

Dudley Zoo Services Limited

FINANCIAL STATEMENTS

for the year ended

31 December 2015



Company Registration No 1350863

Dudley Zoo Services Limited

DIRECTORS AND OFFICERS

DIRECTORS

D H Sparks OBE

D R Tyler (resigned 10 June 2015)

M J Evans

P J Silver FCA (appointed 10 June 2015)

W A Williams (appointed 10 June 2015)

REGISTERED OFFICE

Castle Hill
Dudley
West Midlands
DY1 4QF

BANKERS

Natwest
2nd Floor
2 Trinity Court
Wolverhampton Business Park
Broadlands
Wolverhampton
WV10 6UH

AUDITORS

RSM UK Audit LLP
(formerly Baker Tilly UK Audit LLP)
St Philips Point
Temple Row
Birmingham
B2 5AF

Dudley Zoo Services Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Dudley Zoo Services Limited for the year ended 31 December 2015

PRINCIPAL ACTIVITIES

The principal activity of the company is that of providing and operating on-site gift shops and related activities including a contracted catering service

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The results for the period are shown in the statement of comprehensive income on page 5. The company's profit for the year before taxation was £161,540 (year ended 31 December 2014 £72,049) £165,401 (2014 £68,262) will be gift aided to its charitable parent undertaking, Dudley and West Midlands Zoological Society Limited, leaving the company with capital and reserves of £4,390 (2014 £8,251)

DIVIDENDS

The directors do not recommend payment of a dividend

DIRECTORS AND THEIR INTERESTS

The non-executive directors who have held office since 1 January 2015 were

D H Sparks OBE

D R Tyler (resigned 10 June 2015)

M J Evans

P J Silver FCA (appointed 10 June 2015)

W A Williams (appointed 10 June 2015)

No director had a beneficial interest in the shares of the company

The whole of the issued share capital is owned by the incorporated charity, Dudley and West Midlands Zoological Society Limited ("the Society")

AUDITORS

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) has indicated its willingness to continue in office

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

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

On behalf of the board

M J Evans
Director
8 June 2016



Dudley Zoo Services Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUDLEY ZOO SERVICES LIMITED

We have audited the financial statements on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

RSM UK Audit LLP

GARY MORETON (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, (formerly Baker Tilly UK Audit LLP)
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

8 June 2016

Dudley Zoo Services Limited
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2015

	<i>Notes</i>	2015 £	2014 £
TURNOVER		1,214,291	979,591
Cost of sales		(923,116)	(755,857)
GROSS PROFIT		291,175	223,734
Other income		12,000	-
Administrative expenses		(141,635)	(151,685)
OPERATING PROFIT	1	161,540	72,049
Taxation	2	-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND PROFIT FOR THE FINANCIAL YEAR		161,540	72,049
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		161,540	72,049

The operating profit for the year arises from the company's continuing operations

Dudley Zoo Services Limited
STATEMENT OF FINANCIAL POSITION
31 December 2015

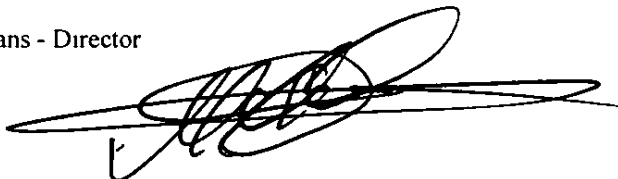
Company registration No 1350863

	<i>Notes</i>	2015 £	2014 £
FIXED ASSETS			
Tangible assets	3	18,158	24,398
		<hr/>	<hr/>
CURRENT ASSETS			
Stocks	4	50,291	35,562
Debtors	5	99,281	185,589
Cash at bank and in hand		496	36,058
		<hr/>	<hr/>
		150,068	257,209
CREDITORS Amounts falling due within one year	6	(163,836)	(273,356)
		<hr/>	<hr/>
NET CURRENT LIABILITIES		(13,768)	(16,147)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,390	8,251
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	7	100	100
Profit and loss reserves		4,290	8,151
		<hr/>	<hr/>
SHAREHOLDER'S FUNDS		4,390	8,251
		<hr/>	<hr/>

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

The financial statements on pages 5 to 14 were approved by the board of directors and authorised for issue on 8 June 2016 and are signed on its behalf by

M J Evans - Director



Dudley Zoo Services Limited
STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2015

	Share Capital £	Profit and Loss Account £
Balance at 1 January 2014	100	4,364
Total comprehensive income for the year	-	72,049
Amount gift aided to parent undertaking	-	(68,262)
	<hr/>	<hr/>
Balance at 31 December 2014	100	8,151
Year ended 31 December 2015		
Total comprehensive income for the year	-	161,540
Amount gift aided to parent undertaking	-	(165,401)
	<hr/>	<hr/>
Balance at 31 December 2015	<u>100</u>	<u>4,290</u>

Dudley Zoo Services Limited

ACCOUNTING POLICIES

COMPANY INFORMATION

Dudley Zoo Services Limited is a limited company incorporated in England and Wales (registration number 1350863). The registered office is Castle Hill, Dudley, West Midlands, DY1 4QF. The company's principal activities are provision and operation of on-site gift shops and related activities including a contracted catering service.

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

ACCOUNTING CONVENTION

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the company.

The principal accounting policies adopted are set out below.

These financial statements are the first financial statements of Dudley Zoo Services Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of Dudley Zoo Services Limited for the year ended 31 December 2014 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in retained earnings at the transition date.

There has been no impact on the reporting financial position or financial performance as shown under previous GAAP at the date of transition to FRS 102 (1 January 2014) or in the comparative period. As a result, the company has not presented the reconciliations and descriptions of the effect of the transition to FRS 102 on, (i) equity at the date of transition to FRS 102, (ii) equity at the end of the comparative period, and (iii) profit or loss for the comparative period reported under previous GAAP as would normally be presented if there had been a change at transition date.

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements,

- Section 4 'Statement of Financial Position' - Reconciliation of the opening and closing number of shares
- Section 7 'Statement of Cash Flows' - Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument, basis of determining fair values, details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income
- Section 33 'Related Party Disclosures' - Compensation for key management personnel

The financial statements of the Company are consolidated in the financial statements of Dudley and West Midlands Zoological Society Limited, a charitable company incorporated in England and Wales. The consolidated financial statements of Dudley and West Midlands Zoological Society Limited are available from Companies House, Crown Way, Cardiff.

Dudley Zoo Services Limited

ACCOUNTING POLICIES

GOING CONCERN

Dudley Zoo Services is a profitable venture with a history of making profits and undertakes trading activities for the Zoo which it will gift aid to the Society. It has made a profit in 2015 and aims to make profits in the future. As a result of these factors the Directors consider that it is appropriate for these financial statements to be made up on the going concern basis.

TURNOVER

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided to external customers in the normal course of business, net of discounts, VAT and other sales related taxes.

STOCK

Stock is valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling prices less costs of disposal. At each reporting date, the company assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs of disposal is recognised as an impairment loss in profit and loss.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows -

Fixtures and fittings	10% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income or expenses from subsidiaries, associates, branches and interests in jointly controlled entities, that will be assessed to or allow for tax in a future period except where the Company is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

For non-depreciable assets measured using the revaluation model and investment properties measured at fair value (except investment property with a limited useful life held by the Company to consume substantially all of its economic benefits), deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

Dudley Zoo Services Limited

ACCOUNTING POLICIES

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously

FINANCIAL INSTRUMENTS

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

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

Financial assets

Trade debtors

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

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Trade creditors

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

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Dudley Zoo Services Limited

ACCOUNTING POLICIES

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

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

Dudley Zoo Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2015

1	OPERATING PROFIT	2015 £	2014 £
	Operating profit on ordinary activities before taxation is stated after charging		
	Depreciation and amounts written off tangible fixed assets		
	Charge for the period		
	owned assets	6,240	7,646
	Auditors' remuneration	10,246	10,000
		<u> </u>	<u> </u>
	Directors remuneration for the year was £Nil (2014 £Nil)		
2	TAXATION	2015 £	2014 £
	Current tax		
	UK corporation tax on profit for the year	-	-
		<u> </u>	<u> </u>
	Factors affecting tax charge for the year		
	The tax assessed for the year is lower than the standard rate of corporation tax in the UK for small companies of 20.25% (2014 20%)		
	The differences are explained below		
	Profit on ordinary activities before tax	161,540	72,049
		<u> </u>	<u> </u>
	Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK for small companies of 20.25% (2014 20%)	32,706	14,410
	Effects of		
	Profits gift aided to parent	(33,488)	(13,653)
	Capital allowances less than depreciation	169	765
	Other differences	613	(1,522)
		<u> </u>	<u> </u>
	Current tax charge for the year	-	-
		<u> </u>	<u> </u>

Dudley Zoo Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2015

3	TANGIBLE FIXED ASSETS		
		<i>Fixtures and fittings £</i>	<i>Total £</i>
	COST		
	At 1 January 2015 and at 31 December 2015	235,193	235,193
	Disposals	(398)	(398)
		<hr/>	<hr/>
	At 31 December 2015	234,795	234,795
		<hr/>	<hr/>
	DEPRECIATION		
	At 1 January 2015	210,795	210,795
	Charged for year	6,240	6,240
	Disposals	(398)	(398)
		<hr/>	<hr/>
	At 31 December 2015	216,637	216,637
		<hr/>	<hr/>
	Net book value		
	31 December 2015	18,158	18,158
		<hr/>	<hr/>
	31 December 2014	24,398	24,398
		<hr/>	<hr/>
4	STOCKS	2015 £	2014 £
	Goods for resale	50,291	35,562
		<hr/>	<hr/>
5	DEBTORS	2015 £	2014 £
	Due within one year		
	Trade debtors	15,233	14,196
	Amounts owed by parent undertaking	70,387	127,787
	Prepayments and accrued income	13,661	43,606
		<hr/>	<hr/>
		99,281	185,589
		<hr/>	<hr/>

Dudley Zoo Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2015

6	CREDITORS Amounts falling due within one year	2015 £	2014 £
	Trade creditors	119,545	235,321
	Other taxation and social security	26,113	15,627
	Other creditors	-	3,256
	Accruals and deferred income	18,178	19,152
		<u>163,836</u>	<u>273,356</u>

7	SHARE CAPITAL	2015 £	2014 £
	Allotted, issued and fully paid 100 ordinary shares of £1 each	100	100
		<u>100</u>	<u>100</u>

8 PARENT UNDERTAKING AND CONTROLLING PARTY

The company is a wholly owned subsidiary of Dudley and West Midlands Zoological Society Limited, a company incorporated in England and Wales, and its results are included in the consolidated financial statements of that charitable company. Those financial statements are available from Companies House, Crown Way, Cardiff.

The ultimate parent undertaking is Dudley Metropolitan Borough Council.

9 RELATED PARTY DISCLOSURES

At 31 December 2015, the company owed £Nil (31 December 2014 £50,000) to Dudley Metropolitan Borough Council. This liability was included within trade creditors in note 6. During the year, the company made repayments of £50,000 (2014 £nil).

The company has taken advantage of the exemption conferred by FRS 102 from the requirement to disclose transactions with group undertakings.