made up to 31 December 2021.

The financial statements consolidate the results of the Charity and its wholly owned subsidiaries on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006. The unconsolidated profit of the charity was £1,721,626 (2020: £235,712).

All intra-group transactions, balances and unrealised gains on transactions between Group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

ANIMALS

The animals are acquired by the Society from other zoological organisations at zero cost or bred at our zoo and a realistic valuation cannot be placed thereon. Many of the animals acquired are held in trust with other zoological societies at zero cost.

STOCKS

Stocks on hand of consumables and items for resale are stated at the lower of cost and estimated net realisable value. Net realisable value is based upon estimated selling prices less costs of disposal. Provision is made for obsolete and slow moving items.

DONATED FACILITIES

The Society leases the site from Dudley Metropolitan Borough Council. The lease was renewed in March 1984 for a term of 96 years, at market rent which is currently £200 per annum (including the additional lease agreement for the car park). The Trustees do not believe it is practical to reasonably quantify and measure the benefit conferred to the Society under the arrangement due to the Zoo's unique location and as such have not included the value of the donated facilities within the Consolidated Statement of Financial Activities.

TANGIBLE ASSETS AND DEPRECIATION

Other than for interests in land as stated above, tangible fixed assets are capitalised at cost and depreciated from the date that they are brought into use. From time to time a major capital project may not be completed and thus is not in use at the end of the accounting period. In such a case the policy is to capitalise the expenditure to date and show it separately as a capital project under construction within tangible fixed assets but no depreciation is provided until the project is completed and available for use.

Depreciation is calculated to write down the net original cost of the tangible fixed assets by equal annual instalments over its anticipated useful life to its then estimated residual value.

Individual assets under £1,000 are not capitalised.

The depreciation rates used are:

	%
Office Buildings	5% straight line
Animal enclosures	6.66% straight line
Service areas	10 - 20% straight line
Fixtures, fittings and office equipment	10% straight line
Motor vehicles - commercial	20% straight line
- cars	20% straight line
Computers	20% straight line

INVESTMENT IN SUBSIDIARIES

The investments in the subsidiaries are stated at cost less impairment.

HERITAGE ASSETS

The Castle and other heritage assets are located on the Zoo site. The Trustees do not consider that reliable cost or valuation information can be obtained for these assets, because of the unique features of the assets held and the lack of comparable market values. Furthermore, the Trustees believe the cost of obtaining a valuation of these assets would be onerous compared with the benefit that would be derived by users of the financial statements in assessing their stewardship of the assets. The Society does not therefore recognise these assets on its balance sheet.

FINANCIAL INSTRUMENTS

The Society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Trade debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges. Commitments to receive a loan are measured at cost less impairment.

TAXATION

The Society is a Registered Charity and undertakes activities which, under present legislation, are not subject to Corporation Tax. The Society's subsidiary, Dudley Zoo Services Limited, is not a Registered Charity and undertakes trading activities within the meaning of the Taxes Acts and is liable to Corporation Tax. Typically, however, the subsidiary gift aids all its taxable profits to the Society and as a consequence no provision is usually required for the payment of Corporation Tax either current or deferred.

FUND ACCOUNTING AND RESERVES

Restricted funds are only expendable by the Directors in accordance with the donors' directions. Unrestricted funds are expendable at the discretion of the Directors in furtherance of the objects of the Society. Certain of these funds, at the discretion of the Directors, may be transferred to funds to be used for particular purposes and become designated funds.

CONTRIBUTIONS TO PENSION FUNDS

The Society operates money purchase pension schemes which all employees may join after having served for a qualifying period. Both the Society and the employee make defined contributions to purchase the employees individual pension. All such contributions are held in separate trust funds which are independent of the Society's finances. The pension costs charged against the Society's results represent the amount of the Society's contributions payable to the schemes in respect of the accounting period.

Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. Pension contributions are included in unrestricted expenditure.

BASES AND DEFINITION OF INCOME AND EXPENDITURE

Income:

Income is the total amounts, excluding VAT but including Gift Aid if applicable, received or receivable by the Society which are recognised in the financial statements as follows:-

Income from charitable activities:

Zoo operating income – recognised on a received basis from admission and entry charges including gate receipts, concessionary group and special offer admissions, season tickets and car park fees.

Donations and legacies:

Donation and gifts – recognised on an accruals basis to the extent that the Society has been notified it will receive a donation or gift of a determined amount or the donation or gift has been received. Donations and gifts, whether general, designated or restricted, arise from a number of sources which include members, Dudley Zoo Development Trust, special appeals and the general public.

Government and other grants – grants for upkeep of the site and reimbursement of costs previously incurred are recognised immediately.

Gifts in kind, if material, are included at an estimate of market value.

Other trading activities:

Rental income received – recognised on an accruals basis from the letting of land and property not immediately required for use by the Society.

Retail and catering – income represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

Investments:

Bank interest – recognised as the amount receivable during the year.

Expenditure:

Costs of charitable activities – this includes all costs for the support of zoo animals in accordance with best recognised husbandry practices, keeping them in the appropriate habitats and maintaining the infrastructure of the zoo. Also included are costs incurred that ensure that all the Charity's objects are achieved such as those relating to the preservation and conservation of wildlife, and of education, science, and recreation together with the costs of the good stewardship and management of the Society's assets, organisation, administration and compliance with statutory requirements and those of good practice.

Basis of allocation of support costs – support costs are allocated between activities on a resource used basis so far as possible. The most significant costs arise from payroll costs and some of these costs may arise from individuals who carry out multi-functions. Where such costs are incurred and shared over a number of expense categories estimates have been made based primarily on time occupied by the individual concerned. Similarly with shared non-payroll costs the basis of allocation is based primarily on an assessment of the benefit derived from the cost by each expense head.

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Volunteer costs

The value of services provided by volunteers has not been included in these financial statements.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Society's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not consider that there are any estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

GOING CONCERN

The Society aims to achieve a surplus and this is then reinvested back into the Society to sustain growth and achieve the Society's objectives. Historically the Society has made surpluses and plans to in the future.

On 15th March 2021 Dudley Metropolitan Borough Council wrote to the Board of Directors and stated that in its capacity as both owner and shareholder of the Society and its subsidiary, the Council recognised its legal obligation to make good trading losses whilst the Society continues to operate in its current form. It continued with confirmation of the intent of the Council to work with third parties to inject capital investment into the greater Castle Hill area and secure the long term future of the Society. The letter also makes a commitment to support the Society, subject to certain conditions. We have since received a letter on the 21st March 2022 confirming this continued support until 31st March 2023.

Since the significance of the economic impacts of the COVID-19 outbreak have become apparent, the Directors have reviewed in detail the Charity's position and the appropriate basis on which to prepare the financial statements. The Directors have considered projections to the end of 2022, together with a longer term assessment, to stress test the financial resilience of the Charity which take into account the potential changes in income over this period. Whilst the Directors recognise that 2021 has been a challenging year, they recognise that a significant surplus has been achieved as a result of good income performance, various funding support and an insurance settlement which has significantly strengthened the Society's financial position. As a result the Directors have considered that it remains appropriate to prepare the financial statements on a going concern basis. The ongoing stress testing of the Charity's financial position has satisfied the Directors that it has adequate reserves and strategies to deal with any future impacts caused by Covid-19 or any other unexpected factors.

1 COMPARATIVE INFORMATION – CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted General Funds 2020 £	Designated Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Income from				
Donations and legacies	306,552	-	650,334	956,886
Charitable activities	2,507,549	-	-	2,507,549
Other trading activities	737,733	-	-	737,733
Investments	5,953	-	-	5,953
TOTAL	**3,557,787**	-	**650,334**	**4,208,121**
EXPENDITURE ON:				
Raising Funds	753,343	-	-	753,343
Charitable activities	3,043,252	-	308,610	3,351,862
TOTAL	**3,796,595**	-	**308,610**	**4,105,205**
NET INCOME/(EXPENDITURE)	(238,808)	-	341,724	102,916
Transfer between funds	146,030	-	(146,030)	-
Net movement in funds	(92,778)	-	195,694	102,916
Funds brought forward 1 January 2020	2,327,031	1,000,000	972,413	4,299,444
Funds carried forward 31 December 2020	**2,234,253**	**1,000,000**	**1,168,107**	**4,402,360**

2 DONATIONS AND LEGACIES

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Unrestricted		
DMBC – Maintenance Grant	150,000	150,000
DMBC – Covid19 Grant	386,750	3,000
Donations	53,495	153,552
	590,245	306,552
Restricted		
Getty Foundation	-	120,000
Defra Zoo Fund	505,366	-
LEP Grant	-	300,000
Govt. Grant - JRS	119,070	163,607
Apprenticeship Fund	5,000	-
Donations and gifts	58,387	66,727
	687,823	650,334
	1,278,068	956,886

3 INCOME FROM CHARITABLE ACTIVITIES

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Admissions, season tickets and associated gift aid	2,938,577	2,232,578
Car park and other income	665,803	274,971
	3,604,380	2,507,549

4 OTHER TRADING ACTIVITIES

The Society has a wholly owned trading subsidiary, Dudley Zoo Services Limited (Company number 1350863), which is incorporated in the UK. The principal activity of this company is that of providing and operating gift shops and related activities, and contracted catering service facilities for the zoo site.

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Turnover (Including intercompany rental income of £117,717 (2020: £56,614)	1,302,978	794,347
Cost of sales	(905,740)	(625,903)
Gross profit	397,238	168,444
Administrative expenses and taxation	(127,611)	(127,440)
Net profit for the year	269,627	41,004

The subsidiary's net funds at 31 December 2021 amounted to £1,156 (2020: £42,073).

The net profit of £269,627 (2020: £41,004) is after recharging management and support costs of £110,582 (2020: £102,172) and labour recharges of £140,980 (2020: £134,851) from the Charity to Dudley Zoo Services Limited.

An amount of £41,544 was paid from Dudley Zoo Services Ltd in 2021 under gift aid (2020: £243,000) and £269,000 will be paid to the Charity from Dudley Zoo Services Limited under Gift Aid for the current year.

5 ANALYSIS OF TOTAL EXPENDITURE	Raising funds £	Charitable activities £	Total costs £
DIRECT COSTS			
Direct wages and salaries	94,566	1,461,496	1,556,062
Other direct costs	764,760	17,730	782,490
Animal care	-	340,071	340,071
Marketing and publicity	-	68,815	68,815
Utilities	24,113	206,644	230,757
General site maintenance and security	44,943	237,073	282,016
	928,382	2,331,829	3,260,211
SUPPORT COSTS			
Indirect wages and salaries	46,414	304,749	351,163
Depreciation	239	352,891	353,130
Site Development Costs	-	83,025	83,025
Irrecoverable VAT	6,722	72,484	79,206
Insurance, legal and professional	29,647	67,804	97,451
Post, print, stationery, IT and communications	7,523	64,804	72,327
Other staff costs, finance and administrative expenses	14,424	77,280	91,704
	104,969	1,023,037	1,128,006
Totals at 31 December 2021	1,033,351	3,354,866	4,388,217
Totals at 31 December 2020	753,343	3,351,862	4,105,205

6 NET INCOME/EXPENDITURE

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Net income/expenditure is stated after charging:		
Operating lease rentals	3,157	2,841
Auditor's remuneration		
- for audit services	18,701	20,873
- for non-audit services	5,250	4,075
Depreciation of tangible fixed assets	353,130	337,925

7 DIRECTORS AND EMPLOYEES

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Group staff costs including directors' emoluments:		
Wages and salaries	1,749,228	1,785,625
Social security costs	125,204	129,779
Pension costs	37,175	37,805
	1,911,607	1,953,209

Average weekly number of employees including directors:	Year ended 31 December 2021 No.	Year ended 31 December 2020 No.
Keepers and ground staff	41	39
Maintenance and gardening	15	15
Admissions and retail	7	6
Management, administration and marketing	14	15
Education	2	4
Seasonal staff	29	27
	108	106

7 DIRECTORS AND EMPLOYEES (continued)

FTE including directors:	Year ended 31 December 2021 No.	Year ended 31 December 2020 No.
Keepers and ground staff	39	36
Maintenance and gardening	14	15
Admissions and retail	6	6
Management, administration and marketing	12	12
Education	2	4
Seasonal staff	8	6
	81	79

Seasonal staff are employed to support the permanent admissions/retail staff and are also engaged in other trading and charitable activities.

The following employees received emoluments, excluding employer's pension and National Insurance contributions, in excess of £65,000 in the year ended 31 December 2021 (2020: 1 in excess of £60,000).

	2021 Number	2020 Number
£65,000 to £75,000	1	1

The Charity made contributions of £2,108 to a group personal pension plan in respect of the higher paid employee (2020: £2,081).

The key management personnel comprise the Zoo Director, Zoo Manager and the Finance Manager (2020: the Zoo Director, Zoo Manager and Finance Manager). The total employee benefits of the key management personnel, including employer's pension and National Insurance contributions, were £211,647 (2020: £208,769).

Volunteers:
There were no volunteers in the year and therefore no estimated value of volunteer time during the year (2020: none).

8 DIRECTORS

No Trustee received remuneration during either year. 2 Trustees were reimbursed expenses for personal travel and subsistence of £283 in the year to 31 December 2021 (2020: 2 Trustees reimbursed expenses of £194).

9 TANGIBLE ASSETS

GROUP	*Buildings and animal enclosures* £	*Service areas* £	*Fixtures & fittings* £	*Vehicles* £	*Assets under construction* £	*Total* £
COST						
At 1 January 2021	5,138,052	410,408	804,118	89,287	105,762	6,547,627
Additions		3,900	12,617		297,083	313,600
Transfers	92,076	-	-	-	(92,076)	-
Disposals	-	-	-	-	-	-
At 31 December 2021	5,230,128	414,308	816,735	89,287	310,769	6,861,227
DEPRECIATION						
At 1 January 2021	2,138,231	314,147	697,292	56,832	-	3,206,502
Charged in the period	279,055	27,831	33,979	12,265	-	353,130
Disposals	-	-	-	-	-	-
At 31 December 2021	2,417,286	341,978	731,271	69,097	-	3,559,632
NET BOOK VALUE						
At 31 December 2021	2,812,842	72,330	85,464	20,190	310,769	3,301,595
At 31 December 2020	2,999,821	96,261	106,826	32,455	105,762	3,341,125

9 TANGIBLE ASSETS (continued)

SOCIETY	*Buildings and animal enclosures* £	*Service areas* £	*Fixtures & fittings* £	*Vehicles* £	*Assets under construction* £	*Total* £
COST						
At 1 January 2021	5,138,052	410,408	581,036	89,287	105,762	6,324,545
Additions	-	3,900	12,617		297,083	313,600
Transfers	92,076	-	-	-	(92,076)	-
Disposals	-	-	-	-	-	-
At 31 December 2021	5,230,128	414,308	593,653	89,287	310,769	6,638,145
DEPRECIATION						
At 1 January 2021	2,138,231	314,147	474,449	56,832	-	2,983,659
Charged in the period	279,055	27,831	33,740	12,265	-	352,891
Disposals	-	-	-	-	-	-
At 31 December 2021	2,417,286	341,978	508,189	69,097	-	3,336,550
NET BOOK VALUE						
At 31 December 2021	2,812,842	72,330	85,464	20,190	310,769	3,301,595
At 31 December 2020	2,999,821	96,261	106,587	32,455	105,762	3,340,886

10 INVESTMENTS

SOCIETY	2021 £	2020 £
Cost of investments – 1 January and 31 December	3,012	3,012

The Directors consider the market value of the investments not to be materially different to its cost.

The Society owns the whole of the issued share capital of Dudley Zoo Services Limited. Dudley Zoo Services Limited is incorporated in, and operates in, the United Kingdom. Its principal activity is the provision of retail, catering and leisure services.

Dudley Zoo Services Limited's profit for the year ended 31 December 2021 was £269,627 (2020: £269,627) and its capital and reserves at 31 December 2021 were £1,156 (2020: £42,073).

Dudley Zoo Development Trust is a subsidiary of the company with the company exercising control over the Trust. Dudley Zoo Development Trust is a registered charity. The objective of the charity is to assist with the development of Dudley Zoo and to assist with the feeding of the animals. Dudley Zoo Development Trust's net income for the year ended 31 December 2021 was £60 (2020: net income of £69,200) and its reserves at 31 December 2021 were £78,104 (2020: £78,044). Dudley Zoo Development Trust was exempt from having an audit in the years ended 31 December 2021 and 2020 by virtue of its size.

11 STOCKS

	Group		Society	
	2021	2020	2021	2020
	£	£	£	£
Food stuffs, materials and consumables	10,234	10,202	10,234	10,202
Goods for sale	92,118	67,867	-	-
	102,352	78,069	10,234	10,202

12 DEBTORS

	Group		Society	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	30,833	3,786	1,584	1,896
Other debtors	669	-	8,987	1,673
Amounts due from group undertakings	-	-	-	-
Prepayments and accrued income	122,716	163,659	106,122	160,388
	154,218	167,445	116,693	163,957

13 CREDITORS: Amounts falling due within one year

	Group		Society	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	262,755	261,953	204,363	225,942
DMBC Loan	40,000	40,000	40,000	40,000
Other taxation and social security	38,801	35,381	31,177	32,504
Other creditors	11,934	11,983	11,694	11,503
Accruals	243,965	133,308	101,665	93,820
Corporation Tax Payable	-	-	-	-
Amount due to group undertakings	-	-	64,769	39,758
	597,455	482,625	453,668	443,527

14 CREDITORS: Amounts falling due in more than one year

	Group		Society	
	2021	2020	2021	2020
	£	£	£	£
Dudley Metropolitan Borough Council				
Long term loan	250,000	250,000	250,000	250,000
DMBC Loan	320,000	360,000	320,000	360,000
Total	570,000	610,000	570,000	610,000

The Long-term loan of £250,000 from Dudley Metropolitan Borough Council is interest free and will not be repaid within the next 12 months, though it has no fixed repayment date.

The DMBC Loan is an interest free loan of £400,000 repayable over 10 years with equal repayments of £40,000 per annum.

15 RESTRICTED FUNDS

	Balance 1 January 2021	Incoming resources	Resources expended	Transfers	Balance 31 December 2021
	£	£	£	£	£
GROUP AND SOCIETY					
Donation for orangutan enclosure	994	-	(994)	-	-
Donations for animal feed from the Dudley Zoo Development Trust	-	58,387	(58,387)	-	-
Heritage lottery fund:					
Chairlift Project	42,000	-	(6,072)	-	35,928
Tecton Entrance & Shop	172,473	-	(12,394)	-	160,079
Tecton Introductory Exhib.	7,947	-	(589)	-	7,358
Bear Ravine	201,788	-	(13,916)	-	187,872
European Regional Development Fund:					
Harry Hatch's Cottage	81,077	-	(5,969)	-	75,108
Castle Visitor Centre	219,019	-	(13,275)	-	205,744
Sculptures	14,750	-	(1,500)	-	13,250
Fencing at Entrance	14,551	-	(1,467)	-	13,084
Glass Panels at Entrance	6,292	-	(635)	-	5,657
Getty Foundation Project	115,552	-	(66,625)	-	48,927
LEP Grant	291,664	-	(20,000)	-	271,664
Defra Zoo Fund		505,366	(505,366)		
Apprenticeship Fund		5,000	(5,000)		
Govt. Grant - JRS	-	119,070	(119,070)	-	-
	1,168,107	687,823	(831,259)	-	1,024,671

RESTRICTED FUNDS - 2020

	Balance 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance 31 December 2020 £
GROUP AND SOCIETY					
Donation for orangutan enclosure	10,669	-	(9,675)	-	994
Donations for animal feed from the Dudley Zoo Development Trust		66,727	(66,727)	-	-
Heritage lottery fund:					
Chairlift Project	48,072	-	(6,072)	-	42,000
Tectons Project	-	-	-	-	-
Tecton Entrance & Shop	184,867	-	(12,394)	-	172,473
Tecton Introductory Exhib.	8,536	-	(589)	-	7,947
Bear Ravine	215,704	-	(13,916)	-	201,788
European Regional Development Fund:					
Harry Hatch's Cottage	87,046	-	(5,969)	-	81,077
Castle Visitor Centre	232,294	-	(13,275)	-	219,019
Sculptures	16,250	-	(1,500)	-	14,750
Fencing at Entrance	16,018	-	(1,467)	-	14,551
Glass Panels at Entrance	6,927	-	(635)	-	6,292
Castle Maintenance Grant	146,030	-	-	(146,030)	-
Getty Foundation Project	-	120,000	(4,448)	-	115,552
LEP Grant	-	300,000	(8,336)	-	291,664
Govt. Grant - JRS	-	163,607	(163,607)	-	-
	972,413	650,334	(308,610)	(146,030)	1,168,107

ORANG-UTAN ENCLOSURE
Capital cost of the improved indoor area of the Orang-utan enclosure. Resources expended are the depreciation charges for the year.

DONATIONS FOR ANIMAL FEED FROM THE DUDLEY ZOO DEVELOPMENT TRUST
Income used exclusively for the animal food.

CHAIRLIFT PROJECT
Capital cost of restoring the historic Chairlift. Resources expended are the depreciation charges for the year.

TECTON ENTRANCE & SHOP
The Entrance and Shop Tecton buildings were restored and the resources expended in the year are the depreciation charges.

TECTON INTRODUCTORY EXHIBITION
The Tecton project included an Introductory Exhibition explaining the architectural significance of the Tecton buildings and the project to refurbish them. The resources expended in the year are the depreciation charges.

BEAR RAVINE
The Tecton project involved an extensive restoration of the Bear Ravine Tecton building (the structure used to house bears), and the resources expended in the year are the depreciation charges.

HARRY HATCH'S COTTAGE
This ERDF project involved the significant restoration of a building on site - Harry Hatch's Cottage. This was capital expenditure and the resources expended in the year were depreciation charges.

CASTLE VISITOR CENTRE
The construction of the Castle Visitor Centre was completed in 2015 and branded Castle Creatures. This was capital expenditure and the resources expended in the year were depreciation charges.

SCULPTURES
As part of the ERDF project various steel sculptures at the Zoo entrance were constructed. This was capital expenditure and the resources expended in the year were depreciation charges.

FENCING
The ERDF project included the construction of steel fencing at the Zoo entrance. This was capital expenditure and the resources expended in the year were depreciation charges.

GLASS PANELS
The ERDF project included capital expenditure on glass panelling at the Zoo entrance. This was capital expenditure and the resources expended in the year were depreciation charges.

CASTLE MAINTENANCE GRANT
The Society receives an annual grant from Dudley MBC in respect of the Castle and the maintenance thereof. This is either spent in the year it is received and/or carried forward to future periods where it can be utilised for future major restoration work projects. In 2020 Dudley MBC gave permission for the restricted fund to be released to be used against general operations on site, not just the castle. This grant was unrestricted for the years ending 2019, 2020 and 2021 and will return to being a restricted fund in 2022.

GETTY FOUNDATION PROJECT
In 2020 the Society successfully applied for a grant of £120,000 which will carry out investigation work into 4 Tecton structures on site. The grant income was reported in the financial statements for 2020 and continuing costs were incurred in 2021.

LEP GRANT
A grant of £300,000 was awarded to the Society in 2020 for the purpose of assisting the Society in paying for the car park works totalling £600,000.

GOVT. GRANT JRS
During the year the Society benefitted from the furlough scheme run by the government in response to the Covid crisis. A total of £119,070 was claimed through the Job Retention Scheme in 2021.

DEFRA ZOO FUND
In 2020 the society applied for the Zoo support fund set up by Defra and this application was successful in early 2021. The funding was used to support vital animal welfare costs in 2021 and totalled £505,366 in the year.

APPRENTICESHIP FUND
The Society has set up an account and received funding from the Education Skills Agency as a result of employing apprentices in the year.

16 CALLED UP SHARE CAPITAL

GROUP AND SOCIETY	Authorised	Allotted and fully paid
At 31 December 2020 and 31 December 2021		
100 ordinary shares of £1 each	100	100

No shares in the capital of the Society have been authorised or issued since the end of the accounting period. The Society's ordinary shares, which carry no right to fixed income, each carries the right to one vote at general meetings of the Society.

17 UNRESTRICTED FUNDS

GROUP	Balance 1 January 2021 £	(Deficit) in year £	Transfers £	Balance 31 December 2021 £
General income funds	2,234,253	1,824,205	(500,000)	3,558,458
Designated reserve	1,000,000	-	500,000	1,500,000
	3,234,253	1,824,205	-	5,058,458

SOCIETY	Balance 1 January 2021 £	(Deficit) in year £	Transfers £	Balance 31 December 2021 £
General income funds	2,117,148	1,865,062	(500,000)	3,482,210
Designated reserve	1,000,000	-	500,000	1,500,000
	3,117,148	1,865,062	-	4,982,210

	£	£
The designated reserve is to cover:		
- Emergency funds for unexpected events	300,000	300,000
- Capital projects	700,000	1,200,000
	1,000,000	1,500,000

The reserves for Capital Projects within Designated Funds of £1.2m will be utilised in the next 2 to 3 years on the following projects; Tiger Enclosure - £400k, Giraffe House and enclosure - £200k, African Wild Dog enclosure - £100k, Orang-utan enclosure - £200k and the Chimpanzee enclosure - £300k.

UNRESTRICTED FUNDS - 2020 GROUP	Balance 1 January 2020 £	(Deficit) in year £	Transfers £	Balance 31 December 2020 £
General income funds	2,327,031	(238,808)	146,030	2,234,253
Designated reserve	1,000,000	-	-	1,000,000
	3,327,031	(238,808)	146,030	3,234,253

SOCIETY	Balance 1 January 2020 £	(Deficit) in year £	Transfers £	Balance 31 December 2020 £
General income funds	2,077,131	(106,013)	146,030	2,117,148
Designated reserve	1,000,000	-	-	1,000,000
	3,077,131	(106,013)	146,030	3,117,148

	£	£
The designated reserve is to cover:		
- Emergency funds for unexpected events	300,000	300,000
- Capital projects	700,000	700,000
	1,000,000	1,000,000

We anticipate utilising the Designated Funds of £1m in the next 2 to 3 years on the following projects; Bear Enclosure - £250k, Tiger Enclosure £250k and the Orang-utan enclosure - £500k.

18 NET ASSETS BY FUNDS - 2021

	Unrestricted £	Restricted £	Total £
GROUP			
Funds are represented by:			
Fixed assets	2,276,924	1,024,671	3,301,595
Current assets	3,949,089	-	3,949,089
Current liabilities	(597,455)	-	(597,455)
Long term liabilities	(570,000)	-	(570,000)
	5,058,558	1,024,671	6,083,229
SOCIETY			
Funds are represented by:			
Fixed assets	2,279,936	1,024,671	3,304,607
Current assets	3,726,042	-	3,726,042
Current liabilities	(453,668)	-	(453,668)
Long term liabilities	(570,000)	-	(570,000)
	4,982,310	1,024,671	6,006,981

NET ASSETS BY FUNDS - 2020

	Unrestricted £	Restricted £	Total £
GROUP			
Funds are represented by:			
Fixed assets	2,173,018	1,168,107	3,341,125
Current assets	2,153,960	-	2,153,960
Current liabilities	(482,625)	-	(482,625)
Long term liabilities	(610,000)	-	(610,000)
	3,234,353	1,168,107	4,402,460
SOCIETY			
Funds are represented by:			
Fixed assets	2,172,779	1,168,107	3,340,886
Current assets	2,095,344	-	2,095,344
Current liabilities	(540,875)	-	(540,875)
Long term liabilities	(610,000)	-	(610,000)
	3,117,248	1,168,107	4,285,355

19 OPERATING LEASE COMMITMENTS

Financial commitments under non-cancellable operating leases will result in the following total payments to the end of the lease term.

	2021 Land and Buildings £	2020 Land and Buildings £
Payable:		
In less than one year	200	100
In two to five years	800	400
In more than five years	10,960	5,480
	11,960	5,980

20 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of the Society is Dudley Metropolitan Borough Council.
They wholly own the shares in the Society and nominate 2 members to the Zoo's Board of Directors.
Their accounts can be obtained from the Local Council Offices.

21 RELATED PARTY TRANSACTIONS

At 31 December 2021 the Group owed a total of £255,999 (2020: £334,470) to Dudley Metropolitan Borough Council. These liabilities are included within trade creditors of £3,801 (2020: £82,272), other creditors £2,198 (2020: £2,198), accruals £nil (2020: £nil) and long term loans £250,000 (2020: £250,000).

During the year, the group made payments of £96,143 (2020: £745,193) and were invoiced £17,673 (2020: £745,193) for services provided by Dudley Metropolitan Borough Council.
The Society is owned by Dudley Metropolitan Borough Council and has the normal relationship and transactions that any other charitable or trading company would enjoy with the Local Authority within whose jurisdiction it resides, in this case Dudley Metropolitan Borough Council.

There are numerous transactions between the Society and the Services company, including the transfer of Management Recharges amounting to £251,562 (2020: £237,023) (which includes the supply of labour and overheads from Society to Services) and distribution of profits from Services to Zoo of £269,000 to be paid within nine months of the year end (2020: £41,544). At the end of the year the balance outstanding of all these transactions was £64,769 (2020: £39,758). This forms part of the intercompany balance in note 14.

During the year £58,387 was received from Dudley Zoo Development Trust (2020: £66,727) in respect of donations for animal feed. At the year-end £158,747 was due from the Trust (2020: £100,360) and £158,747 was owed to the Trust (2020: £100,360).

22 CAPITAL COMMITMENTS

Future capital expenditure contracted for, but not provided in the financial statements as at 31 December 2021 was £10,875 (2020: £4,075).

23 CONTINGENT LIABILITIES

The Society is party to a group VAT registration. At 31 December 2021 the amount outstanding in respect of other group companies was £7,624 (2020:£2,878) (being the amount due for Qtr 4 2021).

DUDLEY AND WEST MIDLANDS ZOOLOGICAL SOCIETY LIMITED

England & Wales - Charity number 507221

Accounts

Dudley and West Midlands Zoological Society Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended
31 December 2020

Company Registration No.1350864
Charity No. 507221

Dudley and West Midlands Zoological Society Limited
OFFICERS

MEMBERS OF THE BOARD

Appointed members	P J Silver
	D H Sparks OBE
	P J Tart
	J Webb
	A J Taylor
	S K Vincent
Nominated members	M J Evans
	D I A Vickers
Co-opted members	K Fuller
	S Woollard
	P I Loveday
Zoo Director	D A Grove
Zoo Manager	M R Lewis
Finance Manager	J D Ashfield

Dudley and West Midlands Zoological Society Limited
ADVISORS AND COMPANY INFORMATION

CHARITY REGISTRATION NUMBER

507221

COMPANY REGISTRATION NUMBER

1350864

AUDITOR

Crowe U.K LLP
Black Country House
Rounds Green House
Oldbury
West Midlands
B69 2DG

BANKERS

NatWest
2nd Floor
39 Queen Square
Wolverhampton
WV1 1TL

PRINCIPAL AND REGISTERED OFFICE

Castle Hill
Dudley
DY1 4QF

Dudley and West Midlands Zoological Society Limited
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The Trustees, who act as directors of the Charity for the purposes of the Companies Act, present their annual report together with the audited financial statements for the year ended 31 December 2020. The Directors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (Charities SORP (FRS 102)) in preparing the Annual Report and financial statements of the Charity.

REFERENCE & ADMINISTRATIVE DETAILS

Dudley and West Midlands Zoological Society is a charitable company with shares wholly owned by Dudley Metropolitan Borough Council, structured as a charitable organisation, with a trading arm known as Dudley Zoological Services Limited and The Dudley Zoo Development Trust which raises money for animal welfare expenditure. The charity has been in existence since 1978 with the responsibility to run the zoological and historical site in Dudley, West Midlands, as set out in the Articles.

STRUCTURE, GOVERNANCE & MANAGEMENT

The Society is governed by a board of Directors (a maximum of 13), including a Chairman. The management arrangement consists of a Zoo Director and a group of senior managers who administer the day to day running of the business. The Zoo Director, Finance Manager and Zoo Manager attend the main board meetings with other managers attending as and when necessary.

The Zoo Director meets regularly with the Chairman of the board to discuss any issues and reports are produced on a monthly basis for the Directors to keep them informed of day to day operational matters, and the board of Directors meet quarterly to discuss and review the activities of the organisation against the overall strategic plan. We operate an open access policy for Directors with the management team.

As part of the infra structure sub groups are also in place, attended by specified Directors and managers to consider specific areas of the business. These include regular topic based sub group meetings for Finance & Legal, Health and Safety, and Ethics, along with task and finish sub groups set up by the board with an agreed objective and deadlines to review a particular subject or to achieve a set task. A sub group for Project and Development was set up in 2018 to set out an ongoing programme of development work. All sub groups then report to the full board at the quarterly meetings. Minutes of the board meetings are available on request. During 2020 Trustees have been given the option of attending meetings via virtual platforms such as Teams as a response to the Covid situation.

Directors are recruited through various means. By appointment through the local authority, using the Nolan process with advertisements and interviews, or by co-opting (if they have particular skills lacking within the board). The latter would all be small in numbers as the majority of Directors have a commercial background and no conflict of interest.

All Directors are inducted initially by a one to one meeting with the Zoo Director and Chairman and then by meeting with the Zoo Manager, Finance Manager, Marketing Manager, Retail Manager and Office Manager to enable them to fully understand the operational activities of the Society and the future objectives.

All Directors are constantly updated by the Zoo Director and external advisors concerning legal matters ensuring their knowledge of zoo licensing is adequate and they are fully aware of the implications of this unusual legislation.

Directors continue to benchmark the performance of the Society by visiting other similar organisations, which also serves as part of their professional development as a trustee. Unlike in previous years in 2020 the Trustees did not make visits to any other similar sites due to the Covid 19 outbreak making this difficult.

The Trustees consider the Board of Directors of the Society and the Senior Management Team as being the key management personnel of the Society, responsible for directing and managing the day to day operations of the Society's activities. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses are disclosed in the notes to these financial statements. The remuneration of the senior management team is set by the Board of Directors using the facility of the Finance and Legal subgroup to assess their experience and qualifications and comparing it with similar roles within the sector.

The zoo licensing authority Dudley Metropolitan Borough Council (DMBC) carry out regular inspections of our operations, consisting of interim inspections every 3 years and a major inspection every 6, as well as annual health and safety inspections. We have regular liaison with DEFRA concerning various animal related legislation, which include waste disposal and movement of animals.

A full Zoo inspection took place on the 6th February 2019 and the Zoo Licensing inspection report noted that the overall impression of the zoo was very favourable, with areas for improvement set out in seven Directions, eight Conditions and six recommendations. All items have been actioned within the agreed timeframes. Some items such as the veterinary provisions are ongoing and we will expected to show in our next interim zoo inspection, in Feb 2022, that we have continued to operate in best practice on veterinary issues.

The Principal Environmental Officer at DMBC noted the findings of the Zoo Licensing inspection report and gave positive feedback on all aspects of the site's operations and stated how impressed they were with the collection's continuing work in the area of conservation and education. The Principal Environmental Officer at DMBC conducted the Annual Informal inspection on the 23rd December 2020 and commented on the Zoo's success regarding the ongoing programme of improving animal welfare facilities.

On the 1 January 2020 the Board of Trustees made the decision to change the trading name of the Society to Dudley Zoo and Castle (DZC).

OBJECTIVES & ACTIVITIES

The object of the Society shall be, for the benefits and education of the public, the collection, preservation, conservation, care and exhibition on the premises of the Society of living animals and the promotion and advancement of the sciences of zoology, arboriculture, horticulture and botany and a more extended education, study, knowledge and appreciation of the animal and plant kingdoms by the introduction of new curious and endangered species belonging to them.

Dudley Zoo and Castle ('DZC') is not only home to a large collection of endangered species, but also an 11th century castle, the world's largest single collection of Tecton buildings, and an important geological site.

Our aim is to provide our visitors, via our education and conservation activities, with an understanding and awareness of all elements of this unique site, the history of the castle and the geology, the importance of the architectural design of the Tectons, and the opportunity to get closer to the world's rarest animals.

It is vital that every visitor to Dudley Zoo & Castle is informed about our conservation work with endangered species and how they can help us with the protection of these animals.

The purpose of Dudley Zoo Services is to create funds for the pursuit of the objectives mentioned above.

ACHIEVEMENTS & PERFORMANCE

The Society had a challenging year in 2020. The Covid 19 outbreak adversely affected the Society, like many other organisations, and we have had to adapt to generate visitor numbers and stay as profitable as possible. We had set a target of 320,000 total visitors for 2020 but the imposed lockdown in March 2020 and subsequent closure of the Zoo and Castle for almost 3 months meant we missed a large part of the traditional visitor season, including the crucial Easter period in April and the bank holidays in May. The Zoo re-opened in June and we had a good period between June and September despite the restrictions in place. The Zoo was closed again in November as a result of the second lockdown, resulting in further loss of visitors and income. In total 111 days out of a possible 365 days were lost due to the Covid 19 pandemic in 2020. In 2020 we welcomed 196,787 total visitors to the Zoo and Castle compared to 311,303 total visitors in 2019. In 2020 total visitor numbers were 36% down on the previous year.

The Society achieved a surplus after depreciation of £102,916 (2019: £271,530 surplus). In the year the Society received grants from the LEP (£300,000 – which has been used entirely in the year on the car park project in Fixed Asset expenditure on the balance sheet)) and Getty Foundation (£120,000) with a combined total of £420,000, which resulted in amortisation and expenditure of £8,336 and £4,448 respectively. The net effect of these activities is a surplus of £407,216. The amended result for the Society after taking this into account is a deficit of £304,310 from the surplus of £102,916. This represents a more realistic picture of the Society's financial performance in 2020.

It remains our long term strategy to utilise our surplus to improve and develop the site, to maintain it as a quality visitor attraction.

Despite the Covid situation in 2020 we were able to improve some areas of the site. In March 2020 we completed our new tortoise enclosure that had been started in early January to house a collection of Sulcata tortoises. In February 2020, the work we had started in 2019 to improve the accommodation for our Wallaby group by constructing a new building to house them was finished. In early 2020 we installed a symbolic sculpture in the recently refurbished Lemur Wood highlighting the plight of this endangered species. This was already planned in 2019 as an integral part of the new enclosure and is important in delivering the message of conservation for this species.
The bird aviary by the Queen Mary restaurant was rebuilt in the summer of 2020 for a small cost which has regenerated this exhibit.
The Snow Leopard roof was replaced with a significantly stronger structure which will improve the longevity of this enclosure.
In 2020 we extended the Reindeer paddock to give the group access to more land, enhancing the enrichment levels for these animals.

The car park project was finalised in 2020 with the Society paying the contribution to the works for this vital facility for the site. The actual works to the car park were done in previous years.

Towards the end of the year we started work on a Cassowary enclosure as we had received notification that we would be introducing this species into our bird collection. We also started construction of a new building to house a separate group of small primates in 2021 to make it easier to manage specific groups within the collection.

The Castle Creatures exhibit gives an extensive history of Dudley Castle and includes educational and interactive items for visitors. This has been very popular with visitors and provides a valuable facility for educating our visitors on, not only the history of the castle, but on how people co-existed with animals in medieval times. Due to the fact that this exhibit is inside it was closed for large parts of 2020 but will open again once restrictions are eased.

ACHIEVEMENTS & PERFORMANCE (continued).

We have taken part in a Visitor Attraction Quality Scheme for many years as this scheme provides an unbiased viewpoint of our visitor experience by industry professionals, who produce a full assessment and written report of their visit. The VAQAS accreditation enables us to monitor our performance against ever changing customer expectations. The assessor will replicate our customer experiences throughout all aspects of our attraction, including customer/staff interactions. This year's annual assessment was cancelled due to the Covid 19 pandemic.

In 2020 we took the difficult decision not to run our Santa's grotto. In 2019 the Santa's grotto brought in £107,556 of income.

We have reviewed the Long Term Development Plan for the site to see how Covid has impacted this. The plan prioritises projects into low, medium and high categories, and aims to tackle all the highest priority projects within a period of five years. The plan covers all redevelopment projects, specifically building restoration, visitor services and animal exhibits and will require financing from the operating surplus, fund raising and grants.
Some of the development plans will have been affected by the Covid situation and we are still analysing the full effect on the development plan.

The Zoological Society has a strategic vision document outlining the detailed aims of the Society and included within that is the Castle Hill Vision which highlights all the projects that we are seeking external funding assistance for.

In 2016 one of our keepers assisted with the Selamatkan Yaki project conservation project in Sulawesi for Black Crested Macaques and they have continued to support this project in 2020 in the role of UK co-ordinator. In November 2018 Dudley Zoo hosted a Macaque workshop which included delegates from all over Europe to develop husbandry techniques for the Macaque species and debate conservation issues in general. Unfortunately our keepers were unable to attend any related workshops in 2020 due to the Covid crisis.

In 2020 we continued to have success with our breeding programmes. Notable births included Barbary sheep, 2 Columbian spider monkeys, Sulawesi crested macaque, Victoria crowned pigeon, crested wood partridge, Luzon bleeding heart dove, Patagonian mara, pygmy marmoset and a satyr tragopan. As far as we know this year is the first time Columbian spider monkeys and Victoria wood pigeons have successfully bred at Dudley Zoo. Coming into the collection we welcomed for the first time at DZC a common palm civet. We also received on to site gorongosa girdles lizard, six branded armadillos and a group of yellow headed poison frogs. We also brought in a female Linn's two toed sloth to join our resident male and a Mindane bleeding heart dove to make pairs in the respective species. Transfers have been fairly quiet in the year due to a combination of Brexit and Coronavirus.

Due to the impact of the Covid crisis we were restricted in our fund raising events in 2020. In January 2020 we raised donations for the Australian bush fires campaign and in particular donated money to Zoo's Victoria to assist in various conservation projects assisting animals affected by the bush fires.
We continued to support the Wild Camel Protection Foundation which works with the last remaining population of wild Bactrian camels. We have sponsored the care of a baby camel which has subsequently been named 'Dudley' by those working at the centre in Mongolia. We have supported the following organisations in the year through the sale of paintings:- Orangutan Appeal UK and The Tacugama Chimpanzee Sanctuary.

ACHIEVEMENTS & PERFORMANCE (continued).

Awareness days have been a vital tool in previous years for giving visitors a proper understanding of the species that are at risk in the wild and specifically gives a single species a whole day or weekend where the focus is completely on them. Unfortunately the Covid 19 pandemic made it difficult to run these days as they rely on us being able to host visitors as well as having areas to have conversations with our visitors which were no longer suitable due to social distancing regulations. We have been trying to explore different ways of engaging with our visitors which has mainly been done through digital platforms.

In June we usually run an Under 5's days which offers entertainment on site for a specific audience of young children at a reduced cost but this was cancelled in 2020 due to the restrictions brought in to deal with the coronavirus.

The site also hosts a number of ghost tour operators who use the site to entertain visitors about the ghostly events at this historic location, however due to the Covid restrictions these have been either limited in number or cancelled.

We had also planned to build on the success of previous year's film nights at DZC but like many other events these were cancelled due to Covid.

The annual classic car, which is usually set in the castle courtyard, had to also be cancelled in 2020.

KEY PERFORMANCE INDICATORS

Visitor Numbers – We budgeted to achieve 320,000 (2019: 315,000) Total Visitors and actually achieved Total Visitors of 196,787 (2018: 311,303).

Paying Visitor Numbers – We budgeted for 250,000 (2019: 245,000) Paying Visitors and actually received 168,088 (2019: 248,875) Paying Visitors. In 2020 Paying Visitors made up a greater percentage of Total visitors -85% (168,088/196,787), than in 2019 - 80% (248,875/311,303).

Admissions Income – In 2020 we actually achieved £2,232,578 (2019: £2,579,144) against a budget for 2020 of £2,747,000 (2019: £2,593,000). In 2020 there was a greater percentage of Total Charitable Income achieved from Admissions Income – 89% (£2233k/£2508k) compared to last year – 78% (2579k/£3294k).

Take per Head ("TPH") for retail operation - We aimed in 2020 to achieve a TPH of £1.64 (2019: £1.65) and actually achieved £1.67 (2019: £1.60).

Education Numbers – We achieved 1,748 (2019: 18,308) against a budget of 19,000 (2019: 19,000).
The reduction in education numbers in 2020 is a clear indication of the devastating impact of the coronavirus on this part of the organisation.

FUNDRAISING

The Society does not normally undertake material fundraising activities and does not employ or use the services of any professional fundraisers, nor is the Society subject to a voluntary scheme for regulating fundraising. During the year the Society received no complaints in respect of its fundraising practices. In response to the Covid outbreak and subsequent zoo closure the society set up a series of fundraising schemes, mainly through digital platforms such as Justgiving, as a safe way for people to donate to the zoo.

ACHIEVEMENTS AGAINST OBJECTIVES

It is the aim of the Society to deliver talk times to all our visitors as a way of educating them. Over the years we have built up an extensive talk times programme, which gave daily talks on approximately 10 species of animals and also history walks which inform visitors about some of the history of the site. Unfortunately these talk times and walks attract crowds and therefore due to Covid social distancing regulations we have had to suspend them. We have also suspended the castle tours. We are currently undertaking various techniques to deliver virtual conservation and educational messages. We are doing weekly 'conservation matters' videos on social media, where we focus on a particular species each week to talk about, with particular interest in their conservation status. We are also doing virtual animal talks as we don't anticipate being able to commence traditional talks in the short term as they encourage people to crowd and contravene social distancing guidelines. In response we are making online talks which people can connect to using QR codes on their smart devices around the zoo site. These codes will be located at all major animal enclosures to give people the opportunity to learn more about the species. By doing the talks this way we can consistently add to the talk times over time and offer more talks than we ever done before.
The Zoo's development is set out in a 10 year Long Range Site Development Plan which is reviewed and updated annually to reflect physical changes, in order to meet welfare requirements, and to allow us to achieve our aspirations while retaining the zoo's commitment to conservation, education, scientific study and recreation. In 2020 we were still able to develop some areas of the zoo at a low cost. The Covid crisis meant it was difficult to commit to any large scale projects but the Society was still able to target some projects that could be done with less of a financial impact.

PUBLIC BENEFIT

The Directors are conscious of providing benefit for the local population and that of the region. We offer reduced rates for groups, education visits, young people, senior citizens, special needs groups and those with a disability to ensure we have a diverse appeal. Disabled guests are entitled to a free admission for their carer. We see our conservation work in terms of both animals and buildings and the knowledge this imparts to society in general as an important part of our activities.

We have in previous years regularly donated admission tickets to local bodies as contributions for fund raising activities. This ranges from schools and church fetes to other charitable organisations. We have had to curtail this during the Covid 19 pandemic but we very much intend to do so again once the crisis passes. It is our intention to contribute to local projects in the future.

The Society works very hard to raise awareness of the plight of endangered species through our educational work for all visitors and also by our support of various organisations in the UK and abroad.

We are continuing to co-ordinate the Black Lemur (European Endangered Species Programme). This is the 29th year that we have managed the studbook for this important species.

PUBLIC BENEFIT (continued)

We support in-situ conservation projects such as Madagascan Lemurs (AEECL) and have continued to financially assist a project in Madagascar which funds 9 teachers to educate the local population about conservation. We contribute financially to The Yellow-breasted Capuchin Monkey Conservation Program (ZGAP) and also have an annual commitment to AB Conservation – a study programme for Binturongs and to a Natural History study into geladas and herpes. In February 2020 we contributed to the International Snow Leopard Trust. This is the second year of a five year commitment. Although the Society has been adversely affected by the Covid outbreak we still felt it was necessary to support projects that we have made a commitment to. We have also financially supported various animal conservation charities as we recognise that these are financially challenging times for these organisations as well, and it's important to support them.

We took the decision in 2019 to commence with significant financial support to the Save the Tasmanian Devil program which is responding to the threat of extinction of the Tasmanian devil due to Devil Facial Tumour disease. We have continued this financial support in 2020.

Alongside these International projects we continue to champion work for Native Species. We provide practical and financial assistance for various projects.
In 2019 we began detailed bat surveys on key locations around our site and have established that the site contains at least 10 species of bat. We continued bat surveys with local bat conservation trust group Brumbats on both big ben cavern and stores cavern where we conducted DNA sampling on multiple species of the Myotis family as well as the locally rare Lesser Horseshoe bat where we are believed to be on the edge of its northern range in the UK. This DNA work is feeding into a PHD project being conducted at the University of Wolverhampton to distinguish if these bats are moving across the Birmingham and Black Country region or if they are restricted by the growing metropolitan area around them into smaller pocket populations. The findings of this project will have huge implications for conservation planning in the area and has really put Dudley Zoo on the map as one of the only regions in the country conducting such bat surveying methods.

In addition to this project the zoo joined forces with the local ecological records group to conduct the city nature challenge. The project is a global challenge to survey as much of the ecology in the area as possible in a single weekend and see how we fair against other cities across the globe with the use of the INaturist app. On the zoo site itself we found over 300 wild native species helping Birmingham and Black Country become the most diverse region in Europe in 2020 as well as 13th in the world. This was a great accomplishment and was helped through advertising the campaign to our followers on social media and our website to get people involved at home.

The Zoo works closely with the West Midlands Birding Club to survey what bird species we have on site. In this year we continued bird ringing thanks to the help of a keeper at DZC who holds a C licence for bird ringing, allowing us to conduct our own bird ringing on the zoo site. We managed to catch and ring many species including migratory birds such as redwing and fieldfare and also recapture more local species to show that individuals were returning to the zoo site, proving it is an excellent habitat for these animals.

We also planned to set up a bee hive on site with a local apiarist to aid local pollinators. However due to the zoo closure and social distancing restrictions we are now hoping to conduct this work in 2021 as well as working with other local wildlife groups.

In 2019 we sponsored a university student for the duration of their course. We are now in the second year of this three year commitment.

We also take great care of the listed buildings and the grounds of the Castle, which is a scheduled monument. The Tecton buildings are now recognized to be of World importance.

PUBLIC BENEFIT (continued)

Within our Education programme, we aim to give a wide range of informative talks to all our visitors. This has been severely hampered by the Covid outbreak and we have not been able to undertake any talk times since March 2020. We were able to welcome students from nearby universities to study animal behaviour.

Our arrangement with the local college to provide in-house practical training in conjunction with their animal management courses was still able to proceed despite the Covid situation. Certain conditions had to be put in place to enable it to take place safely. This proves very popular with the students as it gives them invaluable practical experience.

In 2020 we returned a collection of Columbian black spider monkeys to Birmingham Wildlife Conservation Park that we had housed after their enclosure had been affected by the fire at the site in 2019. We cared for them free of charge for a number of months to support a fellow collection, while their enclosure was rebuilt.

Several events that we had planned for in 2020 had to be cancelled due to the Covid 19 pandemic.
We have strong links to the community and usually participate in many local festivals and events. We visit local schools and educate pupils on our conservation work and also give guidance to pupils on careers in animal welfare. This has all been adversely affected by the Covid 19 outbreak. In the past we have promoted the zoo's conservation message to a wider audience within the community by undertaking educational outreach programmes throughout the year. Unfortunately this has not been possible in 2020 due to Covid.

In the summer of 2020 as a gesture of goodwill to everyone who worked in the NHS we offered free tickets to all NHS workers for a limited period. This was well received and was widely used by people.

In 2018 and 2019 we welcomed chronically ill and disabled youngsters along with their families for an exclusive after hours free event called Dream Night. The Internationally recognised zoo event, which takes place around the world on the first Friday in June, saw youngsters in the care of hospices, hospitals and charities visit the zoo for a memorable evening, which included animal talks and feeds, children's entertainers, a fun fair and representatives from the emergency services. We had planned to run this event again in 2020 but this was not possible due to the Covid outbreak.

We support an organisation called The Friends of Dudley Castle by providing facilities for their meetings and offering access to the site for this important historic group.

The Directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Charity and in planning future activities for the year.

SOCIAL INVESTMENT POLICIES

We participate in many events and activities in the community and contribute to society in general by being an employer and by having a positive impact on the local economy as many of our suppliers are from the local vicinity.

VOLUNTEERS

During 2020 we had no volunteers at Dudley Zoo and Castle. We have had volunteers in previous years and acknowledge that they add considerable value to the organisation but none were used in the last year.

Note 7 details the value in financial terms of the contribution that the volunteers make to the organisation.

FINANCIAL REVIEW

Income for 2020 of £4,208k (2019: £4,871k) is a decrease from 2019 and indicates the impact on the organisation of the Covid outbreak. We lost a large part of our income in the summer due to the site being closed as part of the government imposed lockdown. Income from charitable activities was £2,512k in 2020 which is a decrease of 24% from last year's figure (£3,294k).

The trading activities of the subsidiary have been severely affected by the Covid 19 pandemic in the same way as the charity, as a reduction in visitors has repercussions for secondary income levels. Income from trading activities of £733k was 46% down on 2019 (2019: £1,371). We have not been able to generate any income from events such as Film nights, Under 5's days, Santa's grotto, Halloween nights and ghost nights to name but a few. Retail income in 2020 (£329k) was down 33% on previous year (2019:£497k) which is in line with the decrease in visitor numbers.

Catering income in 2020 (£404k) is 41% down on 2019 (£686k). We had to close the restaurant for most of the year and had to sell from kiosks, which has impacted the value of sales we do. The Trading Services company has still achieved a small profit and will gift aid £41k in respect of 2020 profits to the Society (2019: £243k).

We have strived to save costs where possible, however many of our fixed overheads relate to the caring of the animals on site which cannot be easily altered. We have been able to utilise the governments Job Retention Scheme and kept maintenance jobs around site to a minimum.

In previous years interest received has been steadily growing as our cash reserves have been built up in expectation of undertaking some major projects. However in 2020 interest rates were very low and cash reserves were depleted due to the impact of the Covid situation. As a result we have only achieved £5,953 of interest compared to £14,241 in 2019. We have therefore only earned a nominal figure during the 12 month period.

Despite the challenges presented by Covid cash remained positive throughout the year standing at £1,908k at 31 December 2020 (2019: £2,014k). We have processed a significant transaction in the year, paying for the works completed on the car park (£600k). This expenditure was funded by the grant from the LEP (Local Enterprise Partnership) of £300k and by a loan from the DMBC of £400k (repayable over 10 years). This has meant that our cash position has not been impacted by this large capital expenditure. In conjunction with the loan received from DMBC to assist in the funding of the car park works (£600k + VAT) the Zoo has entered into an additional lease agreement for a section of land encompassing the new part of the car park that was not within the original site lease. This additional agreement is on the same terms as the original land lease.

This site is an unusual and expensive site to manage compared to a normal operating zoo, having listed buildings and a scheduled monument. The Society receives an annual Dudley Castle Maintenance Grant from DMBC of £150k (£150k during 2019) as a contribution to maintaining the upkeep of the scheduled monument and the surrounding grounds. In 2019 this maintenance grant was treated as a restricted fund within the accounts and had a balance of £146k brought forward from 2019. Given the huge financial pressure that the Covid 19 pandemic has brought DMBC has since released the restriction so it can be used to support all of the site's core functions. This will be the case for the financial years of 2020 and 2021. After that the grant will once again be treated as a restricted fund to support the castle maintenance cost base.

PLANS FOR THE FUTURE

We continue to invest in the charity with the funds created from surpluses. Despite the poor financial performance in 2020 caused by the Covid 19 we anticipate that we will create enough funds in the future to enable significant capital expenditure around the site. The long term aim is to continually regenerate the site, in particular the animal welfare part, and to invest in new revenue streams that will increase visitor numbers and income. This will in turn strengthen the long term financial position.

Combined with this plan of internal growth and investment is a desire to attain external funding where possible to provide additional capital to improve the site.

INVESTMENT POLICY

The Charity retained investments in cash based funds during the year. Interest has been earnt from fixed rate savings accounts, a 35 day notice account and our Special Interest account, which totalled £5,953 (2019: £14,241) in the year. In prior years this investment fund would be used for continuing development; however it is obvious that £5,953 is insufficient for any major project. In 2017 a new investment policy was created in conjunction with a task based sub group to monitor and control fixed rate savings accounts for the benefit of maximising the Society's cash deposits. This is still monitored under the remit of the Finance and Legal sub group.

INVESTMENT POWERS

Under the memorandum and articles of association the Society has the power to make any investments which the Directors think fit.

RISK MANAGEMENT

The Directors continuously review the major risks and have developed systems to monitor and control these risks to mitigate any impact they may have on the Society in the future.

In particular the Society carries out an annual risk assessment, in the form of a Corporate Risk Management document, to assess what risks the charity may face. These risks are prioritised into categories and we have contingency plans in place with action plans and procedures to mitigate those risks. We have also designed controls that can be implemented should any risks materialise.

Our risk management strategy is administered by the Directors in conjunction with the Society's management team and is reviewed at the Finance and Legal sub group meeting.

The key risks identified by the Directors are:-

- Protection of the Society's assets including its reserves, which is addressed through appropriate governance, relevant insurance and regular reviews.
- Stability of commercial income to cover operating costs, provide funding for our charitable aims and investment for our capital expenditure programme. This is addressed by looking to diversify income streams, and by continually monitoring income and expenditure, general reserves and cash flow forecasts.
- A major operational issue impacting public safety and causing reputational damage which is addressed through documented operational procedures which are regularly tested, health and safety training, and routine inspections.

In 2020 the Directors and management of the Society have had to assess the impact of the Covid outbreak and the unprecedented risks to the business this has brought. The main risk to the Society is the impact on cash reserves. The Society carefully monitors it's cash position and has tried to save money by utilising the governments furlough scheme and applying for other funding. The Society has also implemented cost saving measures across the business.

RESERVES

The Directors have reviewed the reserves of the charitable company. This review encompassed the ownership of the shares, the nature of the income and expenditure streams, the need to match variable and seasonal income with fixed commitments, and the nature of reserves. The review concluded that the charitable company is in a good position to continue to operate as a self-sustaining business despite the pressures of the Covid crisis in 2020 and 2021.

The consolidated reserves of the Society at 31 December 2020 were £4,402,460. This includes £1,168,107 of restricted funds not available for general purposes of the Society at the end of the reporting period. At 31 December 2020 Dudley Zoo and Castle is reporting unrestricted funds of £3,234,253. After making allowance for designations of £1,000,000 and the carrying amount of fixed assets the Society has free reserves of £61,335 (2019: £369,014). The Directors aim to maintain reserves of £700k which covers approximately two months of expenditure. The impact of Covid-19 has meant we have used our built up free reserves during the year.

The Designated Fund of £1m is to be used in the next 2 to 3 years on the following projects; tiger enclosure - £250k, bear enclosure - £250k and the orangutan enclosure - £500k. We feel it will be necessary to increase the level of Designated Funds and reserve cover for Capital projects in the next 12 months as the level of net current assets has increased and will better reflect our future Capital Expenditure programme which has 3 major projects lined up for the next 3 to 5 years.

GOING CONCERN

The Society will always aim to achieve a surplus and this is then reinvested back into the Society to sustain growth and achieve the Society's objectives. Historically the Society has made surpluses and plans to in the future. It is the view of the Directors and management that the Covid pandemic will affect 2020 and 2021 but then conditions return to a point where the business is less affected and can return to making a surplus. In this respect the Directors see the organisation as a going concern.

During 2020 and at the time of preparing the Report of the Directors and Financial Statements the disruption to the Society as a result of the Covid-19 outbreak has been severe and unpredictable. As a result of lockdown measures imposed by the government the Zoo was closed to visitors from 23rd March until 15th June 2020 and then again from 5th November to the 1st December. This resulted in a significant loss of income during these periods. The Society had significant cash reserves at the time of the Covid-19 outbreak and this has covered operational expenditure during the time the Zoo was closed in 2020. We received significant income between July and September 2020 and this has helped to cover the costs during the 3rd lockdown in early 2021. The Society has made use of the government's Job Retention Scheme by furloughing non-essential employees and has also strived to save costs in all areas of the organisation to mitigate the loss of revenue.

Management has regularly assessed the group's financial position through financial modelling forecasts. The financial plans assume reduced levels of income until at least mid-2021 and have taken into account changes in our expenditure. The subsequent cash flow forecasts indicate that no borrowings will be required, and the position of retaining cash reserves to cover at least 2 months operational expenditure will be maintained throughout 2021.

On 24th July 2020 Dudley Metropolitan Borough Council wrote to the Board of Directors and stated that in its capacity as both owner and shareholder of the Society and its subsidiary, the Council recognised its legal obligation to make good trading losses whilst the Society continues to operate in its current form. It continues with confirmation of the intent of the Council to work with third parties to inject capital investment into the greater Castle Hill area and secure the long term future of the Society. The letter also makes a commitment to support the Society, subject to certain conditions. A further letter on the 15th March 2021 states that DMBC recognises the adverse impact that Covid 19 has had on the Zoo's operations since March 2020, and therefore has offered a longer than usual period of support until 31 March 2023.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Report of the Trustee's and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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

AUDITOR

Crowe U.K. LLP have indicated their willingness to continue in office and will be proposed for reappointment at the AGM.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

On behalf of the board

D H Sparks OBE
Director
4/6/2021

Opinion
We have audited the financial statements of Dudley and West Midlands Zoological Society Limited (the 'charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statements of Cash Flows and notes to the financial statements, including accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the charitable company's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the trustee's 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 or the group'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.

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within 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 the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' report.

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

- adequate and sufficient accounting records have not been kept by the charitable company; or
- the charitable company 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Report.

Responsibilities of trustees
As explained more fully in the Statement of Directors' responsibilities set out on page 15, 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 group's and 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Zoo Licensing Act 1981, Health and safety legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income and the override of controls by management. Our audit procedures to

respond to these risks included enquiries of management, and the Finance & Legal Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Dave Darlaston (Senior Statutory Auditor)
For and on behalf of Crowe U.K. LLP, Statutory Auditor
Chartered Accountants
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date 9 June 2021

Dudley and West Midlands Zoological Society Limited

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2020

	Notes	Unrestricted funds General £	Unrestricted funds Designated £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:						
Donations and Legacies	2	306,552	-	650,334	956,886	192,237
Charitable Activities	3	2,507,549	-	-	2,507,549	3,293,995
Other trading activities	4	737,733	-	-	737,733	1,370,802
Investments		5,953	-	-	5,953	14,241
TOTAL		**3,557,787**	-	**650,334**	**4,208,121**	**4,871,275**
EXPENDITURE ON:						
Raising Funds	5	753,343	-	-	753,343	1,196,675
Charitable Activities	5	3,043,252	-	308,610	3,351,862	3,403,070
TOTAL	5	**3,796,595**	-	**308,610**	**4,105,205**	**4,599,745**
NET INCOME/(EXPENDITURE)	6	(238,808)	-	341,724	102,916	271,530
Transfers between funds	15	146,030	-	(146,030)	-	-
Net movement in funds		(92,778)	-	195,694	102,916	271,530
Fund balances brought forward at 1 January 2019		2,327,131	1,000,000	972,413	4,299,544	4,028,014
Fund balances carried forward at 31 December 2019	15/17	**2,234,353**	**1,000,000**	**1,168,107**	**4,402,460**	**4,299,544**

The net group income and expenditure and the resulting net movement in funds arise from continuing operations.

There are no recognised gains or losses other than the net movement in funds for the year.

Dudley and West Midlands Zoological Society Limited

CONSOLIDATED BALANCE SHEET

31 December 2020 Company Registration No. 1350864

	Notes	31 December 2020 £	31 December 2019 £
FIXED ASSETS			
Tangible assets	9	3,341,125	2,930,530
CURRENT ASSETS			
Stocks	11	78,070	88,957
Debtors	12	167,445	135,861
Cash at bank and in hand		1,908,445	2,014,356
		2,153,960	2,239,174
CREDITORS: Amounts falling due within one year	13	(482,625)	(620,160)
NET CURRENT ASSETS		1,671,335	1,619,014
TOTAL ASSETS LESS CURRENT LIABILITIES		5,012,460	4,549,544
CREDITORS: Amounts falling due after more than one year	14	(610,000)	(250,000)
NET ASSETS		4,402,460	4,299,544
FUNDS			
Restricted funds	15	1,168,107	972,413
Unrestricted funds			
Called up share capital	16	100	100
General income funds	17	2,234,253	2,327,031
Designated funds	17	1,000,000	1,000,000
TOTAL FUNDS EMPLOYED		4,402,460	4,299,544

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 17 to 40 were approved by the board of directors and authorised for issue on 4th June 2021 and are signed on its behalf by:

D H Sparks OBE
Director

Dudley and West Midlands Zoological Society Limited

COMPANY BALANCE SHEET

31 December 2020 Company Registration No. 1350864

	Notes	31 December 2020 £	31 December 2019 £
FIXED ASSETS			
Tangible assets	9	3,340,886	2,929,336
Investments	10	3,012	3,012
		3,343,898	2,932,348
CURRENT ASSETS			
Stocks	11	10,202	10,459
Debtors	12	163,957	149,026
Cash at bank and in hand		1,820,825	1,994,247
		1,994,984	2,153,732
CREDITORS: Amounts falling due within one year	13	(443,527)	(789,436)
NET CURRENT ASSETS		1,551,457	1,364,296
TOTAL ASSETS LESS CURRENT LIABILITIES		4,895,355	4,296,644
CREDITORS: Amounts falling due after more than one year	14	(610,000)	(250,000)
NET ASSETS		4,285,355	4,046,644
FUNDS			
Restricted funds	15	1,168,107	972,413
Unrestricted			
Called up share capital	16	100	100
General income funds	17	2,117,148	2,074,131
Designated funds	17	1,000,000	1,000,000
TOTAL FUNDS EMPLOYED		4,285,355	4,046,644

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The result of the parent charity was a net increase in funds of £235,712 (2019: net increase in funds of £28,310).

The financial statements on pages 17 to 40 were approved by the board of directors and authorised for issue on 4th June 2021 and are signed on its behalf by:

D H Sparks OBE
Director

Dudley and West Midlands Zoological Society Limited
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2020

	2020 £	2019 £
Cash flows from operating activities:		
Net cash provided by operating activities	636,656	580,461
Cash flows from investing activities:		
Interest	5,953	14,241
Proceeds from sale of fixed assets	-	-
Purchase of property, plant and equipment	(748,520)	(303,725)
Net cash (used in) investing activities	(742,567)	(289,484)
Cash flows from financing activities:		
Repayments of borrowing	-	-
Net cash used in financing activities	-	-
Change in cash and cash equivalents in the reporting period	(105,911)	290,977
Cash and cash equivalents at the beginning of the reporting period	2,014,356	1,723,379
Cash and cash equivalents at the end of the reporting period	1,908,445	2,014,356
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period (as per the statement of financial activities)	102,916	271,530
Adjustments for:		
Depreciation charges	337,925	319,678
Interest received	(5,953)	(14,241)
Profit on the sale of fixed assets	-	-
Increase in stocks	10,887	1,593
(Increase)/decrease in debtors	(31,585)	(18,628)
(Decrease) in creditors	222,466	20,529
Net cash provided by operating activities	636,656	580,461
Analysis of cash and cash equivalents		
Cash in hand	1,908,445	2,014,356
Total cash and cash equivalents	1,908,445	2,014,356

Analysis of changes in net debt

	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	2,014,356	(105,911)	1,908,445
Debt due within one year	-	40,000	40,000
Debt due after one year	250,000	360,000	610,000
	2,264,356	294,089	2,558,445

GENERAL INFORMATION

Dudley and West Midlands Zoological Society Limited ("the Society") is a charitable company limited by shares and is incorporated in England and Wales (Company registration number 1350864 and charity number 507221). The address of the Society's registered office and principal place of business is Castle Hill, Dudley, DY1 4QF.

The Society's principal activity is the operation of a conservation based organisation for the benefit and education of its visitors to promote the primary themes of zoology, history and architecture.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

BASIS OF ACCOUNTING

a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Dudley and West Midlands Zoological Society Limited meets the definition of a public benefit entity under the Charities Act, assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

BASIS OF CONSOLIDATION

These financial statements consolidate the financial statements of Dudley and West Midlands Zoological Society Limited ("the Society") and its subsidiaries, Dudley Zoo Services Limited and Dudley Zoo Development Trust ("the subsidiaries") all of which are made up to 31 December 2020.

The financial statements consolidate the results of the Charity and its wholly owned subsidiaries on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006. The unconsolidated profit of the charity was £235,712 (2019: £28,310).

All intra-group transactions, balances and unrealised gains on transactions between Group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

ANIMALS

The animals are acquired by the Society from other zoological organisations at zero cost or bred at our zoo and a realistic valuation cannot be placed thereon. Many of the animals acquired are held in trust with other zoological societies at zero cost.

STOCKS

Stocks on hand of consumables and items for resale are stated at the lower of cost and estimated net realisable value. Net realisable value is based upon estimated selling prices less costs of disposal. Provision is made for obsolete and slow moving items.

DONATED FACILITIES
The Society leases the site from Dudley Metropolitan Borough Council. The lease was renewed in March 1984 for a term of 96 years, at market rent which is currently £100 per annum. The Trustees do not believe it is practical to reasonably quantify and measure the benefit conferred to the Society under the arrangement due to the Zoo's unique location and as such have not included the value of the donated facilities within the Consolidated Statement of Financial Activities.

TANGIBLE ASSETS AND DEPRECIATION
Other than for interests in land as stated above, tangible fixed assets are capitalised at cost and depreciated from the date that they are brought into use. From time to time a major capital project may not be completed and thus is not in use at the end of the accounting period. In such a case the policy is to capitalise the expenditure to date and show it separately as a capital project under construction within tangible fixed assets but no depreciation is provided until the project is completed and available for use.

Depreciation is calculated to write down the net original cost of the tangible fixed assets by equal annual instalments over its anticipated useful life to its then estimated residual value.

Individual assets under £1,000 are not capitalised.

The depreciation rates used are:

	%
Office Buildings	5% straight line
Animal enclosures	6.66% straight line
Service areas	10 - 20% straight line
Fixtures, fittings and office equipment	10% straight line
Motor vehicles - commercial	20% straight line
- cars	20% straight line
Computers	20% straight line

INVESTMENT IN SUBSIDIARIES
The investments in the subsidiaries are stated at cost less impairment.

HERITAGE ASSETS
The Castle and other heritage assets are located on the Zoo site. The Trustees do not consider that reliable cost or valuation information can be obtained for these assets, because of the unique features of the assets held and the lack of comparable market values. Furthermore, the Trustees believe the cost of obtaining a valuation of these assets would be onerous compared with the benefit that would be derived by users of the financial statements in assessing their stewardship of the assets. The Society does not therefore recognise these assets on its balance sheet.

FINANCIAL INSTRUMENTS
The Society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Trade debtors
Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Trade creditors
Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Borrowings
Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges. Commitments to receive a loan are measured at cost less impairment.

TAXATION

The Society is a Registered Charity and undertakes activities which, under present legislation, are not subject to Corporation Tax. The Society's subsidiary, Dudley Zoo Services Limited, is not a Registered Charity and undertakes trading activities within the meaning of the Taxes Acts and is liable to Corporation Tax. Typically, however, the subsidiary gift aids all its taxable profits to the Society and as a consequence no provision is usually required for the payment of Corporation Tax either current or deferred.

FUND ACCOUNTING AND RESERVES

Restricted funds are only expendable by the Directors in accordance with the donors' directions. Unrestricted funds are expendable at the discretion of the Directors in furtherance of the objects of the Society. Certain of these funds, at the discretion of the Directors, may be transferred to funds to be used for particular purposes and become designated funds.

CONTRIBUTIONS TO PENSION FUNDS

The Society operates money purchase pension schemes which all employees may join after having served for a qualifying period. Both the Society and the employee make defined contributions to purchase the employees individual pension. All such contributions are held in separate trust funds which are independent of the Society's finances. The pension costs charged against the Society's results represent the amount of the Society's contributions payable to the schemes in respect of the accounting period.

Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. Pension contributions are included in unrestricted expenditure.

BASES AND DEFINITION OF INCOME AND EXPENDITURE

Income:

Income is the total amounts, excluding VAT but including Gift Aid if applicable, received or receivable by the Society which are recognised in the financial statements as follows:-

Income from charitable activities:

Zoo operating income – recognised on a received basis from admission and entry charges including gate receipts, concessionary group and special offer admissions, season tickets and car park fees.

Donations and legacies:

Donation and gifts – recognised on an accruals basis to the extent that the Society has been notified it will receive a donation or gift of a determined amount or the donation or gift has been received. Donations and gifts, whether general, designated or restricted, arise from a number of sources which include members, Dudley Zoo Development Trust, special appeals and the general public.

Government and other grants – grants for upkeep of the site and reimbursement of costs previously incurred are recognised immediately.

Gifts in kind, if material, are included at an estimate of market value.

Other trading activities:

Rental income received – recognised on an accruals basis from the letting of land and property not immediately required for use by the Society.

Retail and catering – income represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

Investments:

Bank interest – recognised as the amount receivable during the year.

Expenditure:

Costs of charitable activities – this includes all costs for the support of zoo animals in accordance with best recognised husbandry practices, keeping them in the appropriate habitats and maintaining the infrastructure of the zoo. Also included are costs incurred that ensure that all the Charity's objects are achieved such as those relating to the preservation and conservation of wildlife, and of education, science, and recreation together with the costs of the good stewardship and management of the Society's assets, organisation, administration and compliance with statutory requirements and those of good practice.

Basis of allocation of support costs – support costs are allocated between activities on a resource used basis so far as possible. The most significant costs arise from payroll costs and some of these costs may arise from individuals who carry out multi-functions. Where such costs are incurred and shared over a number of expense categories estimates have been made based primarily on time occupied by the individual concerned. Similarly with shared non-payroll costs the basis of allocation is based primarily on an assessment of the benefit derived from the cost by each expense head.

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Volunteer costs

The value of services provided by volunteers has not been included in these financial statements.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Society's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not consider that there are any estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

GOING CONCERN

The Society aims to achieve a surplus and this is then reinvested back into the Society to sustain growth and achieve the Society's objectives. Historically the Society has made surpluses and plans to in the future.

On 11 January 2019 Dudley Metropolitan Borough Council wrote to the Board of Directors and stated that in its capacity as both owner and shareholder of the Society and its subsidiary, the Council recognised its legal obligation to make good trading losses whilst the Society continues to operate in its current form. The letter continues with confirmation of the intent of the Council to work with third parties to inject capital investment into the greater Castle Hill area and secure the long term future of the Society. The letter also makes a commitment to support the Society, subject to certain conditions. In response to the Covid-19 situation Dudley Metropolitan Borough Council has taken the step of issuing the same letter to the one outlined above to re-iterate its commitment to the zoo until 31 March 2023.

GOING CONCERN (continued)

Since the significance of the economic impacts of the COVID-19 outbreak have become apparent, the Directors have reviewed in detail the Charity's position and the appropriate basis on which to prepare the financial statements. The Directors have considered projections to the end of 2021, together with a longer term assessment, to stress test the financial resilience of the Charity which take into account the potential decline in income over this period. Whilst the Directors recognise that 2020 has been a challenging year and it is has been necessary to draw on some of the Charity's reserves, which have been established to provide financial resilience, they have considered that it remains appropriate to prepare the financial statements on a going concern basis. The full impact of the COVID-19 outbreak is still being assessed but the stress testing of the Charity's financial position has satisfied the Directors that it has adequate reserves and mitigation strategies available to deal with the ongoing impact of the outbreak.

1 COMPARATIVE INFORMATION – CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted General Funds 2019 £	Designated Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Income from				
Donations and legacies	8,604	-	183,633	192,237
Charitable activities	3,293,965	-	30	3,293,995
Other trading activities	1,370,802	-	-	1,370,802
Investments	14,241	-	-	14,241
TOTAL	**4,687,612**	-	**183,663**	**4,871,275**
EXPENDITURE ON:				
Raising Funds	1,196,675	-	-	1,196,675
Charitable activities	3,299,945	-	103,125	3,403,070
TOTAL	**4,496,620**	-	**103,125**	**4,599,745**
NET INCOME/(EXPENDITURE)	190,992	-	80,538	271,530
Transfer between funds	-	-	-	-
Net movement in funds	190,992	-	80,538	271,530
Funds brought forward 1 January 2018	2,136,139	1,000,000	891,875	4,028,014
Funds carried forward 31 December 2018	**2,327,131**	**1,000,000**	**972,413**	**4,299,544**

2 DONATIONS AND LEGACIES

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Unrestricted		
DMBC – Maintenance Grant	150,000	-
DMBC – Covid19 Grant	3,000	-
Donations	153,552	8,604
	306,552	8,604
Restricted		
DMBC – Maintenance Grant	-	
Getty Foundation	120,000	150,000
LEP Grant	300,000	-
Govt. Grant - JRS	163,607	-
Donations and gifts	66,727	33,633
	650,334	183,633
	956,886	192,237

3 INCOME FROM CHARITABLE ACTIVITIES

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Admissions, season tickets and associated gift aid	2,232,578	2,579,144
Car park and other income	274,971	714,851
Grants	-	-
	2,507,549	3,293,995

4 OTHER TRADING ACTIVITIES

The Society has a wholly owned trading subsidiary, Dudley Zoo Services Limited (Company number 1350863), which is incorporated in the UK. The principal activity of this company is that of providing and operating gift shops and related activities, and contracted catering service facilities for the zoo site.

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Turnover (Including intercompany rental income of £56,614 (2019: £69,024))	794,347	1,439,826
Cost of sales	(625,903)	(1,046,200)
Gross profit	168,444	393,626
Other Income	-	-
Administrative expenses and taxation	(127,440)	(150,475)
Net profit for the year	41,004	243,151

The subsidiary's net funds at 31 December 2020 amounted to £42,073 (2019: £247,069).

The net profit of £41,004 (2019: £243,151) is after recharging management and support costs of £102,172 (2019: £122,536) and labour recharges of £134,851 (2019: £159,230) from the Charity to Dudley Zoo Services Limited.

An amount of £243,000 was paid from Dudley Zoo Services Ltd in 2020 under gift aid (2019: £215,000) and £41,000 will be paid to the Charity from Dudley Zoo Services Limited under Gift Aid for the current year.

5 ANALYSIS OF TOTAL EXPENDITURE	Raising funds £	Charitable activities £	Total costs £
DIRECT COSTS			
Direct wages and salaries	82,329	1,495,962	1,578,291
Other direct costs	491,052	30,781	521,833
Animal care	-	286,319	286,319
Marketing and publicity	-	136,457	136,457
Utilities	24,744	210,434	235,178
General site maintenance and security	38,926	261,922	300,848
	637,051	2,421,875	3,058,926
SUPPORT COSTS			
Indirect wages and salaries	52,521	309,727	362,248
Depreciation	955	336,970	337,925
Site Development Costs	-	4,448	4,448
Irrecoverable VAT	6,429	71,539	77,968
Insurance, legal and professional	37,734	82,385	120,119
Post, print, stationery, IT and communications	7,005	56,754	63,759
Other staff costs, finance and administrative expenses	11,648	68,164	79,469
	116,292	929,987	1,045,936
Totals at 31 December 2020	753,343	3,351,862	4,105,205
Totals at 31 December 2019	1,196,675	3,403,070	4,599,745

6 NET INCOME/EXPENDITURE

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Net income/expenditure is stated after charging:		
Operating lease rentals	2,841	3,456
Auditor's remuneration		
- for audit services	20,873	15,507
- for non-audit services	4,075	3,000
Depreciation of tangible fixed assets	337,925	319,678

7 DIRECTORS AND EMPLOYEES

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Group staff costs including directors' emoluments:		
Wages and salaries	1,785,625	1,754,727
Social security costs	129,779	120,959
Pension costs	37,805	34,589
	1,953,209	1,910,275

Average weekly number of employees including directors:	Year ended 31 December 2020 No.	Year ended 31 December 2019 No.
Keepers and ground staff	39	39
Maintenance and gardening	15	13
Admissions and retail	6	6
Management, administration and marketing	15	15
Education	4	4
Seasonal staff	27	50
	106	127

7 DIRECTORS AND EMPLOYEES (continued)

FTE including directors:	Year ended 31 December 2020 No.	Year ended 31 December 2019 No.
Keepers and ground staff	36	36
Maintenance and gardening	15	13
Admissions and retail	6	6
Management, administration and marketing	12	12
Education	4	4
Seasonal staff	6	15
	79	86

Seasonal staff are employed to support the permanent admissions/retail staff and are also engaged in other trading and charitable activities.

The following employees received emoluments, excluding employer's pension and National Insurance contributions, in excess of £60,000 in the year ended 31 December 2020 (2019: 1 in excess of £60,000).

	2019 Number	2019 Number
£60,000 to £70,000	1	1

The Charity made contributions of £2,081 to a group personal pension plan in respect of the higher paid employee (2019: £2,024).

The key management personnel comprise the Zoo Director, Zoo Manager and the Finance Manager (2019: the Zoo Director, Zoo Manager and Finance Manager). The total employee benefits of the key management personnel, including employer's pension and National Insurance contributions, were £208,769 (2019: £203,254).

Volunteers:
There were no volunteers in the year and therefore no estimated value of volunteer time during the year (2019: £6,699 in respect of zoo keeping and £2,204 in respect of marketing).

8 DIRECTORS

No Trustee received remuneration during either year. 2 Trustees were reimbursed expenses for personal travel and subsistence of £194 in the year to 31 December 2020 (2019: 12 Trustees reimbursed expenses of £1,292).

9 TANGIBLE ASSETS

GROUP	*Buildings and animal enclosures* £	*Service areas* £	*Fixtures & fittings* £	*Vehicles* £	*Assets under construction* £	*Total* £
COST						
At 1 January 2020	4,452,739	407,155	796,126	89,287	53,800	5,799,107
Additions		3,253	7,992		737,275	748,520
Transfers	685,313	-	-	-	(685,313)	-
Disposals	-	-	-	-	-	-
At 31 December 2020	5,138,052	410,408	804,118	89,287	105,762	6,547,627
DEPRECIATION						
At 1 January 2020	1,880,567	281,089	662,488	44,433	-	2,868,577
Charged in the period	257,664	33,058	34,804	12,399	-	337,925
Disposals	-	-	-	-	-	-
At 31 December 2020	2,138,231	314,147	697,292	56,832	-	3,206,502
NET BOOK VALUE						
At 31 December 2020	2,999,821	96,261	106,826	32,455	105,762	3,341,125
At 31 December 2019	2,572,172	126,066	133,638	44,854	53,800	2,930,530

9 TANGIBLE ASSETS (continued)

SOCIETY	*Buildings and animal enclosures* £	*Service areas* £	*Fixtures & fittings* £	*Vehicles* £	*Assets under construction* £	*Total* £
COST						
At 1 January 2020	4,452,739	407,155	573,044	89,287	53800	5,576,025
Additions	-	3,253	7,992		737,275	748,520
Transfers	685,313	-	-	-	(685,313)	-
Disposals	-	-	-	-	-	-
At 31 December 2020	5,138,052	410,408	581,036	89,287	105,762	6,324,545
DEPRECIATION						
At 1 January 2020	1,880,567	281,089	440,600	44,433	-	2,646,689
Charged in the period	257,664	33,058	33,849	12,399	-	336,970
Disposals	-	-	-	-	-	-
At 31 December 2020	2,138,231	314,147	474,449	56,832	-	2,983,659
NET BOOK VALUE						
At 31 December 2020	2,999,821	96,261	106,587	32,455	105,762	3,340,886
At 31 December 2019	2,572,172	126,066	132,444	44,854	53,800	2,929,336

10 INVESTMENTS

SOCIETY	2020 £	2019 £
Cost of investments – 1 January and 31 December	3,012	3,012

The Directors consider the market value of the investments not to be materially different to its cost.

The Society owns the whole of the issued share capital of Dudley Zoo Services Limited. Dudley Zoo Services Limited is incorporated in, and operates in, the United Kingdom. Its principal activity is the provision of retail, catering and leisure services.

Dudley Zoo Services Limited's profit for the year ended 31 December 2020 was £41,004 (2019: £243,151) and its capital and reserves at 31 December 2020 were £42,073 (2019: £247,069).

Dudley Zoo Development Trust is a subsidiary of the company with the company exercising control over the Trust. Dudley Zoo Development Trust is a registered charity. The objective of the charity is to assist with the development of Dudley Zoo and to assist with the feeding of the animals. Dudley Zoo Development Trust's net income for the year ended 31 December 2020 was £69,200 (2019: net income of £69) and its reserves at 31 December 2020 were £78,044 (2019: £8,844). Dudley Zoo Development Trust was exempt from having an audit in the years ended 31 December 2020 and 2019 by virtue of its size.

11 STOCKS

	Group		Society	
	2020	2019	2020	2019
	£	£	£	£
Food stuffs, materials and consumables	10,202	10,459	10,202	10,459
Goods for sale	67,867	78,498	-	-
	78,069	88,957	10,202	10,459

12 DEBTORS

	Group		Society	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	3,786	8,681	1,896	5,718
Other debtors	-	-	1,673	-
Amounts due from group undertakings	-	-	-	33,633
Prepayments and accrued income	163,659	127,180	160,388	109,675
	167,445	135,861	163,957	149,026

13 CREDITORS: Amounts falling due within one year

	Group		Society	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	261,953	357,543	225,942	262,398
DMBC Loan	40,000		40,000	
Other taxation and social security	35,381	62,822	32,504	30,304
Other creditors	11,983	11,599	11,503	11,359
Accruals	133,308	183,738	93,820	123,495
Corporation Tax Payable	-	-	-	-
Short term Finance Obligation	-	4,458	-	4,458
Amount due to group undertakings	-	-	39,758	354,422
	482,625	620,160	443,527	789,436

14 CREDITORS: Amounts falling due in more than one year

	Group		Society	
	2020	2019	2020	2019
	£	£	£	£
Dudley Metropolitan Borough Council				
Long term loan	250,000	250,000	250,000	250,000
DMBC Loan	360,000	-	360,000	-
Total	610,000	250,000	610,000	250,000

The Long-term loan of £250,000 from Dudley Metropolitan Borough Council is interest free and will not be repaid within the next 12 months, though it has no fixed repayment date.

The DMBC Loan is an interest free loan of £400,000 repayable over 10 years with equal repayments of £40,000 per annum.

15 RESTRICTED FUNDS

	Balance 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance 31 December 2020 £
GROUP AND SOCIETY					
Donation for orangutan enclosure	10,669	-	(9,675)	-	994
Donations for animal feed from the Dudley Zoo Development Trust		66,727	(66,727)	-	-
Heritage lottery fund:					
Chairlift Project	48,072	-	(6,072)	-	42,000
Tectons Project	-	-	-	-	-
Tecton Entrance & Shop	184,867	-	(12,394)	-	172,473
Tecton Introductory Exhib.	8,536	-	(589)	-	7,947
Bear Ravine	215,704	-	(13,916)	-	201,788
European Regional Development Fund:					
Harry Hatch's Cottage	87,046	-	(5,969)	-	81,077
Castle Visitor Centre	232,294	-	(13,275)	-	219,019
Sculptures	16,250	-	(1,500)	-	14,750
Fencing at Entrance	16,018	-	(1,467)	-	14,551
Glass Panels at Entrance	6,927	-	(635)	-	6,292
Castle Maintenance Grant	146,030	-	-	(146,030)	-
Getty Foundation Project	-	120,000	(4,448)	-	115,552
LEP Grant	-	300,000	(8,336)	-	291,664
Govt. Grant - JRS	-	163,607	(163,607)	-	-
	972,413	650,334	(308,610)	(146,030)	1,168,107

ORANG-UTAN ENCLOSURE
Capital cost of the improved indoor area of the Orang-utan enclosure. Resources expended are the depreciation charges for the year.

DONATIONS FOR ANIMAL FEED FROM THE DUDLEY ZOO DEVELOPMENT TRUST
Income used exclusively for the animal food.

CHAIRLIFT PROJECT
Capital cost of restoring the historic Chairlift. Resources expended are the depreciation charges for the year.

TECTONS PROJECT
The Tectons Project is the programme of works to restore the original Tecton buildings around the site. The resources expended include Professional fees and other general expenditure for the project that was expended in the year and is not Capital Expenditure in nature.

TECTON ENTRANCE & SHOP
The Entrance and Shop Tecton buildings were restored and the resources expended in the year are the depreciation charges.

TECTON INTRODUCTORY EXHIBITION
The Tecton project included an Introductory Exhibition explaining the architectural significance of the Tecton buildings and the project to refurbish them. The resources expended in the year are the depreciation charges.

BEAR RAVINE
The Tecton project involved an extensive restoration of the Bear Ravine Tecton building (the structure used to house bears), and the resources expended in the year are the depreciation charges.

DEVELOPMENT STAGE
The next stage of works at the site are being analysed to establish if a project can be put together. This would then lead to an application for further funding. The costs associated with this are mainly professional and consultancy fees.

HARRY HATCH'S COTTAGE
This ERDF project involved the significant restoration of a building on site - Harry Hatch's Cottage. This was capital expenditure and the resources expended in the year were depreciation charges.

CASTLE VISITOR CENTRE
The construction of the Castle Visitor Centre was completed in 2015 and branded Castle Creatures. This was capital expenditure and the resources expended in the year were depreciation charges.

SCULPTURES
As part of the ERDF project various steel sculptures at the Zoo entrance were constructed. This was capital expenditure and the resources expended in the year were depreciation charges.

FENCING
The ERDF project included the construction of steel fencing at the Zoo entrance. This was capital expenditure and the resources expended in the year were depreciation charges.

GLASS PANELS
The ERDF project included capital expenditure on glass panelling at the Zoo entrance. This was capital expenditure and the resources expended in the year were depreciation charges.

CASTLE MAINTENANCE GRANT
The Society receives an annual grant from Dudley MBC in respect of the Castle and the maintenance thereof. This is either spent in the year it is received and/or carried forward to future periods where it can be utilised for future major restoration work projects. In 2020 Dudley MBC gave permission for the restricted fund to be released to be used against general operations on site, not just the castle.

GETTY FOUNDATION PROJECT
In 2020 the Society successfully applied for a grant of £120,000 which will carry out investigation work into 4 Tecton structures on site.

LEP GRANT
A grant of £300,000 was awarded to the Society in 2020 for the purpose of assisting the Society in paying for the car park works totalling £600,000.

GOVT. GRANT JRS
During the year the Society benefitted from the furlough scheme run by the government in response to the Covid crisis. A total of £163,606 was claimed through the Job Retention Scheme.

16 CALLED UP SHARE CAPITAL

GROUP AND SOCIETY	Authorised	Allotted and fully paid
At 31 December 2019 and 31 December 2020		
100 ordinary shares of £1 each	100	100

No shares in the capital of the Society have been authorised or issued since the end of the accounting period. The Society's ordinary shares, which carry no right to fixed income, each carries the right to one vote at general meetings of the Society.

17 UNRESTRICTED FUNDS

GROUP	Balance 1 January 2020 £	(Deficit) in year £	Transfers £	Balance 31 December 2020 £
General income funds	2,327,031	(238,808)	146,030	2,234,253
Designated reserve	1,000,000	-	-	1,000,000
	3,327,031	(238,808)	146,030	3,234,253

SOCIETY	Balance 1 January 2020 £	(Deficit) in year £	Transfers £	Balance 31 December 2020 £
General income funds	2,077,131	(106,013)	146,030	2,117,148
Designated reserve	1,000,000	-	-	1,000,000
	3,077,131	(106,013)	146,030	3,117,148

	£	£
The designated reserve is to cover:		
- Emergency funds for unexpected events	300,000	300,000
- Capital projects	700,000	700,000
	1,000,000	1,000,000

We anticipate utilising the Designated Funds of £1m in the next 2 to 3 years on the following projects; Bear Enclosure - £250k, Tiger Enclosure £250k and the Orang-utan enclosure - £500k.

18 NET ASSETS BY FUNDS

	Unrestricted £	Restricted £	Total £
GROUP			
Funds are represented by:			
Fixed assets	2,173,018	1,168,107	3,341,125
Current assets	2,153,960	-	2,153,960
Current liabilities	(482,625)	-	(482,625)
Long term liabilities	(610,000)	-	(610,000)
	3,234,353	1,168,107	4,402,460
SOCIETY			
Funds are represented by:			
Fixed assets	2,172,779	1,168,107	3,340,886
Current assets	2,095,344	-	2,095,344
Current liabilities	(540,875)	-	(540,875)
Long term liabilities	(610,000)	-	(610,000)
	3,117,248	1,168,107	4,285,355

19 OPERATING LEASE COMMITMENTS

Financial commitments under non-cancellable operating leases will result in the following total payments to the end of the lease term.

	2020 Land and Buildings £	2020 Other £	2019 Land and Buildings £	2019 Other £
Payable:				
In less than one year	100	-	100	954
In two to five years	400	-	400	-
In more than five years	5,480	-	5,580	-
	5,980	-	6,080	954

20 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of the Society is Dudley Metropolitan Borough Council.
They wholly own the shares in the Society and nominate 2 members to the Zoo's Board of Directors. Their accounts can be obtained from the Local Council Offices.

21 RELATED PARTY TRANSACTIONS

At 31 December 2020 the Group owed a total of £334,470 (2019: £334,470) to Dudley Metropolitan Borough Council. These liabilities are included within trade creditors of £82,272 (2019: £82,272), other creditors £2,198 (2019: £2,198), accruals £nil (2019: £nil) and long term loans £250,000 (2019: £250,000).

During the year, the group made payments of £745,193 (2019: £45,994) and were invoiced £745,193 (2019: £45,994) for services provided by Dudley Metropolitan Borough Council.
The Society is owned by Dudley Metropolitan Borough Council and has the normal relationship and transactions that any other charitable or trading company would enjoy with the Local Authority within whose jurisdiction it resides, in this case Dudley Metropolitan Borough Council.

There are numerous transactions between the Society and the Services company, including the transfer of Management Recharges amounting to £237,023 (2019: £281,766) (which includes the supply of labour and overheads from Society to Services) and distribution of profits from Services to Zoo of £41,000 to be paid within nine months of the year end (2019: £243,000). At the end of the year the balance outstanding of all these transactions was £39,758 (2019: £323,789). This forms part of the intercompany balance in note 14.

During the year £66,727 was received from Dudley Zoo Development Trust (2019: £33,633) in respect of donations for animal feed. At the year-end £100,360 was due from the Trust (2019: £33,633) and £100,360 was owed to the Trust (2019: £33,633).

22 CAPITAL COMMITMENTS

Future capital expenditure contracted for, but not provided in the financial statements as at 31 December 2020 was £4,075 (2019: £3,000).

23 CONTINGENT LIABILITIES

The Society is party to a group VAT registration. At 31 December 2020 the amount outstanding in respect of other group companies was £8,225.65 (being the Qtr 1 2020 deferred payment) which is offset by the repayment due for Qtr 4 of £5,348 (2019: £32,945).

24 POST BALANCE SHEET EVENTS

As part of the Society's insurance policy we had business interruption cover but had been told by our insurance provider that it was not covered by a pandemic and therefore no claim could be made. The FCA case in September 2020 included our insurance provider in the list of companies challenged for not paying out business interruption cover but our policy wording was not deemed strong enough under the court ruling. However at the Supreme Court in Jan 2021 the court of appeal reversed the original decision and found in favour of the Zoo's policy wording opening the way for the Zoo to make a claim against it's policy in early 2021. Consequently the Zoo was able to settle a claim for a total of £250k which was the maximum amount of cover on the policy.

Since year end the Zoo has been successful with its application to access the Defra Zoo Fund and has been awarded £105,729.