Bristol, Clifton and West of England
Zoological Society Limited

Annual Report and Financial Statements
for the year ended 31 December 2017

Registered Charity Number: 1104986
Registered Company Number: 5154176
Bristol, Clifton and West of England Zoological Society Limited

REPORT OF THE TRUSTEES

The trustees, who are also the directors of the company for the purposes of the Companies Act 2006, present their annual report and the audited consolidated financial statements for the year ended 31 December 2017.

Reference and administrative information

Trustees elected by the members

Charlotte Moar – Chair of Trustees (appointed 11 May 2017)
Richard Clarke – Chairman of Trustees (retired 11 May 2017)

Victoria Ash (appointed 11 May 2017)
Christopher Booy OBE
Malcolm Broad MBE
Ben Cosh
David Esam
Paul Kearney
Claire Ladkin
Mathew Laws
Professor Joanna Price
Professor Steven Neill Nominated by the University of the West of England
Professor Innes Cuthill Nominated by the University of Bristol (resigned 11 May 2017)
Professor Richard Pancost Nominated by the University of Bristol (appointed 11 May 2017)

Membership of Committees

<table>
<thead>
<tr>
<th>A: Attendee</th>
<th>C: Chair</th>
<th>M: Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trustees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charlotte Moar</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Victoria Ash</td>
<td>M</td>
<td>M</td>
</tr>
<tr>
<td>Christopher Booy</td>
<td>M</td>
<td>M</td>
</tr>
<tr>
<td>Malcolm Broad</td>
<td>M</td>
<td>C</td>
</tr>
<tr>
<td>Ben Cosh</td>
<td>M</td>
<td>M</td>
</tr>
<tr>
<td>David Esam</td>
<td>M</td>
<td>M</td>
</tr>
<tr>
<td>Paul Kearney</td>
<td>M</td>
<td>M</td>
</tr>
<tr>
<td>Claire Ladkin</td>
<td>M</td>
<td>M</td>
</tr>
<tr>
<td>Mathew Laws</td>
<td>M</td>
<td>M</td>
</tr>
<tr>
<td>Professor Joanna Price</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Professor Steven Neill</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Professor Innes Cuthill</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Professor Richard Pancost</td>
<td>C</td>
<td>C</td>
</tr>
</tbody>
</table>

| Staff | | |
|-------|------------------|------------------|------------------|------------------|
| Dr Bryan Carroll | A | A | A | A |
| Carol Groves | A | A | A | A |
| Thomas Hedges | A | A | A | A |
| Tony Lawlor | A | A | A | A |
| Kathryn Price | A | A | A | A |
| Dr Christoy Schwitzer | A | A | A | A |
| Wendy Walton | A | A | A | A |
| Michelle Barrows | A | A | A | A |
| Owain Cassidy | A | A | A | A |
| Dr Sue Dow | A | A | A | A |
| Dr Grinne McCabe | A | A | A | A |
| John Partridge | A | A | A | A |
| Simon Garrett | A | A | A | A |
| Philip Jearey | A | A | A | A |

| Others | | |
|--------|------------------|------------------|------------------|------------------|
| Prof Michael Bruford | M | M | M | M |
| Richard Clarke | M | M | M | M |
| Prof Rob Cuthbert | M | M | M | M |
| Dr Mhairi Gibson | M | M | M | M |
| James McArthur | M | M | M | M |
| Prof Michael Mendi | M | M | M | M |
| Prof Frank Smith | M | M | M | M |

- 2 -
Bristol, Clifton and West of England Zoological Society Limited

REPORT OF THE TRUSTEES (continued)

Chief Executive Officer
Dr Bryan Carroll

Senior Management Team
Tony Lawler  Interim Director of Finance – appointed 20 November 2017
Kathryn Price  Director of Finance and HR (Company Secretary) – resigned 5 January 2018
Wendy Walton  Director of Commercial Operations
Dr Christoph Schwitzer  Director of Conservation
Tom Hedges  Director of Estates
Carol Groves  Director of HR

The Society is a company limited by shares. The company registration number is 5154176 and it is registered as a charity in England & Wales, charity number 1104986.

Registered address
Bristol Zoo Gardens
Guthrie Road
Clifton, Bristol BS8 3HA

Advisers

Solicitors
Osborne Clarke
2 Temple Back East, Temple Quay
Bristol BS1 6EG

Bankers
HSBC Bank plc
3 Temple Quay
Bristol
BS1 6DZ

Investment Adviser
Smith & Williamson Investment Management Ltd
Portwall Place
Portwall Lane
Bristol
BS1 8NA

Independent Auditors
Moore Stephens
Chartered Accountants and Statutory Auditors
30 Gay Street, Bath, BA1 2PA

Charitable Objects, Mission and Vision
The Society’s Charitable Objects are to advance:
a) the public understanding and the conservation of wildlife and the natural environment, and
b) the scientific study of plants and animals.

The Society’s Mission is “To save wildlife through conservation action and engaging people with the natural world”.

The Society’s Vision is “A sustainable future for wildlife and people”.

The Society’s principal activities are (a) the operation of Bristol Zoo Gardens (BZG) as a centre for wildlife conservation and as a popular visitor attraction which educates and entertains the public, (b) research and conservation work carried out in the field, and (c) the development of the Hollywood Tower Estate on the outskirts of Bristol as a new zoo, named the “Wild Place Project”. Its opening in 2013 was the first step of the long-term plan to develop the whole estate as the National Wildlife Conservation Park.

Public Benefit
The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The Trustees believe that the carrying out of the aims of the Society provides a public benefit in a number of areas, including the provision of education and of facilities for recreation, and the conservation of endangered species. They also believe that the degree of public access is sufficient for the Society’s aims to be carried out for the public benefit. The main activities are the operation of Bristol Zoo Gardens and Wild Place Project, and when setting
admission prices, due regard is paid to enabling as many members of the public as possible to benefit from the facilities. A range of discounted admission prices is available for students, school groups, senior citizens, people with disabilities etc. The Society also offers other schemes, such as volunteering and the provision of outreach, which will benefit those who would ordinarily be unable to afford access.

The Strategic Report contains a fuller description of the public benefit that the Society provides.

**Strategic Report**

**Our objectives and achievements for 2017**

The highlights and milestones for 2017 as a context in which to view the financial statements which follow were:

- The continued growth and development of the Wild Place Project with the completion of the giraffe house and the development of further exhibits in the walled garden. We also continued our programme of investment in infrastructure development to meet the growth in visitor numbers;

- A temporary exhibition of animatronic dinosaurs at Bristol Zoo Gardens from May through to September to highlight the message of evolution and extinction and help maintain visitor numbers and revenue;

- We developed a programme intensifying guest engagement with the natural world through tours, activities and interaction with rangers, particularly focusing on the dinosaur exhibition and the oceans;

- We embarked on a conservation programme for the Desertas wolf spider at the invitation of the Government of Madeira;

- The IUCN SSC Primate Specialist Group’s 25 Most Endangered Primates was published, co-edited by our Director of Conservation;

- Our conservation behaviour-change campaign, Knot Your Net, continued through the year at both sites;

- We introduced our wildlife glamping experience, Camp Baboon, at Wild Place;

- We completed the redevelopment of the restaurant (The Hide) at the Zoo in partnership with our catering providers Levy Restaurants;

- We updated our three year strategic plan, which sets out a framework for both sites and the Institute of Conservation Science and Learning to develop and grow;

- 2018 will see the continuation of the planning for the European Centre of Excellence in Zoological Medicine

- We are continuing to develop our higher education activities by evolving our existing offer and exploring the opportunities from our plans to develop the European Centre of Excellence in Zoological Medicine;

- We will continue to develop and deliver strong marketing campaigns to drive guest numbers and add value at both of our sites; and

- We will continue to implement the education growth strategy at BZG to increase education visits, income and profitability.
Bristol, Clifton and West of England Zoological Society Limited

REPORT OF THE TRUSTEES (continued)

Our 2018-2020 Strategic Plan and 2018 objectives

In 2015, the Society produced its 10-year Strategic Plan 2015-2025 and this set out the Strategic Aims of the Society. Below this sits a rolling 3-year plan, which was updated in December 2017 for the years 2018-2020. The key focus of the 10-year and 3-year plans under each of our strategic aims is:

**Strategic Aim 1:** Being a World Leader in conservation breeding, field programmes, veterinary science, research and education.
- Two locally, regionally and nationally excellent zoos, engaging people with the natural world and inspiring behaviour change
- A locally and globally excellent conservation organisation
- An enhanced contribution of the wider zoo community to global species conservation

**Strategic Aim 2:** Ensuring a Sustainable and Robust Business underpins all our activities
- An amazing, fun and engaging day out
- Maximising existing revenue streams
- Diversification of revenue streams
- Fundraising – increase target to £1m per year
- Communicating a compelling case for support

**Strategic Aim 3:** Having a positive, can-do attitude and great teamwork based on mutual respect
- Attracting and retaining the best people with the necessary skills and attitude to each play a part in the delivery of the Society mission
- Attaining organisational excellence through continuous earning and development
- Promoting positive attitudes and inspiring motivation to engage our people to be ambassadors for the Society and our mission
- Being effective in our communication and teamwork as this is essential for the delivery of high quality animal care and guest experience

**Strategic Aim 4:** Acting ethically, responsibly and sustainably in all areas of our work
- Acting sustainably to deliver tangible results by 2025

The main objectives we have to deliver on these in 2018 are:
- Introducing at BZG, a programme of intensifying the guest experience and their engagement with the natural world through face-to-face tours, story-telling and interaction with rangers. We are starting to create a 'hands on, interactive wildlife centre'.
- Undertaking a programme of smaller exhibit renovation and innovation at BZG to address the weak areas of the experience.
- At both sites creating a 5-year masterplan which sets the framework for the development of our guest experience and exhibits.
- We will continue to develop our British Ancient Woodland proposition with a view to completing the design and planning phase by June 2018 and embarking on construction. We will continue our fundraising campaign to support this.
- We will continue to invest in our infrastructure and facilities at Wild Place to maintain the high quality guest experience we have at present.
- 2018 will see the continuation of the planning for the European Centre of Excellence in Zoological Medicine.
- We are continuing to develop our higher education activities by developing our existing offer and exploring the opportunities from our plans to develop the European Centre of Excellence in Zoological Medicine.
- We will ensure that Camp Baboon (our glamping wildlife experience) is profitable.
- In our field conservation work, we will be reviewing project sites and objectives and developing outcome metrics with the aim of increasing our impact.
- We will develop a global campaign in support of certified sustainable palm oil and against unsustainably produced palm oil.
- We will continue with our change programme to ensure we have motivated and accountable staff who have the right skills we need to develop and grow.
- We will develop a strong marketing campaign to drive guest numbers at both of our sites.
- We will continue to enhance our focus on identifying and implementing ways to improve financial viability so that we can develop our offer at both BZG and Wild Place in a sustainable way.
- We will be enhancing our focus on environmental sustainability by reviewing our activities, with staff engagement and input, and working towards retaining our ISO14001 accreditation.
Bristol, Clifton and West of England Zoological Society Limited

REPORT OF THE TRUSTEES (continued)

Financial key performance indicators

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
<th>2016</th>
<th>% change +/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bristol Zoo total guest numbers</td>
<td>523,166</td>
<td>562,192</td>
<td>-6.9%</td>
</tr>
<tr>
<td>Bristol Zoo paid attendance</td>
<td>337,239</td>
<td>374,716</td>
<td>-10.0%</td>
</tr>
<tr>
<td>BZG Admission income (exc. Gift Aid)</td>
<td>£4.138m</td>
<td>£4.293m</td>
<td>-3.6%</td>
</tr>
<tr>
<td>BZG Admission income per head</td>
<td>£12.27</td>
<td>£11.46</td>
<td>+7.1%</td>
</tr>
<tr>
<td>Admissions Gift Aid, % of eligible income</td>
<td>46.4%</td>
<td>49.7%</td>
<td>-6.6%</td>
</tr>
<tr>
<td>BZG Day Visitor Catering spend per head</td>
<td>£2.50</td>
<td>£2.48</td>
<td>+0.8%</td>
</tr>
<tr>
<td>BZG Retail spend per head</td>
<td>£2.48</td>
<td>£2.41</td>
<td>+2.9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
<th>2016</th>
<th>% change +/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wild Place total guest numbers</td>
<td>190,515</td>
<td>148,181</td>
<td>+28.6%</td>
</tr>
<tr>
<td>Wild Place paid attendance</td>
<td>116,050</td>
<td>91,380</td>
<td>+27.0%</td>
</tr>
<tr>
<td>Wild Place Admission income (exc. Gift Aid)</td>
<td>£0.716m</td>
<td>£0.552m</td>
<td>+29.7%</td>
</tr>
<tr>
<td>Wild Place Admission income per head</td>
<td>£6.17</td>
<td>£6.04</td>
<td>+2.2%</td>
</tr>
<tr>
<td>Wild Place Admissions Gift Aid, % of eligible income</td>
<td>52.9%</td>
<td>56.1%</td>
<td>-5.7%</td>
</tr>
<tr>
<td>Wild Place Day Visitor Catering spend per head</td>
<td>£1.91</td>
<td>£1.96</td>
<td>-2.6%</td>
</tr>
<tr>
<td>Wild Place Retail spend per head</td>
<td>£1.19</td>
<td>£1.13</td>
<td>+5.3%</td>
</tr>
</tbody>
</table>

Bristol Zoo

Total attendance figures at Bristol Zoo decreased by 6.9% compared with 2016 mainly as a result of the publicity around the birth of baby gorilla afla inflating the 2016 guest numbers. The further decline in admissions Gift Aid is as a result of the higher proportion of on-line sales where the take-up is lower.

Wild Place

Wild Place continued on its growth path for both attendances and income derived from the number of guests. The increase in on-line sales also affected the Gift Aid yield at Wild Place as for the Zoo.

Financial results and overview for the year

The net consolidated income/expenditure for the year was a gain of £931k as compared to a gain of £169k in 2016. The 2017 gain is masked by the receipt and accounting of £1.1m of funding in relation to the British Ancient Woodland project. Excluding this £1,100k of restricted funds would show a net deficit deficit of £169k (including movements in investments) so year on year there has been a £338k adverse variance which is predominantly on the back of a movement in investments.

Income from the charitable activities at Bristol Zoo are stagnant and Wild Place continues to grow.

Other income is at similar levels to 2016.

The total expenditure for 2017 (£10,565k) is at a similar level to 2016 (£10,388k) and considering the additional income, it reflects the Society’s push to drive down costs. The growth in Wild Place expenditure reflects the growth in staff numbers as well as the completion of the new giraffe house.

Net losses on investments which is a combination of stocks and shares and properties of £112k (2016: £326k gain) were recorded. While there was a gain on the shares, bonds and gilts portfolio of £296k, there was a significant loss on the investment properties of £407k on the back of a Knight Frank LLP valuation. The year on year indexation increases from the 2013 valuation were optimistic and this combined with the deterioration in the condition of certain of the properties has contributed to the loss.

The actuarial gain on the defined benefit scheme arises is welcome on the back of the loss of £674k in 2016, but the Trustees are mindful this could become a deficit again. The Society continues to make deficit payments into the scheme in line with the schedule set out in the valuation in 2015. The new reserves policy now includes a nominal pension reserve for possible deficits in the future, given the prevailing low interest rates coupled with low gilts yields and the consequential increase in the Scheme’s liabilities over which the Trustees have little control.
Bristol, Clifton and West of England Zoological Society Limited

REPORT OF THE TRUSTEES (continued)

Principle risks and uncertainties

The principle net risks (after taking into account controls and mitigating actions) have been assessed by the Trustees as:

- a long term decline in visitors for the Clifton site through an increasingly competitive visitor attraction market and restrictions on parking;
- the challenges of running a multi-site operation including the need to ensure sufficient resources and the risk of the sites being in competition with each other.

At the strategic level, we are addressing these risks in our 2017-2020 plan by identifying the unique offering of the two sites in the context of other local visitor attractions and basing our objectives and development plans on this. Mitigating actions against further restrictions on parking include a green travel plan, maintaining good relationships with Bristol City Council and the Downs Committee and lobbying other stakeholders as appropriate.

The Trustees also recognise that the potential repayment of the Homes England grant of £1.5m on 1 January 2019 represents a risk unless we are able to demonstrate investment to the levels specified. The initiation of the British Ancient Woodland project will add further investment taking it to £20m; we are also monitoring the impact of legislative changes on state subsidy rules as the UK leaves the EU.

Liquidity risk and credit risk are considered to be low as most of our income is from admission income and only a small amount of our income is billed for later payment by guests. We understand and monitor our cash inflows and outflows and only embark on large capital spend once we have reasonable certainty of the cash generated from operations or secured fundraising or borrowing in place; our overdraft facility provides further liquid funds and we maintain fully liquid cash reserves. We have minimal exposure to interest rate risk on our borrowings as all are at fixed rates for the term of the loan.

Structure, governance and management

Governing Document

The Society is governed by its Memorandum and Articles of Association.

Recruitment and Training of Trustees

As set out in the Articles of Association, we have up to twelve Trustees, of whom two are nominated by the University of Bristol and The University of the West of England respectively. The remaining Trustees are elected by the shareholders. All Trustees serve a fixed term of three years, with a maximum of three terms.

An analysis of the complementary skills of the Trustees has been carried out so that the recruitment of new Trustees, as and when required, focuses on the skills which the Board requires.

Prospective new Trustees are invited to visit the Zoo, meet the Chief Executive, key employees and other Trustees, and become acquainted with the culture and standards of the organisation prior to attending formal Trustee meetings.

A pack of information is made available to new Trustees. This comprises copies of the governing documents, past annual reviews, recent statutory and management accounts, minutes of Trustee meetings and other background material including relevant Charity Commission publications. The Trustees receive periodic updates and guidance on their role as Trustees of the charity.

Organisational Management

The Trustees consider that the Board of Trustees, who are the Society’s directors, together with the Senior Management Team comprise the key governance personnel of the Society, in charge of directing and controlling, running and operating the Society on a day-to-day basis.

The day-to-day management is delegated to the Chief Executive and Senior Management Team and monitored by the Trustees through them. To facilitate effective operations, the Chief Executive has authority, within the terms of delegation approved by the Trustees, for operational matters including finance, employment and mission-related activity.

All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees’ expenses and related party transactions are disclosed in note 25 to the accounts.

During the year under review the Trustees met bi-monthly.

The Trustees of the charity who were in office during the year and up to the date of signing the financial statements are as shown on page 2.

The Trustees have established committees for specific areas of the Society’s operations as follows: an Audit & Risk Committee, a Conservation, Ethics & Sustainability Committee, a Finance & Business Committee and a Remuneration & Performance Committee.
Bristol, Clifton and West of England Zoological Society Limited

REPORT OF THE TRUSTEES (continued)

Pay policy for senior staff

We have a pay policy for senior staff, set and monitored by the Remuneration & Performance Committee. The pay policy is reviewed annually by the Remuneration & Performance Committee and senior staff salaries are normally increased in line with pay levels for other staff. In view of the nature of the Society, the Trustees benchmark against pay levels in other zoos and visitor attractions of a similar size run on a charitable basis. If recruitment has proven difficult, a market addition may also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

Group Structure and Relationships

The Society has one wholly-owned subsidiary company, Bristol Zoo Enterprises Limited (company number 1750167), established to operate the retail, catering and conferencing facilities of the Society. It has a licence to operate these facilities and gift aids its taxable profits to the Society.

The Society holds one third of the membership of Bristol Natural History Consortium, established to improve the way we communicate about the natural world through innovative public events, professional development and international dialogue. Its company registration number is 06472186 and it is registered as a charity, number 1123432.

Risk Management

The Trustees have set up an Audit & Risk Committee responsible, on behalf of the Trustees, for reviewing the policies and overall process for identifying and assessing risks to the Society. It reviews the major strategic, business, financial and operational risks to which the Society is exposed, both the risk before controls and mitigating actions and the risk after taking these into account. Systems have been established to mitigate those risks and procedures have been implemented to minimise any potential impact on the Society should any of those risks materialise.

The Trustees are generally satisfied that proper systems, including risk assessment procedures, health and safety procedures and insurances are in place and that policies are in place to recognise and mitigate exposure to other major risks. The Society is currently undergoing an internal audit view of its systems and controls and has also formally agreed that, once this review is finalised, a tender will commence to appoint an internal audit.

For details of the principal non-financial risks and uncertainties see the Strategic Report.

Investment powers, policy and performance

Investment powers are governed by the Memorandum and Articles of the Society, which permit the funds to be invested in the manner shown in note 10 to the financial statements. The Investment Policy was reviewed during 2016 and an ethical investment statement added. There has been no change to the intention that the real value of the Society's investments be maintained and enhanced over the long term by investment in a portfolio comprising equities, fixed income stocks and cash. In order to meet these objectives, the Trustees have appointed an investment adviser as their agent to manage a diversified portfolio of suitable investments on a discretionary basis. The brief to the adviser states that they should seek a balanced investment return from income and capital, with medium risk. The proportions invested in equities, fixed income stocks and cash are reviewed with the investment adviser from time to time to provide guidance on the ongoing suitability of that element of Investment Policy. The performance of the investments has been satisfactory, in line with the relevant benchmarks.

Asset cover for funds

Note 18 to the financial statements sets out an analysis of the assets attributable to the restricted, designated and unrestricted funds. These assets are sufficient to meet with the Society's obligations in respect of each individual fund.

Fixed assets

The movements in fixed assets during the year are set out in note 9 to the financial statements. The freehold land and buildings at Clifton were revalued at 30 September 2013. The freehold land and buildings at Hollywood Tower Estate were revalued as at 21 October 2014. The Trustees are not aware of any material changes since the valuations.

Grant giving

The Trustees have approved a policy of setting aside a proportion of the Society's unrestricted funds each year to provide for grants to support in-situ conservation projects. Executives bring forward recommendations for projects to support. These recommendations are subject to Trustee approval as part of the Society's annual budgeting process. In addition, grants are made to conservation organisations from the proceeds of specific fundraising exercises.
Bristol, Clifton and West of England Zoological Society Limited

REPORT OF THE TRUSTEES (continued)

Fundraising

The Society’s approach to fundraising is set out in our Fundraising Policy which is reviewed annually by the Trustees.

The Society primarily fundraises from philanthropic sources (e.g. grant giving bodies & individual/group donors), corporate sponsorship (both cash and “in-kind”) and fundraising events.

The Society recognises the need to conduct its fundraising within the context of recognised standards set out in the Institute of Fundraising’s (IoF) Code of Fundraising Practice, the Data Protection Act 1998 and the CAP Code (Committee of Advertising Practice). We do not employ external professional fundraisers or companies.

Our fundraising policy stresses the critical importance that no individual should use their position in the Society for personal gain, or to benefit others at the expense of the Society, its mission, or reputation. The policy also set out that individuals must not act in any way that could be reasonably seen by others as compromising the independence and integrity of the Society; all activities are to be carried out with honesty and integrity, with employees never knowingly misleading supporters. Any confidential information obtained must always be protected, and that the trust of all supporters is not violated.

The policy also sets out the way in which we deal with fundraising complaints

Reserves

The Society’s policy on restricted funds is to record donations, grants and other sources of fundraising separately where restrictions are imposed that are narrower than the Society’s overall objectives.

The Trustees have a policy of designating unrestricted funds for specific purposes. The main designated funds are:

1. The fixed asset reserve of £27,459,000 which equates to the net book value of the Group’s tangible fixed assets situated at the Zoological Gardens in Clifton and at Hollywood Tower Estate, other than those funded by long-term loan.

2. Other designated funds totalling £18,000 for purposes described in Note 16.

The Trustees are in the process of updating their policy on reserves. There is no single level, or even a range of, reserves that is right for all charities. The level of reserves set by the Trustees should reflect the particular circumstances of an individual charity and to some extent, therefore, any amount of money set aside in a reserves policy is subjective and will change over time.

At 31 December 2017, the free reserves of the group amount to £2.5m which is £750k in excess of the proposed required level. The excess of reserves will be used to further the Society’s objects in coming years in accordance with the Society’s strategic plans.

Directors’ indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors’ and Officers’ liability insurance in respect of itself and its Directors.

Accounting and reporting responsibilities

Statement of Trustees’ responsibilities

The Trustees (who are also directors of Bristol, Clifton and West of England Zoological Society Limited for the purposes of company law) are responsible for preparing the Report of the Trustees, including the Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.
Bristol, Clifton and West of England Zoological Society Limited

REPORT OF THE TRUSTEES (continued)

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

In so far as the Trustees are aware:
- there is no relevant audit information of which the charitable company’s auditor is unaware; and
- the Trustees 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Society’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditors
A resolution to appoint Moore Stephens as auditors to the Society will be proposed at the Annual General Meeting.

The Report of the Trustees and the Strategic Review were approved by the Board of Trustees

Charlotte Noar
19 March 2010
Independent Auditor’s Report to the Trustees and Members of Bristol, Clifton and West of England Zoological Society Limited

Opinion

We have audited the financial statements of Bristol, Clifton and West of England Zoological Society Limited (the ‘charitable company’) for the year ended 31 December 2017 which comprise the Consolidated statement of financial activities, Balance Sheet, Consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 2017 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 and the Charities Act 2011.

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 and to the charity’s Trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company’s members and the charity’s Trustees 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, the charitable company’s members as a body, and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our 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 audit opinion.

Conclusions relating to going concern

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the 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.
Independent Auditor’s Report to the Trustees and Members of Bristol, Clifton and West of England Zoological Society Limited (continued)

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 Strategic Report and the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Trustees have 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 charitable group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees’ responsibilities Statement set out on pages 9 and 10, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

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

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

Mark Powell, Senior Statutory Auditor
For and on behalf of Moore Stephens, Statutory Auditor
30 Gay Street
Bath
BA1 2PA

Moore Stephens is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

March 2018
Consolidated statement of financial activities  
(including the consolidated income and expenditure account)  
for the year ended 31 December 2017

<table>
<thead>
<tr>
<th>Continuing operations</th>
<th>Unrestricted funds £'000</th>
<th>Restricted funds £'000</th>
<th>Total 2017 £'000</th>
<th>Total 2016 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations &amp; legacies</td>
<td>439</td>
<td>1,141</td>
<td>1,580</td>
<td>562</td>
</tr>
<tr>
<td>Income from charitable activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bristol Zoo Gardens</td>
<td>2(a)</td>
<td>6,663</td>
<td>6,663</td>
<td>6,846</td>
</tr>
<tr>
<td>Wild Place Project</td>
<td>2(c)</td>
<td>1,070</td>
<td>1,070</td>
<td>801</td>
</tr>
<tr>
<td>Conservation &amp; Research Projects</td>
<td>2(b)</td>
<td>2</td>
<td>358</td>
<td>360</td>
</tr>
<tr>
<td>Income from commercial trading operations</td>
<td>3(b)</td>
<td>1,487</td>
<td>-</td>
<td>1,487</td>
</tr>
<tr>
<td>Investment Income</td>
<td>3(a)</td>
<td>448</td>
<td>448</td>
<td>429</td>
</tr>
<tr>
<td>Total income</td>
<td>10,109</td>
<td>1,499</td>
<td>11,608</td>
<td>10,231</td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditure on raising funds:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising</td>
<td>276</td>
<td>-</td>
<td>276</td>
<td>161</td>
</tr>
<tr>
<td>Commercial Trading Operations</td>
<td>1,554</td>
<td>-</td>
<td>1,554</td>
<td>1,303</td>
</tr>
<tr>
<td>Investment management costs</td>
<td>95</td>
<td>-</td>
<td>95</td>
<td>110</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>1,925</td>
<td>1,925</td>
<td>1,574</td>
</tr>
<tr>
<td>Expenditure on Charitable activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bristol Zoo Gardens</td>
<td>6,917</td>
<td>-</td>
<td>6,917</td>
<td>7,404</td>
</tr>
<tr>
<td>Wild Place Project</td>
<td>1,187</td>
<td>-</td>
<td>1,187</td>
<td>894</td>
</tr>
<tr>
<td>Conservation &amp; Research projects</td>
<td>209</td>
<td>312</td>
<td>521</td>
<td>492</td>
</tr>
<tr>
<td>National Wildlife Conservation Park</td>
<td>15</td>
<td>-</td>
<td>15</td>
<td>24</td>
</tr>
<tr>
<td>Total expenditure</td>
<td>5</td>
<td>10,253</td>
<td>312</td>
<td>10,585</td>
</tr>
<tr>
<td>Net income (expenditure) before investment gains/(losses)</td>
<td>(144)</td>
<td>1,187</td>
<td>1,043</td>
<td>(157)</td>
</tr>
<tr>
<td>Net gains (losses) on investments</td>
<td>10</td>
<td>(112)</td>
<td>-</td>
<td>(112)</td>
</tr>
<tr>
<td>Net income/(expenditure) for the year</td>
<td>6</td>
<td>(256)</td>
<td>1,187</td>
<td>931</td>
</tr>
<tr>
<td>Transfers between funds.</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other recognised gains/ (losses):</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actuarial (losses) / gains on defined benefit pension scheme</td>
<td>19</td>
<td>656</td>
<td>-</td>
<td>656</td>
</tr>
<tr>
<td>Gain on revaluation of fixed assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net movement in funds</td>
<td>400</td>
<td>1,187</td>
<td>1,587</td>
<td>(505)</td>
</tr>
<tr>
<td>Reconciliation of funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Funds brought forward</td>
<td>38,826</td>
<td>766</td>
<td>39,592</td>
<td>40,097</td>
</tr>
<tr>
<td>Total Funds carried forward</td>
<td>39,226</td>
<td>1,953</td>
<td>41,179</td>
<td>39,592</td>
</tr>
</tbody>
</table>
## Balance sheets at 31 December 2017

**Registered company number - 5154176**

<table>
<thead>
<tr>
<th>Note</th>
<th>Group 2017 £'000</th>
<th>Group 2016 £'000</th>
<th>Society 2017 £'000</th>
<th>Society 2016 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>9</td>
<td>37,406</td>
<td>37,344</td>
<td>37,406</td>
</tr>
<tr>
<td>Investments</td>
<td>10</td>
<td>5,823</td>
<td>5,986</td>
<td>5,823</td>
</tr>
<tr>
<td>Investment in subsidiary company</td>
<td>4</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Animals</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total fixed assets</strong></td>
<td></td>
<td>43,230</td>
<td>42,931</td>
<td>43,230</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks</td>
<td>11</td>
<td>77</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Debtors falling due within one year</td>
<td>12</td>
<td>1,135</td>
<td>319</td>
<td>985</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>12</td>
<td>491</td>
<td>595</td>
<td>414</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td>1,703</td>
<td>1,420</td>
<td>1,407</td>
</tr>
<tr>
<td>Creditors: amounts falling due within one year</td>
<td>13</td>
<td>(1,900)</td>
<td>(1,775)</td>
<td>(2,063)</td>
</tr>
<tr>
<td><strong>Net current (liabilities)</strong></td>
<td></td>
<td>(197)</td>
<td>(355)</td>
<td>(676)</td>
</tr>
<tr>
<td><strong>Total assets less current liabilities</strong></td>
<td></td>
<td>43,033</td>
<td>42,576</td>
<td>42,554</td>
</tr>
<tr>
<td>Creditors: amounts falling due after more than one year</td>
<td>14</td>
<td>(2,437)</td>
<td>(2,743)</td>
<td>(2,437)</td>
</tr>
<tr>
<td><strong>Net assets excluding pension asset/(liability)</strong></td>
<td></td>
<td>40,596</td>
<td>39,833</td>
<td>40,117</td>
</tr>
<tr>
<td>Defined benefit pension asset/(liability)</td>
<td>19</td>
<td>583</td>
<td>(241)</td>
<td>583</td>
</tr>
<tr>
<td><strong>Net assets including pension asset/(liability)</strong></td>
<td></td>
<td>41,179</td>
<td>39,592</td>
<td>40,700</td>
</tr>
<tr>
<td><strong>Funds:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital</td>
<td>15</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unrestricted income funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designated funds</td>
<td>16</td>
<td>30,002</td>
<td>29,472</td>
<td>30,002</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td>16</td>
<td>6,199</td>
<td>6,253</td>
<td>6,199</td>
</tr>
<tr>
<td>Other unrestricted funds</td>
<td>16</td>
<td>2,422</td>
<td>3,342</td>
<td>1,963</td>
</tr>
<tr>
<td><strong>Total unrestricted funds before pension asset/(liability)</strong></td>
<td></td>
<td>38,643</td>
<td>39,067</td>
<td>38,164</td>
</tr>
<tr>
<td>Pension reserve</td>
<td>19</td>
<td>583</td>
<td>(241)</td>
<td>583</td>
</tr>
<tr>
<td><strong>Total unrestricted income funds after pension asset/(liability)</strong></td>
<td></td>
<td>39,226</td>
<td>38,826</td>
<td>38,747</td>
</tr>
<tr>
<td>Restricted funds</td>
<td>17</td>
<td>1,953</td>
<td>766</td>
<td>1,953</td>
</tr>
<tr>
<td><strong>Total charity funds</strong></td>
<td>18</td>
<td>41,179</td>
<td>39,592</td>
<td>40,700</td>
</tr>
</tbody>
</table>

The financial statements on pages 13 to 37 were approved and authorised for issue by the board of Trustees on 19 March 2018 and signed on its behalf by:

[Signature]

) Charlotte Moar

) Malcolm Broad

The notes on pages 16 to 37 form part of the financial statements.
Consolidated cash flow statement for the year ended 31 December 2017

<table>
<thead>
<tr>
<th>Notes</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>Net cash generated from operating activities</td>
<td>20</td>
<td>1,551</td>
</tr>
<tr>
<td>Cash flow from investing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends and interest</td>
<td>85</td>
<td>82</td>
</tr>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(1,454)</td>
<td>(682)</td>
</tr>
<tr>
<td>Proceeds from sale of investments</td>
<td>1,054</td>
<td>226</td>
</tr>
<tr>
<td>Purchase of investments</td>
<td>(1,028)</td>
<td>(241)</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(1,343)</td>
<td>(615)</td>
</tr>
<tr>
<td>Cash flow from financing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repayments of borrowing</td>
<td>(517)</td>
<td>(439)</td>
</tr>
<tr>
<td>Cash inflows from new borrowing</td>
<td>280</td>
<td>-</td>
</tr>
<tr>
<td>Net cash generated from financing activities.</td>
<td>(237)</td>
<td>(439)</td>
</tr>
<tr>
<td>Net (decrease) / increase in cash and cash equivalents in the year</td>
<td>(29)</td>
<td>500</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the year.</td>
<td>635</td>
<td>135</td>
</tr>
<tr>
<td>Total cash and cash equivalents at the end of the year</td>
<td>21</td>
<td>606</td>
</tr>
</tbody>
</table>

Cash and cash equivalents consist of:

<table>
<thead>
<tr>
<th></th>
<th>£'000</th>
<th>£'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and in hand</td>
<td>491</td>
<td>595</td>
</tr>
<tr>
<td>Cash deposits for reinvestment</td>
<td>115</td>
<td>40</td>
</tr>
<tr>
<td><strong>Net cash</strong></td>
<td><strong>606</strong></td>
<td><strong>635</strong></td>
</tr>
</tbody>
</table>

The notes on pages 16 to 37 form part of the financial statements.
Notes to the financial statements for the year ended
31 December 2017

The Society is a company limited by shares. The company registration number is 5154173 and it is
registered as a charity in England & Wales, charity number 1104986. Amounts include in the financial
statements are rounded to the nearest whole pound.

1 Principal accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities:
Statement of Recommended Practice applicable to charities preparing their financial statements 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. The Society meets the definition
of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or
transaction value unless otherwise stated in the relevant accounting policy note(s).

Basis of consolidation

The consolidated statement of financial activities, the consolidated balance sheet and the consolidated
cash flow statement include the financial statements of the Society and its subsidiary undertakings made
up to 31 December 2017, using the acquisition method of accounting. Uniform accounting policies are
applied throughout the group. Intra group transactions and profits are eliminated fully on consolidation.
The Society’s share of the net income, and its share of the net assets, of Bristol Natural History
Consortium (of which the Society is a one-third member) have not been included as they do not have a
material effect on the financial statements of the Society.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not
been presented because the Society has taken advantage of the exemption afforded by section 408 of the
Companies Act 2006.

The amount of the net income for the year dealt with in the Society’s entity-only financial statements is
£1,108,000 (2016: £169,000).

Preparation of the accounts on a going concern basis.

The Society reported a cash outflow of £29,000 for the year. The Trustees are of the view that the bank
overdraft facility and the reserves available will be sufficient to cover any short to medium term cash
requirements, and that on this basis the charity is a going concern.

Functional currency

The company’s functional and presentation currency is the pound sterling.

Donations and legacies

Donations and legacies are credited to revenue on a receivable basis. For legacies, entitlement is taken
as the earlier of the date on which either: the charity is aware that probate has been granted, the estate
has been finalised and notification has been made by the executor(s) that a distribution will be made, or
when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered
probable when the amount can be measured reliably and the charity has been notified of the executor’s
intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of
the granting of probate, and the criteria for income recognition have not been met, then the legacy is a
treated as a contingent asset and disclosed if material.

Gifts in kind are valued at a reasonable estimate of their value to the Society.

Guest related income

Guest related income represents cash and invoiced amounts of admission charges, goods sold and
services provided and commission, stated net of Value Added Tax, together with Gift Aid income, where
applicable. The income is recognised at date of receipt or of the visit, if later.
1 Principal accounting policies (continued)

Annual and corporate membership income

Annual and corporate membership income is credited in the statement of financial activities on a time basis. Where annual membership commences in mid-year then an amount relating to the subsequent period is deferred within creditors as accruals and deferred income.

Grants receivable

Income from government and other grants, whether 'capital' or 'revenue', is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Rental income

Income from rented properties is recognised in the period in which the rent is due. Income from office lettings is recognised in the period to which it relates. Amounts invoiced for future periods are apportioned and carried forward as deferred income.

Tangible fixed assets and depreciation

Freehold land and buildings were previously revalued every five years by a suitably qualified independent valuer. The land and buildings at Clifton are stated at their valuation as reported in the financial statements as at 1 January 2014. Operational land and buildings at the Hollywood Tower Estate are stated at the valuation carried out at 21 October 2014. Other assets purchased subsequent to those dates, including those under the course of construction, are included at their historical purchase price together with any incidental expenses of acquisition and irrecoverable VAT. The Society took the advantage of the transitional arrangements related to the introduction of FRS102 in 2015 to treat the most recent valuations as deemed cost. Assets with a cost below £2,500 are not capitalised.

Depreciation is calculated so as to write off the cost or valuation of tangible fixed assets, less their estimated residual values, over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

<table>
<thead>
<tr>
<th></th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freehold land and buildings (animal houses)</td>
<td>2-4</td>
</tr>
<tr>
<td>Other freehold land and buildings</td>
<td>1-2</td>
</tr>
<tr>
<td>Leasehold land and buildings</td>
<td>4</td>
</tr>
<tr>
<td>Plant and machinery</td>
<td>10 - 20</td>
</tr>
<tr>
<td>Motor vehicles</td>
<td>25</td>
</tr>
</tbody>
</table>

Interest on long term loans taken out to finance capital expenditure on land and buildings is capitalised up until the date the assets are brought into use.

Fixed asset investments

Investments in subsidiary undertakings are stated at cost, but are written down to their realisable value if it is considered that there has been a permanent diminution in their value.

Investment properties are stated at fair value as at 31 December 2017, as advised by a qualified independent valuer. These properties are not depreciated.

Investments in government securities and listed companies have been valued at market value in the financial statements at 31 December 2017. Income from investments is included in the year in which it is receivable.

Realised and unrealised gains and losses on investment properties and other investments are combined in the statement of financial activities.
1 Principal accounting policies (continued)

Animals
These assets, which are not capable of realistic valuation, are shown at a nominal value and not depreciated. Purchases and sales during the year are treated as revenue transactions.

Stocks
Stocks mainly comprise animal foodstuffs and are stated at the lower of cost or net realisable value. Cost is based on the first-in, first-out method. Provision is made where necessary for obsolescent, slow moving and defective stocks.

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

Expenditure
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Overheads have been allocated on an appropriate basis between cost categories, based on staff numbers or share of resources.

Expenditure on raising funds
Expenditure on raising funds relates to the costs of running and supporting the Society’s trading activities and other fundraising projects, and investment management costs.

Costs of charitable activities
Charitable activities include (a) the operation of Bristol Zoo Gardens (b) the operation of Wild Place Project (c) Conservation and Research Projects and (d) development of the National Wildlife Conservation Park (mainly fees for advice concerning planning issues and interest costs on the development loan). Both the direct costs and support costs of these activities are included.

Grants payable
Grants payable are accounted for in full as liabilities of the Society when approved by the Trustees and accepted by the beneficiaries.

Support costs
Support costs comprise the direct costs, including staff, attributable to charitable activities and an appropriate apportionment of indirect costs.

Governance costs
Governance costs include expenditure on administration of the charity and compliance with constitutional and statutory requirements, and an appropriate apportionment of indirect costs.

Recognition of liabilities
Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Pension costs
The Society operates a defined benefit pension scheme which closed to new employees in 2004 and ceased accrual in 2012. The assets of the scheme are held in trustee administered funds completely independent of the Society’s finances. The Society makes contributions to clear the scheme deficit over a period of time agreed with the Scheme Trustees.

The Society makes contributions to defined contribution pension schemes on behalf of staff. The cost of these contributions is charged in the financial statements as incurred.
Notes to the financial statements for the year ended 31 December 2017 (continued)

1 Principal accounting policies (continued)

Operating leases
Rentals applicable to operating leases are charged as a cost against the activity for which the expenditure was incurred on a straight-line basis over the term of the lease.

Irrecoverable VAT
Irrecoverable VAT attributable to capital expenditure is capitalised as an addition to the asset in question.
Irrecoverable VAT on revenue expenditure is allocated under the appropriate expenditure headings in the Statement of Financial Activities.

Financial instruments
The Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Fund accounting
Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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

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

The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Investment income and gains are allocated to the appropriate fund.

Significant judgements and estimates
Preparation of the financial statements requires the Trustees to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

- reviewing the outstanding trade debtors at the year-end to consider the recoverability of the balances. Where the Trustees consider there is significant doubt about the recoverability of a balance then a bad debt provision is made.
- deciding on the expected useful lives of tangible fixed assets. The Trustees consider by each fixed asset class the generally accepted best practice for the length of expected useful lives and the Group's own experience when establishing the expected useful lives.
- the apportionment basis for the allocation of costs. The Trustees consider that using the number of staff working within different group activities is the fairest basis upon which to allocate overhead costs between these different group activities.
- defined benefit pension scheme. The Society has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including: life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management, with advice from the scheme actuary, estimate these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 19 for the disclosures relating to the defined benefit pension scheme.
Bristol, Clifton and West of England Zoological Society Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

2a) Bristol Zoo Gardens

<table>
<thead>
<tr>
<th></th>
<th>2017 £’000</th>
<th>2016 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gate receipts (inc. Gift Aid)</td>
<td>4,578</td>
<td>4,809</td>
</tr>
<tr>
<td>Membership income (inc Gift Aid)</td>
<td>961</td>
<td>866</td>
</tr>
<tr>
<td>Other (car parks, education fees, vet consultancy etc.)</td>
<td>1,124</td>
<td>971</td>
</tr>
<tr>
<td></td>
<td>6,663</td>
<td>6,646</td>
</tr>
</tbody>
</table>

Income from Gift Aid is included in the above categories.

2b) Conservation and Research Projects

<table>
<thead>
<tr>
<th></th>
<th>2017 £’000</th>
<th>2016 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants received</td>
<td>220</td>
<td>303</td>
</tr>
<tr>
<td>Other</td>
<td>140</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>360</td>
<td>320</td>
</tr>
</tbody>
</table>

2c) Wild Place Project

<table>
<thead>
<tr>
<th></th>
<th>2017 £’000</th>
<th>2016 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gate receipts (inc Gift Aid)</td>
<td>817</td>
<td>607</td>
</tr>
<tr>
<td>Membership income (inc Gift Aid)</td>
<td>238</td>
<td>134</td>
</tr>
<tr>
<td>Other (education fees etc.)</td>
<td>15</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td>1,070</td>
<td>801</td>
</tr>
</tbody>
</table>

3a) Investment income

<table>
<thead>
<tr>
<th></th>
<th>2017 £’000</th>
<th>2016 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends</td>
<td>82</td>
<td>81</td>
</tr>
<tr>
<td>Interest on government securities</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Rents and other property income</td>
<td>363</td>
<td>337</td>
</tr>
<tr>
<td></td>
<td>448</td>
<td>429</td>
</tr>
</tbody>
</table>
Notes to the financial statements for the year ended 31 December 2017 (continued)

3b) Commercial trading operations

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>On-site catering and retail sales/commission</td>
<td>685</td>
<td>667</td>
</tr>
<tr>
<td>Conference facilities</td>
<td>176</td>
<td>176</td>
</tr>
<tr>
<td>Events</td>
<td>86</td>
<td>130</td>
</tr>
<tr>
<td>Miscellaneous income from activities, including on-site concessions</td>
<td>404</td>
<td>372</td>
</tr>
<tr>
<td>Rents and other property income</td>
<td>136</td>
<td>128</td>
</tr>
<tr>
<td></td>
<td>1,487</td>
<td>1,473</td>
</tr>
</tbody>
</table>

3c) Government grants

Included in the above income headings are the following government grants recognised in the financial statements:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4 Subsidiary and associated companies

The Society owns 100% of the share capital of Bristol Zoo Enterprises Limited (company number 01750167) which is incorporated in England and which carries out trading activities relating to the Society. The cost of the investment is £3 and there is no impairment provision.

The Society was the sole member of National Wildlife Conservation Park ("NWCP"), incorporated in England and limited by guarantee. National Wildlife Conservation Park was itself the sole member of Hollywood Estate Enterprises Limited. In 2014, the assets and liabilities of National Wildlife Conservation Park were transferred to the Society and it ceased to trade. Also the assets and liabilities of Hollywood Estate Enterprises Ltd were transferred to Bristol Zoo Enterprises Ltd, and it ceased to trade. In 2018, both companies were dissolved.

The Society holds one third of the membership of Bristol Natural History Consortium ("BNHC"), a charity established to improve communication about the natural world. The Society does not include its share of the results of this charity in the group financial statements of the Society because the results are not material to the Society. The most recent available audited financial statements of BNHC, for the year ended 31 December 2016, show a net deficit and net movement in funds of £5,757 and total funds of £15,631.
Notes to the financial statements for the year ended 31 December 2017 (continued)

4 Subsidiary and associated companies (continued)

The results of the Society and Bristol Zoo Enterprises Limited are set out below, together with the companies' assets and liabilities:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>£'000</td>
<td>£'000</td>
<td>(614)</td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td></td>
<td>10,716</td>
<td>1,506</td>
<td></td>
<td>11,608</td>
<td>10,231</td>
</tr>
<tr>
<td>Expenditure</td>
<td>10,152</td>
<td>(1,027)</td>
<td>614</td>
<td>10,565</td>
<td>(10,388)</td>
</tr>
<tr>
<td>Net income before investment gains/losses</td>
<td>564</td>
<td>479</td>
<td>-</td>
<td>1,043</td>
<td>(157)</td>
</tr>
</tbody>
</table>

Net funds of the subsidiary company

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate assets</td>
<td>682</td>
<td>173</td>
</tr>
<tr>
<td>Aggregate liabilities</td>
<td>(203)</td>
<td>(173)</td>
</tr>
<tr>
<td>Aggregate funds</td>
<td>479</td>
<td>-</td>
</tr>
</tbody>
</table>

The Trustees believe the carrying value of the investment is supported by its underlying net assets.

5 Expenditure

<table>
<thead>
<tr>
<th></th>
<th>Staff costs</th>
<th>Other direct costs</th>
<th>Support costs</th>
<th>Governance costs</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Expenditure on raising funds:

<p>| | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs of generating voluntary income</td>
<td>206</td>
<td>70</td>
<td>-</td>
<td>-</td>
<td>276</td>
<td>161</td>
</tr>
<tr>
<td>Fundraising trading: costs of goods sold</td>
<td>357</td>
<td>1,197</td>
<td>-</td>
<td>-</td>
<td>1,554</td>
<td>1,303</td>
</tr>
<tr>
<td>Investment management costs</td>
<td>-</td>
<td>95</td>
<td>-</td>
<td>-</td>
<td>95</td>
<td>110</td>
</tr>
<tr>
<td>Total expenditure on raising funds</td>
<td>563</td>
<td>1,362</td>
<td>-</td>
<td>-</td>
<td>1,925</td>
<td>1,574</td>
</tr>
</tbody>
</table>
Bristol, Clifton and West of England Zoological Society Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

5 Expenditure (continued)

<table>
<thead>
<tr>
<th>Expenditure on Charitable activities:</th>
<th>Staff costs</th>
<th>Other direct costs</th>
<th>Support costs</th>
<th>Governance costs</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bristol Zoo Gardens</td>
<td>2,230</td>
<td>1,641</td>
<td>2,977</td>
<td>69</td>
<td>6,917</td>
<td>7,404</td>
</tr>
<tr>
<td>Wild Place Project</td>
<td>190</td>
<td>165</td>
<td>808</td>
<td>24</td>
<td>1,187</td>
<td>894</td>
</tr>
<tr>
<td>Conservation and research projects</td>
<td>182</td>
<td>323</td>
<td>16</td>
<td>-</td>
<td>521</td>
<td>492</td>
</tr>
<tr>
<td>National Wildlife Conservation Park</td>
<td>-</td>
<td>15</td>
<td>-</td>
<td>-</td>
<td>15</td>
<td>24</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total expenditure on charitable activities</th>
<th>Staff costs</th>
<th>Other direct costs</th>
<th>Support costs</th>
<th>Governance costs</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,602</td>
<td>2,144</td>
<td>3,801</td>
<td>93</td>
<td>8,640</td>
<td>8,814</td>
<td></td>
</tr>
</tbody>
</table>

| Total expenditure                          | 3,165       | 3,506              | 3,801         | 93               | 10,565| 10,388|

<table>
<thead>
<tr>
<th>Allocation of support costs:</th>
<th>Staff costs</th>
<th>Other costs</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>Bristol Zoo Gardens</td>
<td>1,310</td>
<td>1,667</td>
<td>2,977</td>
<td>3,187</td>
</tr>
<tr>
<td>Conservation and Research Projects</td>
<td>10</td>
<td>6</td>
<td>16</td>
<td>15</td>
</tr>
<tr>
<td>Wild Place Project</td>
<td>306</td>
<td>412</td>
<td>808</td>
<td>609</td>
</tr>
<tr>
<td></td>
<td>1,716</td>
<td>2,085</td>
<td>3,801</td>
<td>3,811</td>
</tr>
</tbody>
</table>

Support costs have been allocated on the basis of the number of employees engaged in charitable activities, and include the costs of the finance department, maintenance, utilities, admissions, governance costs and a proportion of irrecoverable VAT.

<table>
<thead>
<tr>
<th>Allocation of governance costs:</th>
<th>Staff costs</th>
<th>Other costs</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>Bristol Zoo Gardens</td>
<td>41</td>
<td>28</td>
<td>69</td>
<td>74</td>
</tr>
<tr>
<td>Conservation and Research Projects</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Wild Place Project</td>
<td>16</td>
<td>8</td>
<td>24</td>
<td>18</td>
</tr>
<tr>
<td>National Wildlife Conservation Park</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>57</td>
<td>36</td>
<td>93</td>
<td>92</td>
</tr>
</tbody>
</table>
Notes to the financial statements for the year ended 31 December 2017 (continued)

6 Net income/(expenditure)  

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>Net income/(expenditure) for the year is stated after charging:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating lease payments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant, machinery and vehicles</td>
<td>34</td>
<td>22</td>
</tr>
<tr>
<td>Depreciation</td>
<td>1,072</td>
<td>996</td>
</tr>
<tr>
<td>Loss on disposal of fixed asset</td>
<td>(19)</td>
<td>700</td>
</tr>
<tr>
<td>Trustee indemnity insurance</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Auditors' remuneration for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit services (Society: £14,800 (2016: £14,500))</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Other services – taxation advisory services</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Other services – taxation and other compliance services</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Number</td>
</tr>
<tr>
<td>The average monthly head count was 230 staff (2016: 211 staff). The average monthly number of full time equivalent employees during the year was:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Generating voluntary income</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>Generating income from activities</td>
<td>12</td>
<td>9</td>
</tr>
<tr>
<td>Bristol Zoo Gardens - direct</td>
<td>86</td>
<td>81</td>
</tr>
<tr>
<td>Conservation &amp; research projects</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Wild Place Project</td>
<td>23</td>
<td>18</td>
</tr>
<tr>
<td>Support</td>
<td>59</td>
<td>51</td>
</tr>
<tr>
<td></td>
<td>194</td>
<td>172</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff costs (for the above persons)</td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>4,396</td>
<td>4,087</td>
</tr>
<tr>
<td>Social security costs</td>
<td>353</td>
<td>295</td>
</tr>
<tr>
<td>Contributions to defined contribution pension scheme (see note 19)</td>
<td>172</td>
<td>164</td>
</tr>
<tr>
<td>Death-in-service benefits and pensions to former staff</td>
<td>17</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td>4,938</td>
<td>4,565</td>
</tr>
</tbody>
</table>

£44,882 of the above staff costs have been capitalised in the year (2016: £nil).
Notes to the financial statements for the year ended 31 December 2017 (continued)

9 Fixed assets

<table>
<thead>
<tr>
<th>Group &amp; Society</th>
<th>Freehold operational land &amp; buildings £'000</th>
<th>Leasehold operational land &amp; buildings £'000</th>
<th>Plant &amp; machinery £'000</th>
<th>Motor vehicles £'000</th>
<th>Assets under construction £'000</th>
<th>Total £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost or Valuation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 January 2017</td>
<td>37,855</td>
<td>121</td>
<td>2,572</td>
<td>29</td>
<td>181</td>
<td>40,758</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>-</td>
<td>203</td>
<td>-</td>
<td>1,251</td>
<td>1,454</td>
</tr>
<tr>
<td>Transfers</td>
<td>1,277</td>
<td>-</td>
<td>-</td>
<td></td>
<td>(1,277)</td>
<td>-</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>(23)</td>
<td>-</td>
<td>-</td>
<td>(23)</td>
</tr>
<tr>
<td>Reclassification</td>
<td>(350)</td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
<td>(350)</td>
</tr>
<tr>
<td>At 31 December 2017</td>
<td>38,782</td>
<td>121</td>
<td>2,752</td>
<td>29</td>
<td>155</td>
<td>41,839</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 January 2017 (as previously reported)</td>
<td>2,119</td>
<td>81</td>
<td>1,196</td>
<td>18</td>
<td>-</td>
<td>3,414</td>
</tr>
<tr>
<td>Charge in year</td>
<td>825</td>
<td>4</td>
<td>239</td>
<td>5</td>
<td>-</td>
<td>1,073</td>
</tr>
<tr>
<td>Disposals</td>
<td>(51)</td>
<td>-</td>
<td>(3)</td>
<td>-</td>
<td>-</td>
<td>(54)</td>
</tr>
<tr>
<td>At 31 December 2017</td>
<td>2,893</td>
<td>85</td>
<td>1,432</td>
<td>23</td>
<td>-</td>
<td>4,433</td>
</tr>
<tr>
<td>Net book value</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 December 2017</td>
<td>35,889</td>
<td>36</td>
<td>1,320</td>
<td>6</td>
<td>155</td>
<td>37,406</td>
</tr>
<tr>
<td>At 31 December 2016</td>
<td>35,736</td>
<td>40</td>
<td>1,376</td>
<td>11</td>
<td>181</td>
<td>37,344</td>
</tr>
</tbody>
</table>

All properties with the exception of both Zoos were valued for yearend by Knight Frank LLP, Bristol and the relevant details are note below.

It should be noted that only the movements in the investment properties were recognised in these accounts. This resulted in a reduction of £402,000 from the previous valuation (2013) with year on year indexations. While the non-investments properties (occupied by staff) were not recognised in the accounts, the current market would see an increase of the net book value by £732k

The freehold land and buildings which comprise the Hollywood Tower Estate are subject to a first charge to secure a bank loan which amounted to £672,000 (2016: £848,000) which is 25% of the overall market value of the assets as per Knight Frank valuation. They are also subject to a second charge to secure the Homes England (ex SWRDA) NWCP project funding of £1,500,000 (2015: £1,500,000) which is 55% of the value of the assets. It is expected the HCA charge will be fully discharged in 2018 with no recourse for any repayments.

The car park land and gardens yard in College Road, Clifton, act as security for the Education Centre loan which was drawn in 2015. The amount of the loan outstanding (2017: £2,036,000) exceeds the current net book value of these assets.

Residential properties at Clifton with a net book value of £1,408,500 at 31 December 2017 are subject to a first charge in favour of Bristol Zoo Retirement and Death Benefit Scheme. These properties were valued by Knight Frank on 6 December with a market value subject of £2,065,000.
Notes to the financial statements for the year ended 31 December 2017 (continued)

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel (continued)

The number of employees whose annual emoluments exceeded £60,000 was:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>£60,001 - £70,000</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>£80,001 - £90,000</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

A salary exchange arrangement was introduced in 2015 for members of the Senior Management Team. The emoluments include salaries sacrificed.

Contributions of £49,403 (2016: £41,249) in respect of higher paid employees were paid to a defined contribution pension scheme.

No Trustee received any remuneration from the Society during the year (2016: £nil). No Trustee has received reimbursement for out of pocket expenses, nor were any expenses paid for or on behalf of Trustees (2016: £nil). No Trustee received payment for professional or other services supplied to the Society (2016: £nil).

The Board of Trustees, who are the Society's directors, and the Senior Management Team comprise the key management personnel of the Society (see page 3). The total of employee benefits of key management personnel was £404,454 (2016: £449,825).

The Society pays the premiums on behalf of the Trustees in respect of Management Liability insurance. The premium paid in 2017 was £1,128 (2016: £1,101).

Pension contributions outstanding at the year-end were £24,989 (2016: £20,242).

8 Taxation

The parent company is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.
Bristol, Clifton and West of England Zoological Society Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

9 Fixed assets (continued)
Analysis of the land and buildings valued at the date of transition to FRS102 using the deemed cost exemption:

<table>
<thead>
<tr>
<th>Group and Society</th>
<th>2015 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Historical cost equivalent</td>
<td>3,953</td>
</tr>
<tr>
<td>Revaluation</td>
<td>32,807</td>
</tr>
<tr>
<td>Net book value</td>
<td>36,760</td>
</tr>
</tbody>
</table>

10 Investments

<table>
<thead>
<tr>
<th>Group and Society</th>
<th>Investment Properties £'000</th>
<th>Listed and other investments £'000</th>
<th>Cash for reinvestment £'000</th>
<th>Total £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost or valuation at 1 January 2017</td>
<td>2,603</td>
<td>2,943</td>
<td>40</td>
<td>5,586</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>953</td>
<td>75</td>
<td>1,028</td>
</tr>
<tr>
<td>Disposals at opening market value</td>
<td>-</td>
<td>(1,029)</td>
<td>-</td>
<td>(1,029)</td>
</tr>
<tr>
<td>Reclassification</td>
<td>350</td>
<td>-</td>
<td>-</td>
<td>350</td>
</tr>
<tr>
<td>Net revaluation (losses)/gains</td>
<td>(408)</td>
<td>296</td>
<td>-</td>
<td>(112)</td>
</tr>
</tbody>
</table>

Net book value
At 31 December 2017 | 2,545 | 3,163 | 115 | 5,823 |

Net book value
At 31 December 2016 | 2,603 | 2,943 | 40 | 5,586 |

Investment properties are stated at fair value as at 31 December 2017, based on a valuation by Knight Frank at year end. These properties are the subject of first and second charges, details of which are included in note 9. Listed and other investments are stated at their market value at 31 December 2017. The historical cost of these investments at 31 December 2017 was £2,463,461 (2016: £2,059,337).

The portfolio was structured as follows at 31 December 2017:

<table>
<thead>
<tr>
<th></th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listed on UK Stock Exchange</td>
<td>96.5</td>
</tr>
<tr>
<td>Cash deposits</td>
<td>3.5</td>
</tr>
</tbody>
</table>

100.0

The Society owns three shares of £1 each in its wholly owned trading subsidiary Bristol Zoo Enterprises Ltd which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid.

11 Stocks

<table>
<thead>
<tr>
<th></th>
<th>Group 2017 £'000</th>
<th>Group 2016 £'000</th>
<th>Society 2017 £'000</th>
<th>Society 2016 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Animals foodstuffs, cleaning materials, etc.</td>
<td>8</td>
<td>6</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>Retail</td>
<td>69</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>77</td>
<td></td>
<td></td>
<td>8</td>
</tr>
</tbody>
</table>

The difference between purchase price of stocks and their replacement value is not material.
Notes to the financial statements for the year ended 31 December 2017 (continued)

12  Debtors: amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>Group 2017 £'000</th>
<th>Group 2016 £'000</th>
<th>Society 2017 £'000</th>
<th>Society 2016 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts falling due within one year</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade debtors</td>
<td>279</td>
<td>258</td>
<td>139</td>
<td>170</td>
</tr>
<tr>
<td>Amounts owed by group undertaking</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>75</td>
</tr>
<tr>
<td>Other debtors</td>
<td>8</td>
<td>14</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Prepayments &amp; accrued income</td>
<td>848</td>
<td>547</td>
<td>844</td>
<td>514</td>
</tr>
<tr>
<td></td>
<td>1,135</td>
<td>819</td>
<td>985</td>
<td>763</td>
</tr>
</tbody>
</table>

13  Creditors: amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>Group 2017 £'000</th>
<th>Group 2016 £'000</th>
<th>Society 2017 £'000</th>
<th>Society 2016 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank loan</td>
<td>524</td>
<td>455</td>
<td>524</td>
<td>455</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>158</td>
<td>217</td>
<td>131</td>
<td>196</td>
</tr>
<tr>
<td>Amounts owed to group undertaking</td>
<td>-</td>
<td>-</td>
<td>386</td>
<td>-</td>
</tr>
<tr>
<td>Taxation and social security</td>
<td>153</td>
<td>135</td>
<td>153</td>
<td>135</td>
</tr>
<tr>
<td>Other creditors</td>
<td>98</td>
<td>76</td>
<td>31</td>
<td>26</td>
</tr>
<tr>
<td>Accruals &amp; deferred income</td>
<td>958</td>
<td>883</td>
<td>849</td>
<td>851</td>
</tr>
<tr>
<td>Accrual for unissued share capital</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>1,900</td>
<td>1,775</td>
<td>2,083</td>
<td>1,672</td>
</tr>
</tbody>
</table>

The bank loan is secured by a first charge on the land and buildings situated at the Hollywood Tower Estate, together with an assignment of the rental income. Interest on the bank loan is charged at 1.65 % above HSBC base rate.

The second bank loan is secured on land and buildings situated in College Road, Clifton. Interest on the loan is charged at 2.0% above Bank of England base rate.

Deferred income for the Group and Society relates mainly to annual and corporate membership income, and unredeemed admission ticket sales.

The movements in deferred income included within creditors: amounts falling due within one year are analysed below:

<table>
<thead>
<tr>
<th></th>
<th>Group 2017 £'000</th>
<th>Group 2016 £'000</th>
<th>Society 2017 £'000</th>
<th>Society 2016 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred income at 1 January</td>
<td>589</td>
<td>556</td>
<td>562</td>
<td>534</td>
</tr>
<tr>
<td>Amount released from previous periods</td>
<td>(589)</td>
<td>(556)</td>
<td>(562)</td>
<td>(534)</td>
</tr>
<tr>
<td>Incoming resources deferred in the year</td>
<td>695</td>
<td>589</td>
<td>637</td>
<td>562</td>
</tr>
<tr>
<td>Deferred income at 31 December</td>
<td>695</td>
<td>589</td>
<td>637</td>
<td>562</td>
</tr>
</tbody>
</table>
Notes to the financial statements for the year ended 31 December 2017 (continued)

14 Creditors: amounts falling due after more than one year

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>Bank loans repayable in instalments within one to two years</td>
<td>534</td>
<td>467</td>
</tr>
<tr>
<td>Bank loan repayable in instalments within two to five years</td>
<td>1,381</td>
<td>1,404</td>
</tr>
<tr>
<td>Bank loan repayable in instalments after more than five years</td>
<td>522</td>
<td>872</td>
</tr>
<tr>
<td></td>
<td>2,437</td>
<td>2,743</td>
</tr>
</tbody>
</table>

The above loans qualify as basic financial instruments. The total loans, including amounts due within one year, amount to £2,961,460 (2016: £3,198,000).

15 Share capital

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorised – value</td>
<td>£350</td>
<td>£350</td>
</tr>
<tr>
<td>Allotted, called up and fully paid shares of £1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- value</td>
<td>£275</td>
<td>£275</td>
</tr>
<tr>
<td>- number</td>
<td>275</td>
<td>275</td>
</tr>
</tbody>
</table>

16 Unrestricted funds

<table>
<thead>
<tr>
<th>Group</th>
<th>Balance 1 January 2017</th>
<th>Income</th>
<th>Expenditure</th>
<th>Transfers, investment gains/ (losses), pension surplus</th>
<th>Balance 31 December 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>Designated funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff Development Fund</td>
<td>4</td>
<td>-</td>
<td>-</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Keeper for the Day Fund</td>
<td>14</td>
<td>-</td>
<td>-</td>
<td></td>
<td>14</td>
</tr>
<tr>
<td>Fixed asset reserve</td>
<td>26,651</td>
<td>-</td>
<td>(1,073)</td>
<td>1,681</td>
<td>27,459</td>
</tr>
<tr>
<td>Investment property reserve</td>
<td>2,603</td>
<td>-</td>
<td>-</td>
<td>(58)</td>
<td>2,545</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td>29,482</td>
<td>-</td>
<td>(1,073)</td>
<td>1,623</td>
<td>30,022</td>
</tr>
<tr>
<td>Other unrestricted funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(including pension surplus)</td>
<td>6,253</td>
<td>-</td>
<td>-</td>
<td>(54)</td>
<td>6,199</td>
</tr>
<tr>
<td>Total unrestricted funds</td>
<td>38,826</td>
<td>10,109</td>
<td>(10,253)</td>
<td>544</td>
<td>39,226</td>
</tr>
</tbody>
</table>

The designated funds consist of the following funds:

The Staff Development Fund is to earmark funds for staff development. The Keeper for the Day fund is to earmark funds for training and development of animal department staff.

The Fixed Asset Reserve has been established to equate to the net book value of the Group’s tangible fixed assets, net of loan funding, restricted funding or revaluation reserve. The movement in the fund reflects the changes in the net book values of the assets.
Bristol, Clifton and West of England Zoological Society Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

16 Unrestricted funds (continued)

The Investment Property Reserve has been established to equate to the net book value of the Group’s Investment Properties, as these are not easily realisable. The movement in the fund reflects the changes in the net book values of the assets.

Income from investments is allocated to other unrestricted funds.

<table>
<thead>
<tr>
<th>Society</th>
<th>Balance 1 January 2017 £000</th>
<th>Incoming resources £000</th>
<th>Resources Expended £000</th>
<th>Transfers, investment gains/(losses) pension surplus £000</th>
<th>Balance 31 December 2017 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designated funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff Development Fund</td>
<td>4</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4</td>
</tr>
<tr>
<td>Keeper for the Day Fund</td>
<td>14</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>14</td>
</tr>
<tr>
<td>Fixed asset reserve</td>
<td>26,851</td>
<td>(1,073)</td>
<td>-</td>
<td>1,681</td>
<td>27,459</td>
</tr>
<tr>
<td>Investment property reserve</td>
<td>2,603</td>
<td>(1,073)</td>
<td>-</td>
<td>(58)</td>
<td>2,545</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td>6,253</td>
<td>-</td>
<td>(54)</td>
<td>6,199</td>
<td></td>
</tr>
<tr>
<td>Other unrestricted funds</td>
<td>3,101</td>
<td>9,217</td>
<td>(8,767)</td>
<td>(1,025)</td>
<td>2,526</td>
</tr>
<tr>
<td>Total unrestricted funds</td>
<td>38,826</td>
<td>9,217</td>
<td>(9,840)</td>
<td>544</td>
<td>38,747</td>
</tr>
</tbody>
</table>

17 Restricted funds

<table>
<thead>
<tr>
<th>Group and Society</th>
<th>Balance 1 January 2017 £000</th>
<th>Incoming resources £000</th>
<th>Resources Expended £000</th>
<th>Transfers between funds &amp; adjustments £000</th>
<th>Balance 31 December 2017 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Society</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adopt a BEE</td>
<td>20</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>20</td>
</tr>
<tr>
<td>Aquarium Display Fund</td>
<td>16</td>
<td>0</td>
<td>4</td>
<td>-</td>
<td>12</td>
</tr>
<tr>
<td>Avon Gorge &amp; Downs Project</td>
<td>15</td>
<td>59</td>
<td>38</td>
<td>-</td>
<td>36</td>
</tr>
<tr>
<td>British Ancient Woodland</td>
<td>-</td>
<td>1,100</td>
<td>8</td>
<td>-</td>
<td>1,100</td>
</tr>
<tr>
<td>Conservation Fund</td>
<td>163</td>
<td>100</td>
<td>8</td>
<td>-</td>
<td>255</td>
</tr>
<tr>
<td>Education Centre Fund</td>
<td>98</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>97</td>
</tr>
<tr>
<td>Giraffe Conservation Fund</td>
<td>54</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>54</td>
</tr>
<tr>
<td>Gorilla Auction Fund</td>
<td>175</td>
<td>0</td>
<td>20</td>
<td>-</td>
<td>155</td>
</tr>
<tr>
<td>Gorilla Conservation Fund</td>
<td>32</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>32</td>
</tr>
<tr>
<td>Lemur News</td>
<td>19</td>
<td>2</td>
<td>7</td>
<td>-</td>
<td>14</td>
</tr>
<tr>
<td>Leiden Foundation Fund</td>
<td>1</td>
<td>34</td>
<td>21</td>
<td>-</td>
<td>14</td>
</tr>
<tr>
<td>Primate Red Listing Workshops</td>
<td>3</td>
<td>39</td>
<td>30</td>
<td>-</td>
<td>12</td>
</tr>
<tr>
<td>Reforestation Project</td>
<td>0</td>
<td>15</td>
<td>5</td>
<td>-</td>
<td>10</td>
</tr>
<tr>
<td>Sahamalaza Research Centre</td>
<td>0</td>
<td>26</td>
<td>5</td>
<td>-</td>
<td>21</td>
</tr>
<tr>
<td>Other restricted funds with movements of less than £10,000</td>
<td>170</td>
<td>123</td>
<td>172</td>
<td>-</td>
<td>121</td>
</tr>
<tr>
<td>Total</td>
<td>766</td>
<td>1,499</td>
<td>312</td>
<td>-</td>
<td>1,953</td>
</tr>
</tbody>
</table>

The Aquarium Display Fund was set up to provide funds for an invasive species display in the aquarium.
Notes to the financial statements for the year ended
31 December 2017 (continued)

17 Restricted funds (continued)

The Avon Gorge and Downs Conservation Scheme was set up to provide funds for conservation work to be
carried out in this area, near to Bristol Zoo.

British Ancient Woodland – This fund will be used to create an immersive exhibit featuring Bears, Wolves,
Lynx and Wolverine sited at Wild Place.

The Conservation Fund was set up to provide funds for general conservation work.

The Education Centre Fund was set up to provide funds for the construction of the extension to the
Conservation Education Centre at Bristol Zoo, to become the Institute of Conservation and Learning.

The Giraffe Fund was set up to provide funds for the construction of a new giraffe house at Wild Place
Project, and for an in situ giraffe conservation project.

The Gorilla Auction Fund was set up to provide funds for in situ and ex situ gorilla conservation.

Leiden Foundation Fund – Funds to support the further education of key conservation staff in conjunction with
San Diego Zoo.

Primate Red Listing Workshops – This fund was set up to facilitate the red listing workshops which are on-
go-ing and held in various places around the world – next workshop is spring 2018.

Reforestation Project – This is a 3 year grant from IUCN SOS Lemurs for our Sahamalaza, Madagascar
reforestation project.

Sahamalaza Research Centre – This fund was set up to build a new research centre in Madagascar.

The other restricted funds were all set up as conservation or other funds for a specific purpose as described in
the fund name.

The transfers between funds represent reclassification of expenditure from funds with similar purposes.

18 Allocation of net assets

<table>
<thead>
<tr>
<th>Group</th>
<th>Fixed assets</th>
<th>Investments</th>
<th>Net current assets and animals less liabilities</th>
<th>Long term creditors</th>
<th>Pension asset</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share capital</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>£000</td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td>9,947</td>
<td>3,278</td>
<td>(2,167)</td>
<td>(2,437)</td>
<td>583</td>
<td>9,204</td>
</tr>
<tr>
<td>Designated funds</td>
<td>27,459</td>
<td>2,545</td>
<td>18</td>
<td></td>
<td></td>
<td>30,022</td>
</tr>
<tr>
<td>Restricted funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,953</td>
</tr>
<tr>
<td>Total</td>
<td>37,406</td>
<td>5,823</td>
<td>(196)</td>
<td>(2,437)</td>
<td>583</td>
<td>41,179</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Society</th>
<th>Fixed assets</th>
<th>Investments</th>
<th>Net current assets and animals less liabilities</th>
<th>Long term creditors</th>
<th>Pension asset</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share capital</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>£000</td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td>9,947</td>
<td>3,278</td>
<td>(2,646)</td>
<td>(2,437)</td>
<td>583</td>
<td>8,725</td>
</tr>
<tr>
<td>Designated funds</td>
<td>27,459</td>
<td>2,545</td>
<td>18</td>
<td></td>
<td></td>
<td>30,022</td>
</tr>
<tr>
<td>Restricted funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,953</td>
</tr>
<tr>
<td>Total</td>
<td>37,406</td>
<td>5,823</td>
<td>(675)</td>
<td>(2,437)</td>
<td>583</td>
<td>40,700</td>
</tr>
</tbody>
</table>
Notes to the financial statements for the year ended
31 December 2017 (continued)

19  Pensions

Defined benefit scheme

The Society operates a defined benefit scheme in the UK. This is a separate Trustee administered fund holding the pension scheme assets to meet long term pension liabilities. The scheme closed to new entrants in 2004, and on 30 September 2012 ceased accrual of benefits. A full actuarial valuation was carried out at 30 September 2015 and was updated to 31 December 2017 by a qualified actuary, independent of the scheme’s sponsoring employer. The major assumptions used by the actuary are shown below. The most recent actuarial valuation showed a deficit of £1,542,000. The Society has agreed with the Trustees that it will aim to eliminate the deficit by payment of annual contributions of £163,000, increasing at 5.25% p.a. and payable each October from 2015 to 31 October 2021 with a reduced final contribution of £119,500 payable by 31 October 2021.

The best estimate of contributions (including expenses) to be paid by the Society to the scheme for the period commencing 1st January 2018 is £195,000 (2016: £172,000).

The Society has agreed with the Trustees that it will meet expenses of the scheme and pay amounts into the scheme equal to the levy payments made by the plan to the Pension Protection Fund.

The major assumptions used by the actuary were:

Assumptions

<table>
<thead>
<tr>
<th></th>
<th>2017 % per annum</th>
<th>2016 % per annum</th>
<th>2015 % per annum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inflation (RPI)</td>
<td>3.20%</td>
<td>3.40%</td>
<td>3.20%</td>
</tr>
<tr>
<td>Inflation (CPI)</td>
<td>2.20%</td>
<td>2.40%</td>
<td>2.20%</td>
</tr>
<tr>
<td>Rate of discount</td>
<td>2.50%</td>
<td>2.70%</td>
<td>3.90%</td>
</tr>
<tr>
<td>Allowance for pension payment increases of CPI or 5% p.a. if less</td>
<td>2.20%</td>
<td>2.40%</td>
<td>2.20%</td>
</tr>
<tr>
<td>Allowance for revaluation of deferred pensions of CPI or 5% p.a. if less</td>
<td>2.20%</td>
<td>2.40%</td>
<td>2.20%</td>
</tr>
<tr>
<td>Allowance for revaluation of deferred pensions of CPI or 2.5% if less</td>
<td>2.20%</td>
<td>2.40%</td>
<td>2.20%</td>
</tr>
</tbody>
</table>

The mortality assumptions adopted at 31 December 2017 imply the following life expectancies:

<table>
<thead>
<tr>
<th></th>
<th>2017 years</th>
<th>2016 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male retiring at age 65 in 2017</td>
<td>22.1</td>
<td>22.2</td>
</tr>
<tr>
<td>Female retiring at age 65 in 2017</td>
<td>23.9</td>
<td>24.2</td>
</tr>
<tr>
<td>Male retiring at age 65 in 2037</td>
<td>23.5</td>
<td>23.9</td>
</tr>
<tr>
<td>Female retiring at age 65 in 2037</td>
<td>25.4</td>
<td>26.1</td>
</tr>
</tbody>
</table>
Notes to the financial statements for the year ended 31 December 2017 (continued)

19  Pensions (continued)

The fair value of the assets in the scheme was:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>Equities</td>
<td>4,448</td>
<td>4,019</td>
</tr>
<tr>
<td>With Profit assets</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Bonds</td>
<td>2,355</td>
<td>2,102</td>
</tr>
<tr>
<td>Other (property, cash etc.)</td>
<td>18</td>
<td>14</td>
</tr>
<tr>
<td>Fair value of assets</td>
<td>6,827</td>
<td>6,141</td>
</tr>
</tbody>
</table>

None of the fair values of the assets shown above include any of the group’s own financial instruments or any property occupied by, or other assets used by, the society.

Reconciliation of scheme assets and liabilities

<table>
<thead>
<tr>
<th></th>
<th>Assets</th>
<th>Liabilities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>At 1 January 2017</td>
<td>6,141</td>
<td>(6,382)</td>
<td>(241)</td>
</tr>
<tr>
<td>Interest income/(expense)</td>
<td>166</td>
<td>(170)</td>
<td>(4)</td>
</tr>
<tr>
<td>Actuarial gains / (losses)</td>
<td>489</td>
<td>167</td>
<td>656</td>
</tr>
<tr>
<td>Employer contributions</td>
<td>186</td>
<td>-</td>
<td>186</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>(155)</td>
<td>155</td>
<td>-</td>
</tr>
<tr>
<td>Expenses</td>
<td>-</td>
<td>(14)</td>
<td>(14)</td>
</tr>
<tr>
<td>At 31 December 2017</td>
<td>6,827</td>
<td>(6,244)</td>
<td>583</td>
</tr>
</tbody>
</table>

Defined benefit costs recognised in the Statement of Financial Activities

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>Net interest cost</td>
<td>4</td>
<td>(13)</td>
</tr>
<tr>
<td>Expenses</td>
<td>14</td>
<td>49</td>
</tr>
<tr>
<td>Total costs recognised in the Statement of Financial Activities</td>
<td>18</td>
<td>36</td>
</tr>
</tbody>
</table>
19 Pensions (continued)

Amounts for the current and previous four years

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>Fair value of scheme assets</td>
<td>6,827</td>
<td>6,141</td>
<td>5,010</td>
<td>4,687</td>
<td>4,181</td>
</tr>
<tr>
<td>Present value of defined benefit obligation</td>
<td>6,244</td>
<td>6,382</td>
<td>4,753</td>
<td>5,116</td>
<td>4,250</td>
</tr>
<tr>
<td>(Deficit) / Surplus in the scheme</td>
<td>583</td>
<td>(241)</td>
<td>257</td>
<td>(449)</td>
<td>(9)</td>
</tr>
</tbody>
</table>

Defined contribution scheme

The Society operates a Group Personal Pension scheme into which eligible employees are now auto-enrolled. The Society makes contributions. The pension cost for the year payable to this scheme was £178,000 (2016: £184,000).

The costs of pensions paid to former employees and the provision of death in service benefits total £19,000 (2016: £18,000).

Pension costs are allocated to expenditure categories in proportion to staff numbers.

20 Reconciliation of net (expenditure)/income to net cash provided by operating activities

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>£'000</td>
<td>£'000</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Movement in funds</td>
<td>1,587</td>
<td>(505)</td>
</tr>
<tr>
<td>Actuarial (gains)/losses on defined benefit pension scheme</td>
<td>(656)</td>
<td>674</td>
</tr>
<tr>
<td>(Gain) on revaluation of fixed assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net (gains)/losses on investments</td>
<td>112</td>
<td>(326)</td>
</tr>
<tr>
<td>Net income for the year before investment (gains) /losses</td>
<td>1,043</td>
<td>(157)</td>
</tr>
<tr>
<td>Difference in pension deficit contributions and charge arising from service costs and financial credit/charge</td>
<td>(168)</td>
<td>(176)</td>
</tr>
<tr>
<td>Loss on disposal of fixed assets</td>
<td>19</td>
<td>700</td>
</tr>
<tr>
<td>Dividends and interest</td>
<td>(85)</td>
<td>(82)</td>
</tr>
<tr>
<td>Depreciation of tangible fixed assets</td>
<td>1,073</td>
<td>996</td>
</tr>
<tr>
<td>(Increase)/decrease in stocks</td>
<td>(71)</td>
<td>4</td>
</tr>
<tr>
<td>(Increase) in debtors</td>
<td>(316)</td>
<td>(90)</td>
</tr>
<tr>
<td>Increase/(decrease) in creditors</td>
<td>56</td>
<td>359</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>1,551</td>
<td>1,554</td>
</tr>
</tbody>
</table>
Notes to the financial statements for the year ended 31 December 2017 (continued)

21 Analysis of cash and cash equivalents

<table>
<thead>
<tr>
<th></th>
<th>At 1 January 2017</th>
<th>Cash Flows 2017</th>
<th>At 31 December 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and in hand</td>
<td>595 '000</td>
<td>(104 '000)</td>
<td>491 '000</td>
</tr>
<tr>
<td>Cash deposits for reinvestment</td>
<td>40 '000</td>
<td>75 '000</td>
<td>115 '000</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents</strong></td>
<td><strong>635 '000</strong></td>
<td><strong>(29 '000)</strong></td>
<td><strong>606 '000</strong></td>
</tr>
</tbody>
</table>

All the movements from the opening to closing components above result from the cash flows of the group.

22 Commitments under operating leases

At the year end the future minimum lease payments under non-cancellable operating leases for property and for vehicles were as follows:

<table>
<thead>
<tr>
<th>Group and Society</th>
<th>2017 '000</th>
<th>2016 '000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within one year</td>
<td>54 '000</td>
<td>56 '000</td>
</tr>
<tr>
<td>Between two and five years</td>
<td>129 '000</td>
<td>109 '000</td>
</tr>
<tr>
<td>More than five years</td>
<td>308 '000</td>
<td>337 '000</td>
</tr>
<tr>
<td></td>
<td>491 '000</td>
<td>502 '000</td>
</tr>
</tbody>
</table>

23 Capital commitments

<table>
<thead>
<tr>
<th>Group and Society</th>
<th>2017 '000</th>
<th>2016 '000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts falling due within one year:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts authorised but not yet contracted</td>
<td>215 '000</td>
<td>559 '000</td>
</tr>
</tbody>
</table>

Amounts authorised but not yet contracted are in respect of extending the car park and other required maintenance projects.

24 Contingent liabilities

The grant from Homes England (ex SWRDA) towards the NWCP project is conditional upon certain milestones and objectives being achieved before 1 January 2019. If this does not happen, the grant is repayable. The total grant received to 31 December 2017 was £1,500,000 (2016: £1,500,000).
Notes to the financial statements for the year ended 31 December 2017 (continued)

25 Related party transactions

The Society has considered the disclosure requirements of the Statement of Recommended Practice for Charities and of FRS102 and believes that the following related party transactions, all of which were made on an arm’s length basis, require disclosure:

1. During the year the Society paid subscriptions and bought goods and services to the value of £8,500 (2016: £8,150) from Destination Bristol. Wendy Walton, Director of Commercial Operations, is a non-executive director of that company.

2. During the year the following transactions took place between the Society and its wholly owned subsidiary Bristol Zoo Enterprises Limited. (a) The provision of an operating licence by the Society as a concession to occupy the space used for catering, retail, and other commercial activities at Bristol Zoo Gardens and Wild place Project and make use of equipment. In 2016, the licence fee was £150,969 (2016: £148,236) (b) A management charge by the Society to cover BZE Ltd’s share of central costs and overheads. In 2016, this was £463,380 (2016: £452,463) (c) The transfer under Gift Aid of the trading profits of BZE Ltd for 2017, will amount to £479,227 and for 2016 £432,618.

The balance due to BZE Ltd from the Society at 31 December 2017 was £386,434 (2016: £75,447 owed to the Society).

26 Additional information

Bristol, Clifton and West of England Zoological Society Limited is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is Bristol Zoo Gardens, Clifton, Bristol BS8 3HA. Its principal activities are the operation of Bristol Zoo Gardens and Wild Place Project, and research and conservation work carried out in the field.

27 Controlling party

In the opinion of the Trustees, there is no single controlling party.

28 Financial instruments

The company has the following financial instruments:

<table>
<thead>
<tr>
<th>Note</th>
<th>Group 2017</th>
<th>Society 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td></td>
<td>2017</td>
<td>2016</td>
</tr>
<tr>
<td>Financial assets that are debt instruments measured at amortised cost:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade debtors</td>
<td>12</td>
<td>279</td>
</tr>
<tr>
<td>Amounts owed by group undertaking</td>
<td>12</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial liabilities measured at amortised cost:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank loans</td>
<td>13,14</td>
<td>2,961</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>13</td>
<td>158</td>
</tr>
<tr>
<td>Amounts owed to group undertaking</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3,119</td>
</tr>
</tbody>
</table>
## Notes to the financial statements for the year ended 31 December 2017 (continued)

### 29 Comparative figures for the consolidated statement of financial activities

<table>
<thead>
<tr>
<th>Continuing operations</th>
<th>Unrestricted funds £'000</th>
<th>Restricted funds £'000</th>
<th>Total 2016 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations &amp; legacies</td>
<td>463</td>
<td>99</td>
<td>562</td>
</tr>
<tr>
<td>Income from charitable activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bristol Zoo Gardens</td>
<td>6,646</td>
<td>-</td>
<td>6,646</td>
</tr>
<tr>
<td>Wild Place Project</td>
<td>801</td>
<td>-</td>
<td>801</td>
</tr>
<tr>
<td>Conservation &amp; Research Projects</td>
<td>17</td>
<td>303</td>
<td>320</td>
</tr>
<tr>
<td>Income from commercial trading operations</td>
<td>1,473</td>
<td>-</td>
<td>1,473</td>
</tr>
<tr>
<td>Investment income</td>
<td>429</td>
<td>-</td>
<td>429</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>9,829</td>
<td>402</td>
<td>10,231</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditure on raising funds:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising</td>
<td>161</td>
<td>-</td>
<td>161</td>
</tr>
<tr>
<td>Commercial Trading Operations</td>
<td>1,303</td>
<td>-</td>
<td>1,303</td>
</tr>
<tr>
<td>Investment management costs</td>
<td>110</td>
<td>-</td>
<td>110</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td>1,574</td>
<td>-</td>
<td>1,574</td>
</tr>
<tr>
<td>Expenditure on Charitable activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bristol Zoo Gardens</td>
<td>7,404</td>
<td>-</td>
<td>7,404</td>
</tr>
<tr>
<td>Wild Place Project</td>
<td>894</td>
<td>-</td>
<td>894</td>
</tr>
<tr>
<td>Conservation &amp; Research projects</td>
<td>204</td>
<td>288</td>
<td>492</td>
</tr>
<tr>
<td>National Wildlife Conservation Park</td>
<td>24</td>
<td>-</td>
<td>24</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td>10,100</td>
<td>288</td>
<td>10,388</td>
</tr>
<tr>
<td>Net income (expenditure) before investment gains/(losses)</td>
<td>(271)</td>
<td>114</td>
<td>(157)</td>
</tr>
<tr>
<td>Net gains (losses) on investments</td>
<td>326</td>
<td>-</td>
<td>326</td>
</tr>
<tr>
<td><strong>Net Income/(expenditure) for the year</strong></td>
<td>55</td>
<td>114</td>
<td>169</td>
</tr>
<tr>
<td>Transfers between funds</td>
<td>(11)</td>
<td>11</td>
<td>-</td>
</tr>
<tr>
<td>Other recognised gains/ (losses):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actuarial gains / (losses) on defined benefit pension scheme</td>
<td>(674)</td>
<td>-</td>
<td>(674)</td>
</tr>
<tr>
<td>Gain on revaluation of fixed assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net movement in funds</strong></td>
<td>(630)</td>
<td>125</td>
<td>(505)</td>
</tr>
<tr>
<td>Reconciliation of funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Funds brought forward</td>
<td>39,456</td>
<td>641</td>
<td>40,097</td>
</tr>
<tr>
<td><strong>Total Funds carried forward</strong></td>
<td>39,456</td>
<td>766</td>
<td>39,592</td>
</tr>
</tbody>
</table>