

The Zoological Society of London
Registered Charity in England and Wales: no 208728
zsl.org

Regent's Park
London
NW1 4RY

and at:

ZSL Whipsnade Zoo
Dunstable
Bedfordshire
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For a closer look at ZSL's work, look out for our other
annual publications at zsl.org/about-us/zsl-annual-reports



ZSL Conservation Review 2015
An in-depth look at our
conservation and research,
showing how we are achieving our
key targets at home and abroad.



**ZSL Institute of Zoology
Review 2014/2015**
All our research activities,
collaborations, publications
and funding in one yearly report.

ANNUAL REPORT
AND ACCOUNTS 2015



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Welcome

The President and Director General of the Zoological Society of London introduce our review 2015.



As President of the Zoological Society of London (ZSL), I am delighted to present our 2015 Annual Report. Having been President for a year, it has been marvellous to be part of this truly wonderful organisation. It's great to see the Society moving forward with drive and ambition, carrying out such outstanding work.

As a lead partner in the Great British Oceans campaign, we played a key role in securing a monumental win for marine wildlife in 2015. The UK government announced its intention to create the world's largest marine reserve around the Pitcairn Islands, a UK Overseas Territory in the South Pacific. With WWF's *Living Blue Planet Report*, highlighting research led by ZSL, showing a crisis in global oceans and populations of marine species having halved since 1970, this announcement was all the more relevant.

There has also been important progress in Nepal, where we have been awarded a £1.4m grant from the IUCN (International Union for the Conservation of Nature) Integrated Tiger Habitat Conservation Programme to expand our existing work to protect these incredible big cats. The grant will enable us to improve measures to safeguard tigers on both sides of the Nepal-India border. Meanwhile, our scientists made a really important discovery in China, where a new family group of the world's rarest ape, the Hainan gibbon, was sighted, giving enhanced hopes of survival. And a research trip in the Caribbean led to the identification of a new species of rodent, the James Bond hutia – named after the US naturalist who inspired Ian Fleming's fictional spy.

Conservation breeding programmes have led to significant achievements at ZSL. I would highlight the successful world-first breeding and rearing of the Critically Endangered Lake Oku clawed frog at ZSL London Zoo, and a much-welcomed new addition to the greater one-horned rhino herd at ZSL Whipsnade Zoo.

The year also saw a special broadcast documentary on ITV, *Meet the Penguins*. The programme followed Adrian Walls, head of birds at ZSL London Zoo, on an expedition to Peru to learn from local experts and share his knowledge about Humboldt penguins, and fulfil his personal dream of seeing the threatened birds in the wild.

We couldn't have hoped for a better way to showcase the passion of our staff, all of whom devote their lives to the care of animals and conservation. Thank you to all who continue to play a part in such exciting and important work.

Professor Sir John Beddington, FRS
President, Zoological Society of London



ZSL achieved a tremendous amount in 2015, and I am proud to lead a Society conducting world-leading science and conservation. We continued to make remarkable discoveries about some of the planet's most threatened species and most vulnerable habitats.

The year saw the launch of our new brand, creating an identity for ZSL that strongly represents us as an organisation. With the care and conservation of animals at the heart of everything we do, our new call to action, 'Let's work for wildlife', couldn't be more apt. We take pride in our passion for, and dedication to, animals, and are excited about what we can achieve in the future.

In 2015, we launched our biggest conservation partnership to date, the South Sumatra Eco-Region Alliance. Representing the single largest conservation grant in ZSL's history, the project is designed to ensure long-term protection for Sumatra's precious peatlands, home to vulnerable species including the Sumatran tiger, and currently under severe pressure from commercial business, including the palm oil industry. I also had the great honour of formally launching ZSL's collaborative Asiatic lion conservation project when I signed the milestone agreement with the Gujarat State Government in India. After a great deal of preparation, the agreement marked a significant step in ZSL's plans to help conserve this magnificent species.

Groundbreaking research into wildlife health saw ZSL lead on a paper revealing the first-ever successful elimination of the fatal chytrid fungus in a wild amphibian species – a major breakthrough in the fight against the disease devastating amphibians worldwide.

ZSL Whipsnade Zoo welcomed more than 650,000 visitors in 2015, making it the most successful year since 1965. The opening of the new visitor centre has transformed the Zoo's entrance, while its new Butterfly House has proven popular with visitors. New walk-through exhibits at ZSL London Zoo, *In with the Lemurs* and *In with the Spiders*, have also received very positive feedback, each demonstrating the educational and inspirational experience we offer. With a combined total of more than 1.8 million visitors in 2015, our Zoos continue to attract and engage audiences from all over the world and a wealth of successes have kept the Society at the forefront of innovative conservation and scientific discovery. I'd like to take this opportunity to thank everyone who is involved with ZSL in some way, either as an organisation with which we collaborate, or as one of our hardworking and dedicated employees or volunteers.

Ralph Armond
Director General, Zoological Society of London

ZSL's vision, mission and aims

As an organisation, we're driven by a number of principles and objectives for the worldwide conservation of animals and their habitats – here, we outline the core aims that shape our work.

The Trustees present their Annual Report and Accounts of the charity for the year ended 31 December 2015. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the accounts and comply with the charity's Charters and Byelaws, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

ZSL's objectives and mission statement

ZSL's core objectives, as set out in its Charter, are:

'The advancement of zoology by, among other things, the conducting of scientific research, the promoting of conservation of biological diversity and the welfare of animals, the care for and breeding of endangered and other species, the fostering of public interest, the improvement and dissemination of zoological knowledge and participation in conservation worldwide.'

In shaping our objectives for the year and planning our activities, ZSL's Trustees have considered the Charity Commission's guidance on public benefit and fee charging. Initiatives include educational visits at heavily discounted prices, free visits as part of the junior citizen initiative and Special Children's Days at discounted prices. We also fund and run a world-renowned zoological library, with open access at no charge.

Our mission:

To promote and achieve the worldwide conservation of animals and their habitats.

Our vision:

A world where animals are valued and their conservation assured.

Guiding principles

In carrying out its mission, ZSL has adopted the following guiding principles:

Respecting and valuing animals and the natural world

Our belief is that a diverse and healthy natural world is valuable in its own right and is essential for ensuring secure and healthy lives for people. This motivates ZSL's vision and mission, and our other core values follow from this.

Inspiring conservation action

We seek to motivate others to take conservation action in their daily lives.

Achieving excellence in our field

Building on our heritage, our Royal Patronage since 1831 and our reputation as a learned society, we aim to be an authoritative source of information and good practice for the scientific study, conservation and husbandry of animals; and to make efficient and effective use of available resources to achieve the highest possible standards in everything we do in the operation of a successful and innovative conservation organisation.

Acting ethically, responsibly and sustainably

We aim to operate in fair and justifiable ways that do not conflict with our mission and objectives, and which respect the environment.

Valuing everyone we work with

We support and value teamwork and collaboration, strive for fair and equitable treatment of everyone with whom we work and come into contact, and aim to act with respect and courtesy in all our dealings.



Strategic aims

ZSL pursues its mission through five key strategic aims:

1 To undertake and promote relevant high-quality zoological and conservation research, to help us achieve our conservation objectives and to inform and influence conservation policy

ZSL will achieve this strategic aim by:

- Encouraging and rewarding excellence in the performance and communication of science, conservation and animal husbandry
- Using our unique convening role as a leading learned society to foster and achieve international excellence in science relevant to our core conservation priorities
- Managing and developing a relevant and useful body of zoological knowledge
- Attracting and engaging a diverse range of people and organisations in the science of zoology and conservation, from students to leaders in their fields
- Raising the profile of conservation issues and priorities, and ensuring they are well represented at policy level and in the media
- Providing policymakers, conservationists and the general public with the information needed to make informed decisions on conservation issues.

- Raising and maintaining our profile among target audiences
- Using our research and field activities to inspire and educate people about conservation, enhancing the value delivered to ZSL members.

- Working with other organisations and across disciplines to achieve our common conservation objectives
- Working with government and industry in support of conservation.

3 To implement and achieve effective and appropriate *in situ* and *ex situ* conservation programmes for priority species and habitats

ZSL will achieve this strategic aim by:

- Ensuring that conservation efforts are informed by the best science
- Developing and applying objective criteria for setting priorities for our conservation activities
- Measuring conservation efforts and evaluating their outcomes to enable more effective management
- Developing our own and others' capabilities, expertise and resources in order to build capacity in zoology and conservation
- Predicting, prioritising and responding effectively to new conservation issues
- Engaging and working with communities in support of conservation and sustainable livelihoods

4 To lead and deliver exemplary Zoos to advance ZSL's mission

ZSL will achieve this strategic aim by:

- Inspiring our visitors through world-class animal exhibits that are linked to science and conservation
- Evaluating all our activities to inform a visitor charter committed to excellence in customer satisfaction
- Implementing and surpassing globally recognised standards in our Zoos
- Ensuring and promoting best practice in the welfare of zoo animals and delivering conservation breeding
- Integrating and maximising the conservation and research contribution of the Zoos to ZSL
- Maximising the unique learning and enabling opportunities that our Zoos offer across all sectors of the Society
- Using our Zoos to increase the financial contribution ZSL makes to science, conservation and education.

2 To encourage and motivate all our stakeholders to support and engage in conservation

ZSL will achieve this strategic aim by:

- Enabling and inspiring all ZSL's staff, students and volunteers to become ambassadors for our conservation mission
- Ensuring that all visitors have an enjoyable, inspiring and educational experience
- Communicating science-based conservation messages
- Improving and developing our contributions to the education and conservation awareness of groups of all ages, and to education providers



5 To further ZSL's mission by maximising opportunities to generate funds

ZSL will achieve this strategic aim by:

- Making continued investment in our sites and infrastructure
- Developing our business acumen
- Developing innovative opportunities to generate revenue
- Building up and extending our supporter base
- Raising our charitable profile to increase funding to ZSL
- Using ZSL assets and resources to generate funds within the framework of a registered charity.



Making an impact

Here at ZSL, we're working for wildlife around the world.

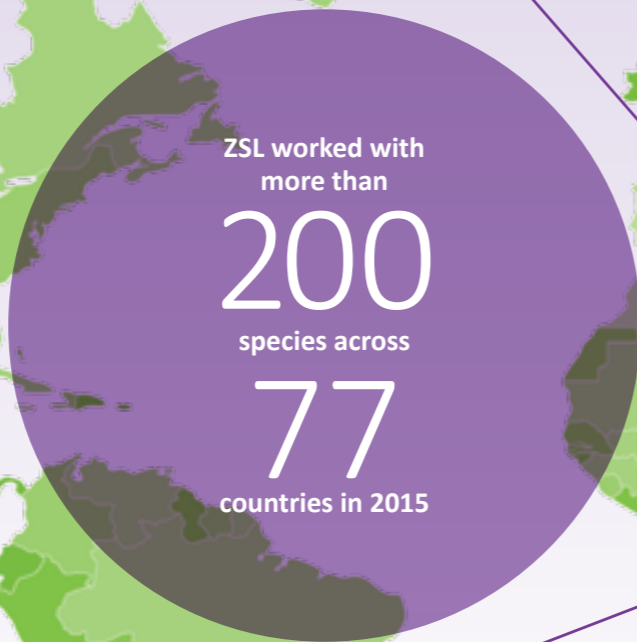
From investigating the health threats facing animals, inspiring future conservationists at our Zoos and engaging with global businesses, we're working with everyone from British garden owners to world leaders to ensure a future for endangered species.

The next chapters outline just some of the work we carried out in 2015, what we've achieved and how we're making an impact on animals and their habitats.

Our objectives for this year were shaped by our initiatives, including monitoring the planet and developing conservation technology.

ZSL's global impact

Our conservation work is truly international in scope – here, we highlight seven projects around the world that illustrate the range of our impact



1 MALLORCA

Our scientists revealed the first-ever successful elimination of a deadly fungus in a wild amphibian. Combining anti-fungal treatment of Mallorcan midwife toads with habitat disinfection, the breakthrough was a landmark in the fight against chytrid, a fungus responsible for decimating amphibian populations globally.

→ Read more on how we're improving wildlife health on page 20



2 CAMEROON

With 34% of Cameroon's forests earmarked for timber production, we're combating the effects of forest exploitation as well as tackling illegal wildlife trade in the country. In 2015 we developed a new toolkit for wildlife protection, designed to encourage sustainable practices in the timber industry; we will continue to engage with foresters to help them integrate wildlife conservation into their work. → Read more on how we're engaging with business on page 24



3 KENYA

Our pioneering Instant Detect software – an innovative tool for tackling the global wildlife poaching crisis – provides an alarm system for protected areas, sending alerts about illegal activity to park rangers in real time. Working closely with the Kenya Wildlife Service, we deployed Instant Detect in the Tsavo West national park and it has also been trialled as a tool to support wildlife monitoring from remote locations including Antarctica. → Read more on how we're developing conservation technology on page 16



4 UNITED KINGDOM

ZSL is helping people in the River Thames catchment area to gain new skills and knowledge by monitoring both river health and species distributions. Volunteers in our Citizen Science programme learned how to monitor water quality, eelers and smelt, while members of the public reported 536 marine mammal sightings through our website in 2015.

→ Read more on how we're encouraging lifelong learning on page 26



7 PHILIPPINES

Connecting biodiversity conservation with disaster risk reduction and poverty alleviation is central to our work in the Philippines. Following a massive earthquake and Typhoon Haiyan, we are supporting communities to rebuild sustainable livelihoods (eg Net-Works) and enhance coastal protection. Key activities include training for protection and science-based rehabilitation of mangrove forests, and establishment and management of community-based marine protected areas. → Read more on how we're championing conservation for communities on page 22



5 NEPAL

In 2015, we coordinated the country's largest-ever gathering of ornithologists and birding enthusiasts for a workshop on the *National Red List of Nepal's Birds*. Published by ZSL, the Red List is a full account of the conservation status of the country's birds. More than 800 bird species have been assessed for the project, with more than 500 new species added to the database in 2015.

→ Read more on how we're monitoring the planet on page 14



6 INDONESIA

The year saw the launch of our largest-ever conservation partnership to date, the South Sumatra Eco-Region Alliance, which aims to safeguard the future of the Critically Endangered Sumatran tiger. Combining landscape management with biodiversity conservation, this ambitious project seeks to reduce greenhouse gas emissions and improve tiger habitats across a large area of southern Sumatra. → Read more on how we're saving threatened species on page 18



UK impact

ZSL's world-class Zoos here in the UK have been leading the way in breeding, innovation and conservation, with a number of successes to celebrate in 2015.

Completely immersive and engaging exhibits opened at both our Zoos last year, with new walk-throughs *In with the Lemurs* and *In with the Spiders* proving a great hit with visitors at ZSL London Zoo. The new *In with the Lemurs* enclosure is home to a bachelor group of ring-tailed lemurs, and brings our visitors closer than ever to these fascinating Malagasy primates. *In with the Spiders*, our brand-new interactive spider experience, is Europe's only spider walk-through. The exciting new exhibit features a wide range of species including tropical orb weaver and bird-eating spiders as well as emperor and tailless whip scorpions.



The new Butterfly House exhibit at ZSL Whipsnade Zoo is one of the largest butterfly biomes in the UK. Beautifully designed, this chrysalis-shaped tropical habitat is full of hundreds of butterflies, with 30 different species from around the world. Providing an environment for families to learn about nature, the walk-through experience includes a Metamorphosis Zone highlighting every stage of the butterfly lifecycle and allowing visitors to watch butterflies emerging from their chrysalises.

The year also saw a number of new arrivals at both Zoos, with breeding successes ranging from sloths to sea lions. At ZSL London Zoo, our group of Critically Endangered Western lowland gorillas grew with the birth of a gorilla infant, Gernot, in November. Gernot was the second infant to be fathered by Kumbuka, our silverback male. A male two-toed sloth was born at the Zoo in May, proving a valuable addition to the European breeding programme for the species. The new arrival, named Edward, has been added to the international studbook, which is shared with other zoos around the world. There has also been wonderful breeding success with

our pack of African hunting dogs, with 11 pups born at the end of 2015. This large litter is the first to be born at ZSL London Zoo in almost 80 years.

At ZSL Whipsnade Zoo, Californian sea lion Bailey gave birth to her first pup, a male named Oscar. A greater one-horned rhino male calf, Behan, was born at the beginning of September after a 17-month gestation. A rare wattled crane chick, abandoned as an egg by its parents, was moved to a new enclosure by quick-thinking zookeepers and 'adopted' by two red-crowned cranes, helping to ensure the survival of this precious youngster. The opening of a new visitor centre at Whipsnade has transformed the entrance to the Zoo and helped deliver

significant improvements to visitors' overall experience. It is ultra-sustainable, gaining an A-rating for energy efficiency and becoming a hub for its own recycling projects, such as turning visitors' used plastic drinking bottles into new benches for the Zoo.

The past year has seen us improve our sustainability at both ZSL London and Whipsnade Zoos by increasing recycling and supporting on-site biodiversity. Both our Zoos were awarded Gold accreditation from the Green Tourism business scheme, which is given to those organisations in the tourism industry that demonstrate the highest possible standards of sustainability and environmental awareness.

We also received two Silver awards for sustainability from BIAZA (the British and Irish Association of Zoos and Aquariums) for improvements to our waste management system and for our annual Green Fund, which encourages ZSL employees to suggest bright ideas that can be implemented around our sites to reduce our environmental impact on a daily basis.



Main image: The new chrysalis-shaped Butterfly House at ZSL Whipsnade Zoo is proving a huge hit with the public. Left: In with the Spiders at ZSL London Zoo lets visitors walk freely among our golden orb weaver (Nephila) spiders

514

butterflies were tallied up in the new Butterfly House at ZSL Whipsnade Zoo by the end of 2015



60

Iberian midwife toads were bred at ZSL London Zoo in 2015



99.7%

of ZSL's waste was diverted from landfill in 2015, for which we won an ACM Greener Path award

394

trees were 'saved' through our card and paper recycling

WHERE OUR WASTE GOES

landfill 0.27%

recycled 46.24%

recovered 11.99%

compost 41.5%

ZSL Scientific Awards

ZSL recognises the impact of others and their outstanding achievements in conservation and zoological research through its annual presentation of awards and prizes. The following awards were presented at our annual ceremony in June 2015:

ZSL Frink Medal: **Professor Sir Patrick Bateson FRS**

ZSL Scientific Medal: **Andy Gardner, Patrik Nosil, Tommaso Pizzari**

ZSL Silver Medal: **Darren Mann**

ZSL Stamford Raffles Award: **Elise Andrew**

Marsh Award for Conservation Biology: **Ben Collen**

ZSL Marsh Award for Marine and Freshwater Conservation: **Heather Koldewey**

ZSL Thomson Reuters Award for Communicating Zoology: **Brett Westwood, Stephen Moss**

ZSL Prince Philip Award and Marsh Prize: **Jamie Weir**

ZSL Charles Darwin Award and Marsh Prize: **Benjamin Hopkins**

ZSL Thomas Henry Huxley Award and Marsh Prize: **Ben Ashby**

ZSL Award for Outstanding Contributions to the Zoo Community: **Ulrich Schürer**

ZSL Staff Medal: **Robin Fitzgerald**

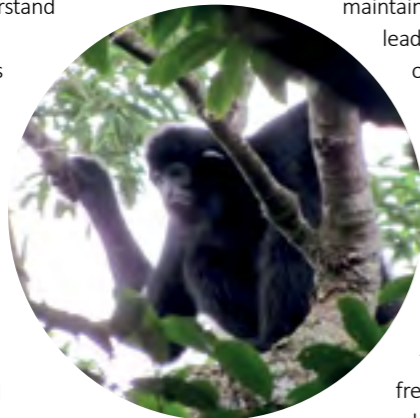
Monitoring the planet

From mapping rare species to calculating animal populations on a global scale, ZSL plays a key role in assessing the status of the world's wildlife.

The wide scope of our work is particularly evident in the activities we undertake to monitor the planet's wildlife. In 2015, we co-produced the *Living Blue Planet Report*, a landmark study that revealed the shocking extent of the decline in marine wildlife populations globally. But it wasn't all bad news for wildlife, as our scientists and conservationists also discovered new populations of two species on the brink of extinction.

A team led by ZSL found a new family group of Hainan gibbons. It was thought there were just 25 gibbons living in three social groups on an island off the Chinese mainland, but our discovery of a fourth breeding group increases the known population to 28 individuals and improves reproductive potential – vital for their long-term survival.

Researchers want to increase the likelihood of the Hainan gibbon forming new social groups and expanding into new, good-quality habitat. This involves trialling new techniques to better understand population dynamics, and assessing the effectiveness of approaches such as the construction of 'canopy bridges' to encourage gibbons to colonise currently unoccupied patches of forest.



Almost all desert ungulates (hooved animals) are of high conservation concern, and we have been involved in survey work for these species since 1970. In 2015, acting on recommendations by the IUCN/SSC Antelope Specialist Group, ZSL led an aerial survey in Chad to investigate

dama gazelle distribution in their largest known habitat patch. With only around 250 left in the wild, little is known about their distribution.

The survey found dama gazelles in the target area – two females with an infant, plus a solitary male. Given their rarity, this is encouraging news, and the information will help us plan conservation action for the species. We hope to initiate a National Action Plan for dama gazelles in Chad during 2016.

Our researchers continue to develop leading indicators of the status of global biodiversity and contribute assessments to the IUCN Red List, the foremost tool for assessing species' extinction risk. In 2015, ZSL and partners in Nepal completed the National Red List of Nepal's Birds, which represents 8% of the bird species known in the world. National Red Lists are important tools for prioritising and catalysing local conservation action.

The Living Planet Index (LPI), curated and maintained by ZSL, is the world's leading database on the status of wildlife populations. The 2016 LPI will be published in October. Our scientists led a new IUCN Red List assessment of under-represented species groups, including the first looking into the extinction risk of freshwater crayfish, which revealed almost a third of species are at risk worldwide. We also collaborated with the Convention of Arctic Flora and Fauna to publish a report on the status of Arctic migratory birds.



Main image: We led an aerial survey in Chad to assess the distribution of the dama gazelle (Nanger dama). Below left: There are fresh hopes for the survival of the Hainan gibbon (Nomascus hainanus), the world's rarest ape, thanks to our research



The *Living Blue Planet Report* assessed:

1,234 species and

5,829 wildlife populations

It found that **49%** of marine species are now in decline

75,000

assessments were added to the Red List conservation database hosted by ZSL in 2015



32%

of freshwater crayfish species are threatened with extinction

10



years of research by ZSL on marine mammals in the Thames, London, was published in 2015. It found that:

- More than 1,000 harbour seals had been spotted
- More wildlife sightings were reported around Canary Wharf than any other area
- Whales had been spotted as far upstream as Gravesend



For the latest research news from ZSL's Institute of Zoology and more on the Living Planet Index, visit zsl.org/science

Developing conservation technology

Using many innovative methods to monitor and protect wildlife, ZSL remains at the forefront of evolving and deploying high-tech conservation solutions.

With the world's rhino population plummeting by 95% over the past 40 years, there is no doubt we are in the grip of a global wildlife-poaching crisis. Over the past year, ZSL's conservation technology team has been busy developing and expanding its pioneering tool for tackling poaching: Instant Detect. This uses cameras and magnetic sensors to create an alarm system for protected areas – allowing images and alerts of any suspicious activity to be beamed to park rangers and law-enforcement teams instantly via satellite. In 2016 we will add new features to the system in order to increase connectivity, improve capacity to detect poaching and support remote wildlife monitoring. Instant Detect will then be rolled out further in Kenya's Tsavo Conservation Area – a critical habitat for African elephants, rhinos and many other species.



that the data collected is used in reports that actively help reduce poaching incidents. An adapted version of SMART is also being used by palm oil plantation managers aiming to minimise their environmental impacts. Meanwhile, ZSL's scientists have been developing new ways of using camera traps to monitor mammal diversity. These automated, proximity-triggered cameras have captured invaluable images of species in remote areas, including cheetahs, tigers, bay cats, lions and leopards. We have also developed a framework for estimating abundance across animal populations using equipment such as bat detectors, acoustic sensors, camera traps and photo records. And we're deploying other cutting-edge methods for monitoring and evaluating animal behaviour, such as our Mataki tracking devices. These tiny, light-weight gadgets can be fitted to animal tags or collars to track their movements in the wild.

In collaboration with University College London (UCL), we created the Conservation Hackathon programme (conservationhackathon.org) to engage the technology community with conservation. Our scientists hosted two events in 2015 – a 'Hack the Red List' event at ZSL to develop new ways of analysing and interpreting Red List data on threatened species, and a 'Biodiversity Hackathon' at the Natural History Museum to find new methods of identifying critical biodiversity data.

And Instant Detect is not the only weapon we're utilising in the war against poaching. SMART (Spatial Monitoring And Reporting Tool) is a software system designed to help those patrolling and managing protected areas to monitor and report on wildlife, habitats and illegal activities. The result is more efficient and effective monitoring of what's happening on the ground, with the rapid provision of information to wildlife managers. In 2015, ZSL continued to implement SMART across sites in Asia and Africa, providing training, equipment and ongoing support for local staff and ensuring



Main image: Wildlife rangers are being trained to deploy camouflaged Instant Detect anti-poaching systems to fight back against wildlife crime. Left: A successful leopard hunt is dramatically captured by one of our camera traps

25

wildlife sites across Asia and Africa implemented SMART with ZSL's help in 2015



Thanks to SMART, in 2015:

30

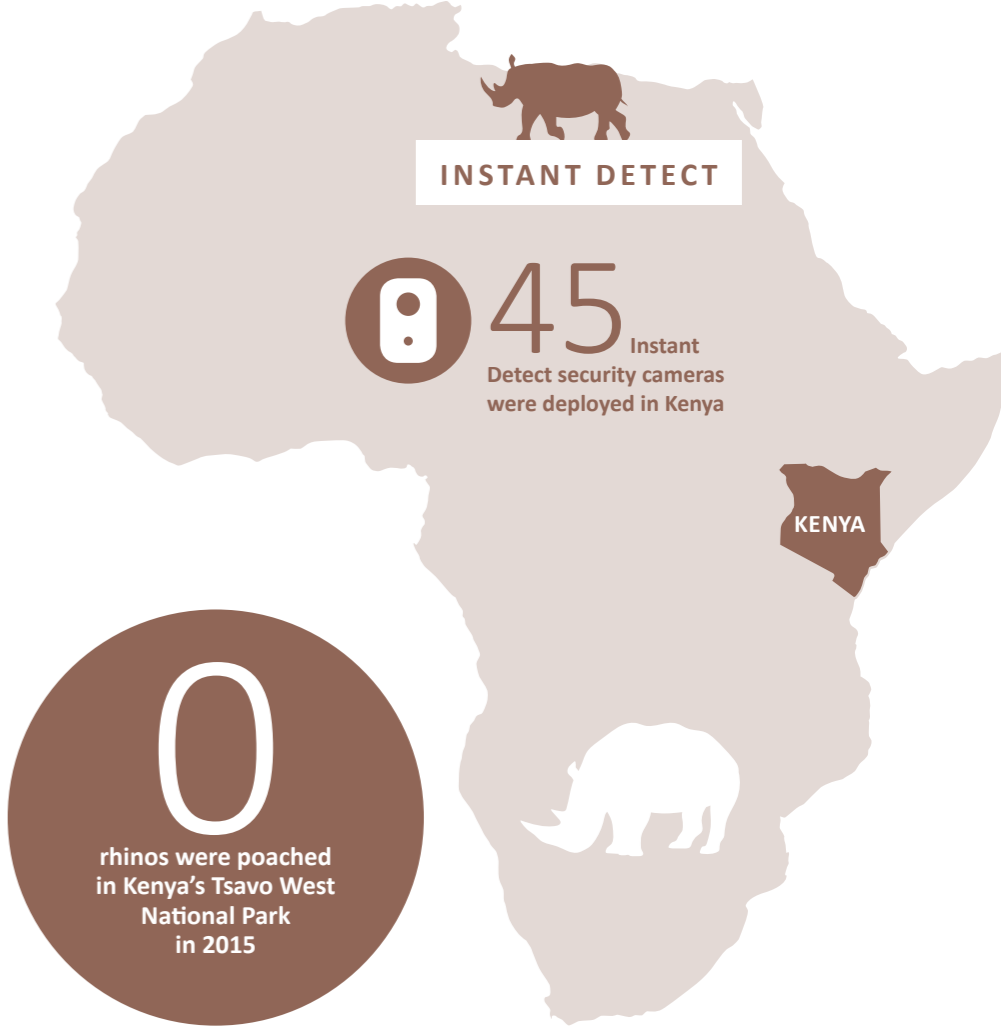
poaching camps were dismantled

285

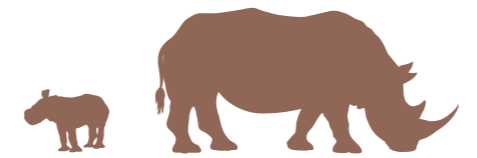
animal snares were removed

23

wildlife poachers were arrested



Learn more about ZSL's open-source Mataki tracking devices, and how to collaborate, at zsl.org/mataki



Saving threatened species

With a wealth of experience in conservation breeding and translocating animals to safe habitats, ZSL helped species ranging from big cats to tiny amphibians and fish in 2015.

ZSL has tiger conservation projects in Nepal, Russia, Indonesia and Thailand. In Nepal, ZSL and its in-country partner, the Department of National Parks and Wildlife Conservation, have secured more protected space for the Endangered Bengal tiger near the Parsa Wildlife Reserve. Meanwhile, in Thailand, our work in Salakpra Wildlife Sanctuary has resulted in tigers from forests to the north of the reserve repopulating the area.

Recolonisation could increase tiger numbers in Thailand by up to 50%. Our work in Berbak and Sembilang National Parks in Indonesia and the Lazovsky State Nature Reserve and Zov Tigra National Park in Russia has identified 19 and 21 adult tigers respectively, and found evidence of breeding – including a litter of cubs born in an area of the reserve where tigers were thought to have been wiped out. Meanwhile, ZSL conservationists in Nepal are developing a cross-boundary tiger conservation project with partners in India, while in Indonesia our focus is set to expand further into south Sumatra.

In June, ZSL launched a major project to conserve pangolins, the world's most illegally trafficked wild mammals. The project is supporting anti-poaching patrols and law enforcement to protect key pangolin populations in Cameroon and Thailand, and in China the team is undertaking research to underpin the development of behaviour-change strategies to reduce demand for pangolin meat and scales.



The scimitar-horned oryx has been extinct in the wild since around 1989, but survives in zoos and private collections. Today, there are more than 200 living in fenced reserves in Tunisia, Morocco and Senegal, but the long-term goal is to re-establish a wild population – and ZSL is one of a group of partners working with the government of Chad to release scimitar-horned oryx into the country's central grasslands.

Pre-release facilities were built in 2015, and two females bred at ZSL Whipsnade Zoo will become part of the founding population. We will monitor the released oryx during 2016 and 2017. At Whipsnade, corncrakes bred at the Zoo were taken to be released into the wild, while at ZSL London Zoo, Lake Oku clawed frogs were bred and reared for the first time ever in captivity. Endemic to one lake in Cameroon, these Critically Endangered frogs are a part of our EDGE of Existence conservation programme. Meanwhile, ZSL's Fish-Net programme is continuing to sustain and increase populations of threatened freshwater fish in captivity. At the request of the Bermuda Government, ZSL joined a conservation breeding and reintroduction programme for the recently rediscovered Bermudian land snail. And that's not the only island-dwelling snail we're helping to bring back from the brink of extinction; this year we also reintroduced three Partula snail species to Tahiti.

Main image: A Critically Endangered Lake Oku clawed frog tadpole (Xenopus longipes) bred at ZSL London Zoo. Left: ZSL is helping bring Partula snails (Partula affinis) back from the brink. Below: The Fish-Net team working in the wild to save Corfu killifish in Kryoneri, Greece



'The work we're doing is preventing species from disappearing'



ZSL LONDON ZOO'S AQUARIUM CURATOR **BRIAN ZIMMERMAN** OVERSEES ZSL'S FISH-NET PROGRAMME TO CONSERVE THREATENED FRESHWATER FISH 'The fish we work with have a significance that belies their size – most are just centimetres long. But many act as flagship species for wetland habitats under threat from development, pollution and rising temperatures worldwide. Of the 23 species here at the Zoo, five are extinct in the wild. This year, 18 of them successfully reproduced. Our work is vital in preventing them from disappearing altogether. We're also working with partners in Greece and Madagascar to increase wild populations of fish. It's important to create a strong network of people worldwide that are looking out for these species.'



130km²
of tiger habitat has been added to Nepal's Parsa Wildlife Reserve, thanks to the efforts of ZSL and its partners.

The increase could double the number of tigers in the area from

20 → 40

100 corncrakes bred at ZSL Whipsnade Zoo were released into the wild in 2015



13 Critically Endangered Lake Oku clawed frogs were bred at ZSL London Zoo – a world first for a zoo



100 international scientists, policymakers and community representatives contributed to a ZSL-led report on the next steps to save the Critically Endangered Hainan gibbon



430 Partula snails were transported to Tahiti by ZSL keepers to be reintroduced to the wild



24 The number of conservation breeding and translocation programmes that ZSL are involved with, in 13 countries

Improving wildlife health

ZSL continues to lead the way in groundbreaking research into wildlife health issues and emerging threats to species at home and abroad.

Research published by ZSL in 2015 illustrated the first-ever successful elimination of a fatal chytrid fungus in a wild amphibian habitat, marking a major breakthrough in the fight against the disease responsible for devastating amphibian populations worldwide. The highly infectious chytrid pathogen has severely affected more than 700 amphibian species around the globe, driving population declines – and even causing extinctions – across five continents.

The study, which focused on Mallorcan midwife toads, produced evidence that the pathogen *Batrachochytrium dendrobatidis* (*Bd*) could be eradicated through a combination of antifungal treatment and environmental disinfection.

By using an antifungal to treat tadpoles and a common laboratory decontaminant to sterilise their environment, researchers were able to clear the infection from wild populations of the toad over the course of the research period.

Further research to combat this deadly disease will investigate the potential development of immunisation against the illness, along with other methods of disease control.

Vets at ZSL have responded to the increasing threats of disease to global wild animal populations by creating additional training opportunities for fellow veterinarians working in wildlife health, in collaboration with the Royal Veterinary

College (RVC). The college's final-year veterinary students can now undertake placements with vets in our Zoos, where they are able to gain essential experience in the care and management of wild animals. Two RVC/ZSL senior clinical training scholars in Zoo Health Management and Wildlife Population Health – courses that focus on captive and non-captive wildlife respectively – began their three-year training programmes in 2015.

Working with a number of organisations, we also conduct disease risk assessments for a number of species, ranging from the Amur leopard to an Australian bird, the regent honeyeater. We have carried out disease survey work in preparation for the reintroduction of Amur leopards into the Russian Far East. This research, co-authored by ZSL staff and published in 2015, will be used to guide crucial veterinary decisions during the reintroduction of zoo-bred leopards into the wild.

Also in 2015, ZSL co-authored three scientific papers and provided data on elephant endotheliotropic herpesvirus (EEHV) – a type of virus that can be fatal to young Asian elephants. This work is a significant step forward for international efforts to better understand this worrying disease, and in learning how we might mitigate it in both zoo elephants and wild populations.



Main image: Amphibians around the world are at risk from chytrid fungus disease. Below left: Our scientists are advancing international efforts to combat the virus EEHV in Asian elephants (*Elephas maximus*)

ZSL researches wildlife health issues in

28 countries and with 57 different species



150

microchips were fitted to animals at ZSL London Zoo to help vets identify every individual animal



7 years of research by ZSL scientists led to a breakthrough in the battle against amphibian chytrid disease, with the deadly fungus eradicated in a population of Mallorcan midwife toads



20%

of female harbour porpoises show signs of reproductive failures due to the lingering effects of PCB chemicals, shown by a ZSL study



718

members of the public reported

1,490

health incidents to the Garden Wildlife Health project in 2015



The Garden Wildlife Health project, run by ZSL and its conservation partners, is investigating diseases that affect garden species across Britain – log your sightings at gardenwildlifehealth.org

Conservation for communities

Awareness and support of local communities is vital to the long-term success of ZSL's projects, and in 2015, our teams recruited and trained local supporters in habitat protection and restoration.

Community involvement is vital to ZSL's work around the world. It allows us to set up and train conservation teams to fight poaching or help restore vital habitats, alleviate human-wildlife conflict, and ensure that future generations are engaged with, and committed to protecting, the natural world around them.



coastal resources, we made major progress. In response to a devastating series of natural disasters in 2013, we have focused on the immediate need to help rebuild livelihoods, while avoiding behaviours that might damage marine biodiversity. In 2015, we not only expanded

many of our existing marine protected areas (MPAs) to encompass mangrove and sea grass habitats, but also worked with local communities to establish new ones. We've been involved in training communities, NGOs (non-governmental organisations), humanitarian agencies and government bodies in the relevant skills they need to protect and restore valuable mangrove forests.

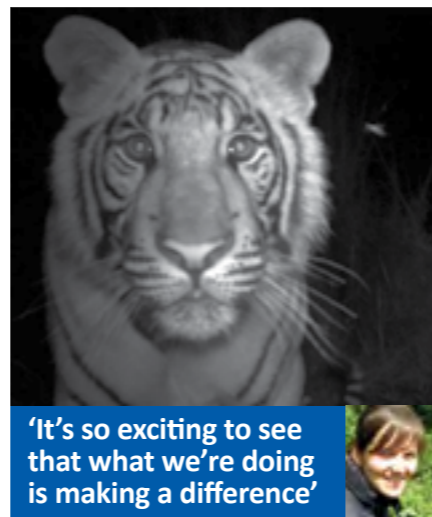
In 2016 and beyond, we'll continue to build on our outreach work worldwide by developing new community-based livestock insurance schemes in Asia. We're supporting Chagossians with their own environmental group, and will continue to generate training resources and host Connect Chagos graduates on expeditions to the archipelago, with the first trip planned for early 2016. In the Philippines, we plan to increase the effectiveness of community-managed MPAs by promoting sustainable livelihoods and diversifying the habitats MPAs protect, with a particular focus on mangrove ecosystems.

In the Philippines, where ZSL has more than 15 years of experience in managing

ZSL is a leading member of the Great British Oceans coalition campaigning to protect precious marine habitats – find out more at zsl.org/great-british-oceans



Main image: We're helping keep the Chagos Archipelago a haven for wildlife. Far left: Connect Chagos trainees take part in a ZSL expedition. Below left: A tiger (Panthera tigris) captured on one of our camera traps in Nepal's Parsa Wildlife Reserve



'It's so exciting to see that what we're doing is making a difference'



AS ASSISTANT PROGRAMME MANAGER FOR ASIA, **SOPHIE ADWICK** SUPPORTS CONSERVATION PROJECTS ACROSS THE REGION

'One of our biggest successes this year has been the expansion of the Parsa Wildlife Reserve in Nepal. The protected area now has the potential to support around 40 adult tigers.'

'Forming partnerships with communities is such an important part of what we do. It really encourages commitment and helps create a strong sense of ownership. In Thailand we worked with local people and government to set camera traps and got our first pictures of tigers in some of the protected areas where we work – it's so exciting to see that what we're doing is making a difference.'



700 people have taken part in our Connect Chagos open days in the past four years



420 people in communities across Nepal, Thailand and Indonesia took part in anti-poaching, patrolling and human-wildlife conflict reduction efforts thanks to ZSL



26 MPAs in the Philippines are being looked after with ZSL's involvement or active management

Great British Oceans, a campaign by the ZSL-led Marine Reserves Coalition, saw the government commit to designating

830,000km²

around Pitcairn (an area 3.5 x the size of the UK)



as the world's largest marine reserve



Number of PEA (People, Environment and Achievement) awards won by ZSL and its Great British Oceans partners in 2015

Engaging with business

At ZSL, we recognise the importance of working with businesses to protect biodiversity – and last year made great strides in protecting environments thanks to our collaborations.

ZSL's award-winning collaborations with companies around the world help change behaviour, influence decision-making and raise vital funds and awareness for conservation. In 2015, we were delighted when Net-Works™, our partnership with carpet tile manufacturer Interface, was awarded 'Best Business-NGO Collaboration' at the Guardian Sustainable Business Awards, recognising the project's innovative framework: employing community members to collect discarded fishing nets to be transformed into carpet tiles.

In another effort to tackle the increasing threat of litter to marine habitats, we teamed up again with Selfridges for Project Ocean 2015, encouraging consumers to reduce their use of plastic bottles. Selfridges permanently removed single-use plastic water bottles from its London store, supplying alternative packaging options and providing free drinking fountains. The campaign led to a dramatic increase in Selfridges' reusable water bottle sales, and ZSL is now working on a new project to help London become the first city to be free of single-use plastic water bottles.

Moving from oceans to forests – and our Sustainable Palm Oil Transparency Toolkit (SPOTT), an online platform providing practical information about the palm oil industry (see below). Incorporating a scorecard assessing the world's largest palm oil producers, it enables buyers and investors to make informed and responsible



decisions. In 2015, we relaunched SPOTT and doubled the number of production companies featured to 50. Significantly, 81% of palm oil companies improved their scores year-on-year – recognition of the importance of building trust with increased transparency – and research undertaken for SPOTT enabled us to submit a Roundtable on Sustainable Palm Oil (RSPO) resolution calling for improvements to its annual reporting process. The resolution, which passed with an overwhelming majority, demands greater accountability among RSPO members.

We continue to battle the devastating effects of forest exploitation, and in 2015 we developed a new toolkit for wildlife protection in timber production forests in Cameroon. Cameroon is part of the Congo Basin, the second-largest forest block on earth, and more than a third of it is allocated for timber production. Since 2007 we have been working to ensure the timber sector recognises its role in protecting the wildlife in its forests – helping to control illegal hunting, encouraging sustainable practices, and training staff to implement national forestry laws and certification standards. We will engage with forestry schools, auditors, certification bodies (FSC) and forest management administrators to circulate the toolkit and, by the end of 2016, we aim to have more than doubled the area of timber production forest in Cameroon managed under wildlife protection plans.



Main image: ZSL is monitoring the impact of palm oil production on vital habitats like this one in Sumatra. Far left: Locals in the Philippines collect fishing nets for Net-Works. Below left: Plastic bottles on display as part of our innovative partnership with Selfridges



'Plastic waste is a huge problem, but we can help to tackle it'



ZSL'S MARINE PROJECT MANAGER **FIONA LLEWELLYN** WORKED WITH SELFRIDGES ON 2015'S PROJECT OCEAN INITIATIVE

'Project Ocean has always been about finding solutions, not focusing on problems, and this year's initiative to remove single-use plastic water bottles from Selfridges' shelves is a great example of how individuals can make a difference. Up to 13 million tonnes of plastic waste ends up in the ocean each year. It's a huge problem, but switching to reusable bottles is a step we can all take to tackle it.

'Our partnership with Selfridges has gone from strength to strength. The campaign was a huge success, but the most rewarding thing was the amount of media coverage it attracted and the number of conversations it sparked.'

81%
of palm oil companies improved their SPOTT scores year-on-year



50
palm oil producers were rated using the SPOTT toolkit in 2015

1,780%
...the increase in sales of reusable water bottles in Selfridges in 2015



More than 80 tonnes of discarded fishing nets have been removed from ecosystems since 2012. If stretched end to end, this would go almost twice around the Earth



10 worldwide wildlife trips promoting and supporting our conservation work are available through ZSL Holidays, a new partnership with travel company Exodus – see holidays.zsl.org



With ZSL's help
627,274
hectares

...an area **4x** the size of London

is now protected by Wildlife Protection Plans in Cameroon

Encouraging lifelong learning

At ZSL, learning truly comes alive – thanks to our Live talks, online courses, Zoo demonstrations and digital outreach sessions, education has never been so accessible.

From school children to business owners to world leaders, ZSL is committed to connecting people with, and educating them about, nature. At ZSL London Zoo and ZSL Whipsnade Zoo, our exhibits, talks and demonstrations engage millions of people each year with our vital work. More than 175,000 school children paid a visit to our Zoos last year, with more than 50,000 taking part in one of our formal education sessions. But being within travelling distance of London or Whipsnade is no longer a requisite – in 2015, we launched ‘ZSL in your Classroom’, a programme that delivers lessons to schools around the world using live Skype connections to our Zoos. We hope to increase the number of these digital outreach sessions in 2016, as well as encouraging more visits to our Zoos.

Education at ZSL isn’t just about schools. This year, ZSL led on the launch of a free Massive Open Online Course (MOOC) with United for Wildlife – a conservation coalition including ZSL. Our aim was to inspire and interest worldwide audiences, and so far more than 3,500 people from 125 countries have signed up to take the online course. Our plan is to develop further courses and provide translations into more languages, building a global online learning hub.

We also worked with United for Wildlife and the Royal Foundation of The

Duke and Duchess of Cambridge and Prince Harry to develop a new game for the popular Minecraft series. ‘We are the Rangers’ is set in the African savannah, with players assuming the role of a ranger whose job is to save endangered species, and aims to engage a new audience with conservation through the medium of gaming. It’s been a great success, with more than 113,000 registered players to date.

Enlisting volunteer citizen scientists to assist with wildlife or environmental surveys greatly increases our capacity to carry out research, as well as fostering invaluable public support. We work with many communities and members of the public, not just on our international projects, but also within the UK. Sports divers in the Canary Islands and Philippines help record angel shark and seahorse sightings, respectively, while Londoners are encouraged to send in any sightings of marine mammals in the Thames. What’s more,

in 2015 we trained 244 volunteers to help with river health monitoring, which included smelt and eel surveys. In 2016, we hope to increase this number, working across two new eel monitoring sites. We’ll also be launching a new app to help and encourage citizen scientists, and expanding our established

Instant Wild iPhone app so that it works across all mobile platforms.



ZSL’s Instant Wild app invites the general public to help identify some of the rarest and most threatened species on the planet, caught on camera – get involved at zsl.org/edge



Main image: More than 175,000 school children visited our Zoos last year. Far left: ‘We are the Rangers’ is a new ecology-themed Minecraft game developed in part by ZSL. Below left: Ana Pinto in action



‘The sessions are really bringing learning to life’

DISCOVERY AND LEARNING OUTREACH OFFICER **ANA PINTO** DELIVERS ‘ZSL IN YOUR CLASSROOM’ DIGITAL SESSIONS ‘Communicating with children direct from our Zoos over Skype is exciting – it creates an immediate connection they really respond to. When Zoo visitors see you with a headset, they want to know what you’re doing, too!’ ‘There’s always something to see on our live video link-ups – giraffes are popular, and for the evolution and adaptations session we use hissing cockroaches and corn snakes. I’ve delivered sessions on a range of subjects including Pitcairn in the southern Pacific, focusing on conservation work there. We want to develop sessions for different ages and for pupils being schooled at home or in hospital. Pupils say they love the sessions – it’s bringing learning to life for them.’

64,000

hours were donated in 2015 by ZSL’s hard-working volunteers



175,000

children came on a school visit to our Zoos last year

1,000,000

visitors attended a LIVE! talk – such as ‘Penguin Beach Live!’ – at ZSL Zoos in 2015



40,000

downloads of ZSL and United for Wildlife’s ‘We are the Rangers’ conservation-themed game took place in 2015



1,971

people in total attended ZSL’s 13 scientific meetings and conferences in 2015 to discuss and advance conservation science



21

Wild Talks were given by scientists and conservationists at ZSL London Zoo’s summer 2015 Sunset Safari events



175

scientific papers were published in 2015 across ZSL’s four journals: the *Journal of Zoology*, *Animal Conservation*, *Remote Sensing in Ecology and Conservation* and *International Zoo Yearbook*



Making our vision a reality

ZSL is a world-leading conservation charity, with science and education at the forefront of what we do. Our work would not be possible without the visitors to our Zoos and special experiences, participants in our fundraising events and challenges, and the expertise and passion of our staff, supporters and partners.

We're a forward-thinking organisation, committed to a future where animals and their habitats are protected and valued.

Read on to discover more about the people, events and projects that enable us to carry out our work, and what we're doing next to ensure that our vision becomes a reality.



Making our work possible

ZSL's global conservation efforts, groundbreaking scientific research and inspiring education programmes would not be possible without the dedication of our people, the vital funds raised from special events and campaigns, and the development and maintenance of our essential resources.

Last year saw an exciting rebrand for ZSL, introducing a dynamic new identity and motivating brand values – both perfectly encapsulated by our rallying new message: 'Let's work for wildlife'. Representing the essence of who we are, our new look, feel and identity enables us to bring our conservation call to action to the forefront of everything we do.



taking place every three days. Meanwhile, the introduction of 'Pride of ZSL', an Employee of the Month award for our staff in the UK and overseas, has been a key driver of employee engagement. The scheme recognises outstanding members of staff and teams who have gone above and beyond in their jobs, bringing our brand values to life. In

a bid to build on the extensive knowledge and confidence of our ZSL volunteers, we launched a new programme of training, with every volunteer at ZSL Whipsnade and London Zoos taking part in customer service sessions. At ZSL Whipsnade Zoo, learning volunteers played a key role in the launch of our regular giving campaign, Wildlife Champions, talking to visitors at the penguin and chimpanzee enclosures throughout the summer to engage them with the fundraising initiative.

Our people

Without the passion and enthusiasm of our staff and volunteers based in the UK and overseas, ZSL's work would be impossible. We are committed to providing our people with a positive, rewarding and fulfilling working environment, and our staff survey showed remarkable engagement. More than 92% of employees report feeling fully engaged with their work.

There has been great investment in employee training and development at ZSL, with the introduction of a wide range of in-house courses on everything from project management to presentation skills. More than 300 employees attended a training course in 2015 with a workshop



To celebrate the invaluable time and effort donated to ZSL, National Volunteers Week was celebrated across both Zoos, with senior staff members getting first-hand experience of volunteering, and events being held to thank our volunteers for all their hard work.



Main image: ZSL staff from across our departments, based in seven countries, got together for our first Asia regional workshop in Thailand last year. Left: In with the Lemurs lets visitors get up close to our primates. Below left: Our visitor centre at ZSL Whipsnade Zoo

Resources at our Zoos

We continue to develop our exhibits, infrastructure and services to ensure we are providing exemplary habitats for our animals, safe and secure working environments for our staff, and unique and engaging experiences for our visitors.

At ZSL London Zoo, we unveiled two new immersive exhibits, with *In with the Lemurs* opening in March and Europe's only walk-through spider experience, *In with the Spiders*, in May. Packed with inventive features and thoughtful built-in details – for example, *In with the Lemurs* is structured around the path of the sun to maximise our light-loving lemurs' 'sunbathing' time – these exhibits are meeting the needs of animals and visitors alike.

At ZSL Whipsnade Zoo, a new visitor centre was unveiled, adding an exciting gift shop and catering facilities to the Zoo's main entrance, and proudly celebrating ZSL's new brand identity. The centre has dramatically changed the visitor welcome at Whipsnade and improved the overall customer experience. Meanwhile, a new walk-through Butterfly House at Whipsnade saw thousands of the beautiful winged insects emerge just in time for spring, with the exhibit telling the story of their incredible life cycle.

300+



people took part in ZSL staff training in 2015, with workshops taking place every three days on average

253

people volunteered at ZSL London Zoo and...



197

people volunteered at ZSL Whipsnade Zoo in 2015

Getting closer

We ran our first-ever user-generated marketing campaign, 'Get Closer', at ZSL London Zoo in 2015, showcasing photos and videos created by our visitors.

For nine weeks over the summer, one video a week was featured in London Underground stations across the capital.

The overall winner, voted for by the public, won the latest in adventure-proof video cameras.



Our horticulture team continued to play a vital role at both Zoos, with planting at London's *In with the Lemurs* helping to create the perfect environment for our lively primates, and careful attention being given to the landscaping around Whipsnade's new visitor centre and plants for the new Butterfly House. The horticulture projects were also recognised at the 2015 BIAZA Awards, with Gold certificates for our use of conservation grazing to manage the Site of Special Scientific Interest (SSSI) at Whipsnade and for our work growing plants to feed the animals at ZSL London Zoo.



With a new health, safety and security manager joining us in May, oversight of safety procedures across ZSL was developed and centralised. Three safety advisors were appointed to cover ZSL London Zoo, ZSL Whipsnade Zoo and overseas, ensuring consistent, focused support for each. Our safety policies were redesigned, with input from staff throughout the process, and a new ZSL safety management plan was put in place.



Raising funds and awareness

We continuously strive to devise creative, fun and inspirational experiences, events and campaigns that will raise funds to support the running of the two Zoos, as well as our global conservation work.



At ZSL London Zoo, visitor numbers in 2015 exceeded a million, while Whipsnade saw its

biggest turnout in 50 years. The latter also entered Trip Advisor's Hall of Fame in 2015, having received a certificate of excellence for five consecutive years.

With construction well under way on our most ambitious project to date, *Land of the Lions*, we kicked off promotion at the World Travel Market in November, raising awareness of the exhibit among 50,000 attendees from the leisure industry. Alongside the development of the *Land of the Lions* exhibit, we also started building Gir Lion Lodge. Opening in 2016, this offers an exciting opportunity to stay overnight at London's most unique destination.

The ever-popular ZSL website won 'Best Travel & Leisure Website' at the Group Leisure Awards, while our social media outlets picked up one of the first-ever Social Travel Britain Awards, with judges highly rating our engaging and inventive visitor campaigns. In March 2015, we unveiled an iPhone and Android app for ZSL London Zoo visitors, featuring everything from ticket bookings to animal fact files. And the ZSL Animal Photography Prize ran again in 2015, with an exhibition of the stunning winning images on display from September 2015 until February 2016. The summer saw the launch of Sunset Safari at both Zoos, a new after-hours event replacing the former Zoo Lates. These family friendly evenings promoted the diversity of our work and included guided tours as well as talks by



Main image: ZSL London Zoo was as popular as ever in 2015. Left: Our new Butterfly House at ZSL Whipsnade Zoo and In with the Spiders exhibit at ZSL London Zoo offer exciting immersive experiences; we launched a new after-hours Sunset Safari in 2015

our conservationists, scientists and keepers. We also hosted a number of large-scale events in our unique function rooms for major brands including ITV, Google, YouTube, Aviva and the London Business School.

The year also saw us launch exciting new bespoke product lines in our retail outlets, and sales records were smashed when more than 50% of visitors to ZSL London Zoo purchased items from the gift shop. The annual animal stocktake and weigh-in events at both Zoos allowed us to promote the global animal database we use, ZIMS (Zoological Information Management System), as well as highlight the innovative methods our keepers use to train and enrich the lives of animals in our care. The related photocalls at our Zoos proved a great success, generating international media coverage and contributing to a yearly equivalent advertising value of £40m.

And our publications also had a great year. ZSL members' magazine *Wild About* won 'Best Relaunch Publication' at the Institute of Internal Communications awards, while the Zoo souvenir guides won 'Best Marketing Collateral' at the MemCom2015 Awards. All in all, there was plenty to celebrate in 2015.

Summer highlights

Successful summer events at our Zoos in 2015 included the amazing *Deadly 60 Live* shows from kids' favourite wildlife presenter Steve Backshall at ZSL Whipsnade Zoo, accompanied by a seasonal 'Deadly Trail' for visitors to follow, which an incredible 72,000 children took part in.

At ZSL London Zoo, our *Little Creatures* festival launched in August with an all-new amphitheatre show for pre-school audiences, 'Jungle Jukebox', and special guest Andy Day from CBeebies presenting the first event.

Brand-new evening event Sunset Safari was launched at ZSL London Zoo, and visitors loved exploring our Zoos after hours.

 **4 million**
The number of views of our YouTube channel, ZSL Video, in 2015 – making it our biggest year to date

 **1,214,846**
people visited ZSL London Zoo and...

 **663,424**
people visited ZSL Whipsnade Zoo in 2015

Keep up to date with ZSL on Facebook at [facebook.com/officialzsl](https://www.facebook.com/officialzsl), watch us on YouTube at [youtube.com/zslvideo](https://www.youtube.com/zslvideo) and follow us on Twitter @officialzsl, @zslondonzoo or @zslwhipsnadezoo

Looking ahead

At ZSL we are always working towards our vision of a future where animals are valued and their conservation assured. We won't rest until that vision is realised – and to do that we will work together to achieve results that are inspiring, scientific, impactful and positive.

During 2016, we will continue to work across the areas we have identified as key to making an impact on the future of wildlife. This impact may take the form of direct conservation action, generating conservation knowledge, or sharing information to create advocacy for the natural world. We will continue to monitor the state of the planet, surveying wildlife in some of the world's most diverse habitats. We will encourage and facilitate public participation in this work, utilise new technology, build capacity through local communities and, where required, put eyes and ears on the ground. We will feed all of this crucial data into collaborative efforts such as the *Living Planet Report 2016* and IUCN Red Lists to ensure that conservation undertaken by any organisation is being informed by the best possible information.

Our teams will continue to develop new conservation technology and look for innovative ways to apply emerging technologies to real-world problems. Direct action to save threatened species remains integral to the realisation of our mission, and will be as important in 2016 as ever before. We are also ensuring that our conservation works both for, and with, communities. Conservation for communities is all about engaging people to take a more active stake in the future of their local wildlife, as well as protecting areas of habitat such as mangrove forests that sustain and protect communities of people.



We think maintaining a realistic view of the world is important, and engaging with business remains paramount to safeguarding wildlife. It is our belief that commercial practices can only change to accommodate the needs of the natural world if conservationists collaborate with big businesses to find ways forward.

And fundamental to our mission and vision is our role in encouraging lifelong learning. In 2016 we will continue to work hard to engage, inspire, educate and encourage our many and varied audiences to share ZSL's vision and values.

ZSL is also working to address the need for global coordination on illegal wildlife trade issues and the need for the sharing of best-practice models and innovative finance solutions. We have begun a three-year testing phase to assess the feasibility of using outcomes-based financing to ensure long-term, sustainable funding for critical conservation areas using rhinos as an initial focus in the Rhino Impact Investment project. This work is supported by the United Nations Development Programme, the Global Environment Facility and six other leading conservation organisations working under the umbrella of the United for Wildlife initiative established by HRH The Duke of Cambridge.

Alternative sources of finance will result in long-term funding for a large-scale collaborative response to rhino conservation across Asia and Africa.



Main image: ZSL staff are setting their sights on a future where animals are valued and their conservation is assured. Left: Inspiring visitors of all ages and encouraging lifelong learning is at the heart of what we do

A new home for Asiatic lions

We are also doing all we can to win hearts and minds on behalf of the world's wildlife through ambitious, immersive experiences such as *Land of the Lions*, our exciting new home for Asiatic lions at ZSL London Zoo. We expect to add lions from Sakkarbaug Zoo in Gujarat to our existing pride in 2016, bringing added genetic diversity to the Asiatic lion population in European zoos. The exhibit uses an experiential model to tell the unique story of conservation success in India, and the captivating harmony between people and lions that has led to their protection.

Lessons learned from the live talks at *Tiger Territory*, our last major big cat exhibit, have fed into our plans for *Land of the Lions*. Visitor satisfaction at our talks can be impacted by the naturally languid nature of big cats, which sometimes choose to snooze in a far corner. At the new lion exhibit, our live interpretation aims to be less reliant on how the animals are behaving. We'll be assessing the effectiveness of this approach with robust evaluation.

Living links at Whipsnade

At ZSL Whipsnade Zoo, summer will be dominated by some larger-than-life characters. A set of life-size animatronic dinosaurs will be installed as part of an exciting trail that aims to bring to life the story of evolution and highlight the living links between our natural history and the dynamic range of wildlife on Earth today.

New system

Early 2016 will see the launch of a new ticketing system at our Zoos, bringing our visitor admissions and customer relationship management processes into closer alignment. We will be working hard to ensure this launch is as seamless as possible, with minimal visitor impact. The long-term benefits for managing customer contact are expected to be significant, and represent the interests of a number of different teams across ZSL.

Working for wildlife

All of this will be underpinned by the tireless work of those who enable ZSL to realise its mission effectively. Our finance team will be continuing its efforts to modernise some of our processes. Our human resources team will launch a new 'Welcome Workshop' to ensure new staff are fully engaged in our broader mission as soon as they join ZSL. Our communications team will work to ensure our messages reach the public, driving visitors to our Zoos, and supporters to engage with ZSL's wider work. Our commercial and fundraising teams will keep striving to bring in more funds for conservation. Our facilities team will be improving workspaces at London, and IT will be keeping our UK bases online and bringing new overseas offices into the fold.

Absolutely everybody will be playing their part – and everybody will be working for wildlife.

Why 2016 will be a big year

The next 12 months promise to be a time of important decisions and positive changes for us. In 2015, the ZSL leadership team began the process of working together to develop a new 10-year strategy for the organisation.

Already there have been numerous think tanks and discussions to ascertain where we are now. Key questions emerged around the shape of the current conservation landscape, which species and habitats need the most help, where we can make the most impact, and who our greatest allies could, and should, be. Our vision and mission will remain unchanged, but if we are to effectively realise them, we must remain agile and responsive to the shifting needs of a natural world under immense pressure.

We expect to go into 2017 with revised strategic aims, a set of thematic priorities and an action list of strategic activities we need to undertake to achieve our goals. We can be sure our new strategy will live and breathe our core brand values: **together; inspiring; scientific; impactful; positive.**

Find out more about ZSL London Zoo's new *Land of the Lions* exhibit – and how it is supporting Asiatic lion conservation in the wild – at zsl.org/lions

Getting involved

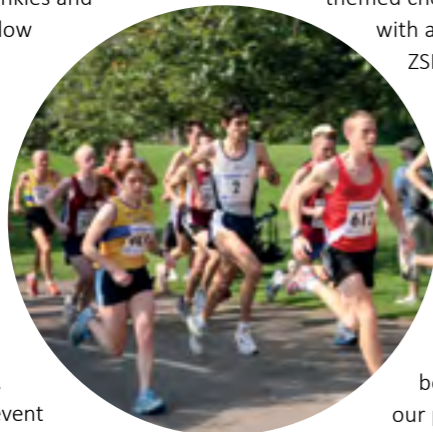
ZSL's supporters continued to inspire us in 2015, while our fundraising efforts went from strength to strength.

In 2015, ZSL launched Wildlife Champions, a new regular giving scheme that allows supporters to champion the area of our work that matters the most to them. By donating £3 a month or more, our Champions are helping us ensure a safe future for global wildlife. In return, they receive regular updates on their chosen area, as well as a welcome pack with gifts, information and further ideas on how to help wildlife.

Throughout the year, our supporters went to extraordinary efforts to fundraise for ZSL, with record numbers taking part in our challenge events – from running in our Stampede races to baring all in our Streak for Tigers run. We recruited a team of volunteers to assist with these events, and added two new challenges: a Skydive for Lions for adrenalin junkies and Pooch Parade for our fellow animal lovers.

ZSL's annual gala dinner, Safari in the City, took place in May and the Indian-themed evening of food and entertainment was hosted by Bill Bailey and supported by individuals and corporations. In October, our Roar with Laughter event attracted thousands to watch comedians including Nick Helm, Marcus Brigstocke and Robin Ince.

From cause-related marketing campaigns and sponsorship to corporate membership, the diversity of business partnerships we have forged has demonstrated there is no one-size-fits-all model when it comes to engagement at ZSL. We're delighted that asset management company Liontrust has extended its sponsorship of ZSL's



Asiatic lion campaign for three more years, while Bloomberg employees once again showed their support by volunteering alongside our horticulture team and racing in our Stampede. ZSL also entered into an exceedingly good partnership with Mr Kipling through their 'Summer Adventures' campaign, giving consumers the chance to win Zoo tickets and experiences, while law firm White & Case LLP continued to provide invaluable pro bono advice spanning all areas of our work.

Thanks to the support of *China Daily UK*, October saw the unveiling of a statue of former Zoo resident Ming the giant panda at ZSL London Zoo. We also celebrated the arrival of new corporate partner, access equipment company Lavendon Group plc, which will be hiring out a special giraffe-themed cherry picker to its clients, with all proceeds coming to ZSL. Audible UK chose to partner with ZSL for a new adaptation of *The Jungle Book*, with 25p of every download going directly towards our work.

Our individual giving team has evolved in 2015 to better serve and grow our patron, fellowship and legacy programmes. The year also saw a generous legacy pledge of £500,000 from a long-term member, new multi-year pledges for our lions exhibit, a new donation supporting our baby gorilla, and a significant gift to our Nepal campaign of £100,000.

We also remain extremely grateful to the trusts, foundations and government agencies that support our work – read more about their contributions in the following pages.



Main image: At Whipsnade, baby elephant Sam received a giant birthday cake created by Kipling. Left: Record numbers took part in our 2015 challenge events



£158,207

has been raised in total by ZSL's Nepal fundraising campaign to help our conservation teams after the 2015 earthquakes



2,100

individuals helped fundraise for ZSL in 2015 – from completing extreme challenges such as Tough Mudder to organising community activities and collecting at Tube stations

114,000

The number of ZSL members and Fellows reached in 2015 – the highest figure in our history



£11m

was awarded to ZSL by the UK government and the Norwegian Ministry of Foreign Affairs – our largest-ever grant for conservation



748

runners took part in our Stampede at ZSL London Zoo and

895

runners took part in our 10km and 2km races at ZSL Whipsnade Zoo in 2015



600+

people have already signed up as Wildlife Champions to support our fight to protect nature

To find out more about ZSL's Wildlife Champions' regular giving scheme, visit zsl.org/champions

Support

ZSL would like to thank all the individuals, trusts, foundations and government agencies that made our work possible in 2015. For our conservation work we would like to thank the IUCN Save Our Species Fund and Fondation Segré for pangolin conservation; the United States Fish and Wildlife Service, and Defra's Darwin Initiative for their ongoing support of our projects in Africa and Asia; the European Union and Fondation Ensemble for supporting ZSL's 'Our Sea Our Life' project in Mozambique; and the Bertarelli Foundation for helping us develop a five-year science programme in the Chagos Archipelago.

We would also like to thank The Ray C Anderson Foundation and the St Andrews Prize for the Environment for helping fund Net-Works; Selfridges for its ongoing support of our marine conservation work through Project Ocean; CORDAID and the German Corporation for International Cooperation (GIZ) for building Philippines coastal resilience in two new regions; the David and Lucile Packard Foundation for helping us improve palm oil landscape management in Indonesia; the Arcus Foundation, which funded work in Cameroon and China; and the ongoing support of the Rufford Foundation, Disney Conservation Fund and the Dorothy Howard Charitable Trust, all of which also gave to our Nepal appeal.

We were delighted to receive new grants from Kindy French and the Friedman-French Foundation for our EDGE of Existence programme; the Oak Foundation and The Royal Foundation of The Duke and Duchess of Cambridge and Prince Harry to develop conservation technology; and Defra's Illegal Wildlife Trade Challenge Fund, the Oak Foundation and the Calouste Gulbenkian Foundation for a new campaign to make London a city free of single-use plastic water bottles.

Looking ahead, 2016 will see the launch of some of ZSL's largest-ever projects, including a landscape management partnership in South Sumatra funded by aid from the UK Government and the Norwegian Ministry of Foreign Affairs; a Rhino Impact Investment project supported by UNDP-GEF and United for Wildlife, an initiative established by HRH the Duke of Cambridge; and the implementation of our programme in the Chagos Archipelago, supported by the Bertarelli Foundation. Our heartfelt thanks also go out to all the other donors listed here, including those who have chosen to remain anonymous.

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Charities Advisory Trust
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Chinese Embassy in London
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Climate Rush
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German Corporation for International Cooperation (GIZ)
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IUCN Save Our Species
IUCN-KfW Integrated Tiger Habitat Conservation Programme
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King Saud University
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The Panton Trust
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Rufford Foundation
Sahara Conservation Fund
Santa Barbara Zoo
Saudi Wildlife Authority
Seoul Grand Park Zoo
Shepreth Wildlife Conservation Charity
Shuttleworth Foundation
Sichuan Provincial Government
SITA Trust
SOS Félines
SPIRIT of Conservation (ConocoPhillips/ National Fish and Wildlife Fund)
St Andrews Prize for the Environment
St Louis Zoo
Synchronicity Earth
Taiwan Forestry Bureau
Taronga Conservation Society Australia
Tayto Park
Toronto Zoo
Turing Foundation
UK aid from the Government
UK Department for Environment, Food and Rural Affairs (Defra)
UK Foreign and Commonwealth Office
UK Trust for Nature Conservation
UK Trust for Nature Conservation in Nepal
United Nations Development Programme (UNDP)
United States Department of State Regional Environmental Office
United States Fish and Wildlife Service – African Elephant Conservation Fund
United States Fish and Wildlife Service – Rhino and Tiger Conservation Fund
United States Fish and Wildlife Service – Wildlife Without Borders
Universities Federation for Animal Welfare
University College London
University of Cambridge
University of Greenwich
USAID
Utah Zoological Society
Waterloo Foundation
Wetlands International
Whitley Fund for Nature
Wild Trout Trust
Wilhelma Zoological Botanical Garden, Stuttgart
Woburn Safari Park
WWF UK
Xiamen University
Zoo de Mulhouse
Zoologische Gesellschaft für Arten- und Populationsschutz e. V. (ZGAP)

Conservation Fund
United States Fish and Wildlife Service – Wildlife Without Borders
Universities Federation for Animal Welfare
University College London
University of Cambridge
University of Greenwich
USAID
Utah Zoological Society
Waterloo Foundation
Wetlands International
Whitley Fund for Nature
Wild Trout Trust
Wilhelma Zoological Botanical Garden, Stuttgart
Woburn Safari Park
WWF UK
Xiamen University
Zoo de Mulhouse
Zoologische Gesellschaft für Arten- und Populationsschutz e. V. (ZGAP)

LEGACIES FROM THE ESTATES OF

Cherry Ah Loa Lee
Diarmuid Brophy
Cynthia Burchell
Patrick Charles and Kathleen Bullen
Donald Evans
Nicholas Havas
Derek Edward Marchant
Kathleen Margery Dorothea Heath
Graham Stephens
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Working for wildlife

Founded in 1826, ZSL is a hugely varied organisation, with conservation projects in more than 50 countries around the world, groundbreaking science being carried out in our Institute of Zoology, and two Zoos that are home to a combined total of more than 21,000 animals.

Running such a diverse Society requires significant funds, support from specialist advisory committees, and constant consideration of external influences.

The next chapters highlight how we are governed as a charity, how we identify and mitigate potential risks, and how we raise the vital funds needed to ensure we can continue to work for wildlife.

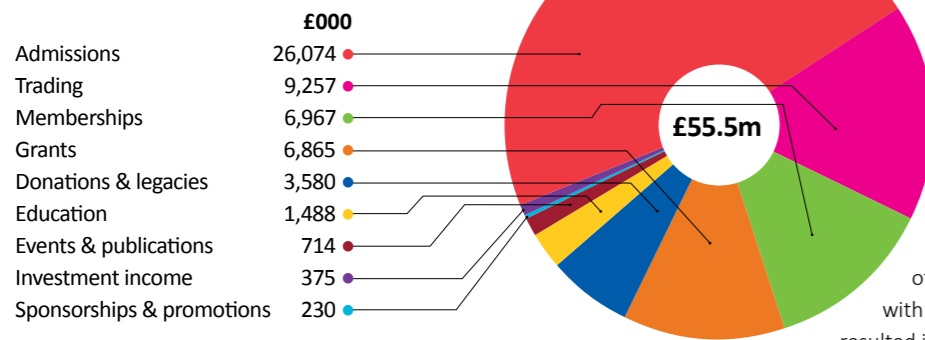
Financial review

ZSL had another successful year in 2015, with total income of £55.6m (2014: £55.2m) to fund our charitable activities across our mission areas.

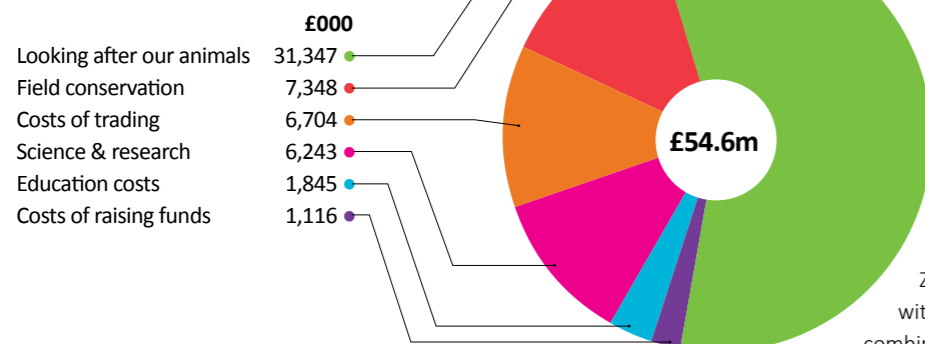
2015 saw a shift in ZSL's main source of income, with ZSL Whipsnade Zoo significantly increasing its financial contribution to the group on the back of recent investment in the Zoo. The increase provided much-needed funding to support our charitable work. Expenditure on our field conservation work increased 21.5% (£1.3m) during the year to £7.4m as we expanded our field work overseas. Our trading surplus from our Zoos and fundraising income provide additional funding to maintain and build the exhibits in which we house our animals and support the unrestricted costs of our conservation work. Considerable capital investment has been made during the year across both Zoos to enhance our visitor experience and develop engaging new exhibits to promote the conservation work that we do, as well as ensuring that our IT systems remain fit for purpose. As well as the income from our Zoos, membership schemes and grants and donations, the Society aims to invest a further 10% of the cost of all new animal exhibits into conservation projects to support related species in the wild through the creation of a designated conservation fund.

Looking to the future, we have secured a number of exciting new large-scale grants for our conservation and science work in the UK and overseas. The generous support that we receive from our funders and the visitors to our Zoos will remain critical to ensuring that we can sustain our vital conservation work into the future.

2015 – WHERE OUR INCOME CAME FROM:



2015 – WHAT OUR MONEY WAS SPENT ON:



	2015 £000	2014 £000	Change %
Total income	55,550	55,202	0.6%
Income from fundraising & charitable activities	45,918	45,437	1.1%
Profit from trading activities	2,553	2,613	-2.3%
Profit margin on trading activities	28%	28%	0.0%
Expenditure on charitable activities ¹	46,783	43,875	6.6%
Capital Expenditure	9,514	3,801	150.3%
Managed cash and investments	15,911	18,622	-14.6%

¹ Before VAT refund on animal keeping costs, shown as negative cost

INCOME

ZSL's total income increased by £0.4m in 2015 to £55.6m. This income is derived principally from admissions to our two Zoos, our membership schemes, commercial income from merchandising and catering, and grants and donations raised from those who support our work. Total income from ZSL London Zoo fell by £1.3m compared to 2014, which in part is due to the change in our evening experience from Zoo Lates to our new Sunset Safari, which is available for a smaller number of evenings with a lower capacity. This offset the increased income seen at ZSL Whipsnade Zoo on the back of our highest visitor numbers since 1965 and the increase in our memberships and grants income.

ZOO ADMISSION AND MEMBERSHIPS SCHEMES

Admissions were strong at ZSL Whipsnade Zoo, with a 7% increase in visitor numbers compared to 2014 following the opening of our new visitor centre and Butterflies and Crocodile exhibit. ZSL London Zoo experienced a small decline in visitor numbers in 2015 (4%) as it was negatively impacted by the strong pound, reducing the number of overseas tourists visiting the Zoo. This, together with the change in format of our evening experience, resulted in lower admissions income in 2015. The numbers subscribing to our membership schemes continued to increase in 2015 to 114,414 at 31 December 2015 (2014: 106,149), boosting the number of member visits to our Zoos compared to 2014. Overall, income from membership schemes increased by £0.9m in 2015 to £7.0m.

ZOO COMMERCIAL INCOME

Commercial income from the shops and catering outlets in our Zoos and our online shop increased by £0.1m in 2015 to £9.3m with higher merchandising spends per head at ZSL Whipsnade Zoo. One of our key catering outlets at ZSL London Zoo was closed all year while it was being remodelled within our major new Land of the Lions exhibit. This, combined with the change from Zoo Lates, resulted in



This image and left: Our In with the Spiders exhibit opened at ZSL London Zoo in 2015

lower catering spend at ZSL London Zoo in 2015. In addition to our catering and merchandising offering, we earn income from other Zoo-based activities such as our fully hosted overnight Lookout Lodge experience at ZSL Whipsnade Zoo.

GRANT INCOME FOR OUR CONSERVATION AND SCIENCE WORK

Grant income from institutional donors, government agencies, trusts, foundations and private individuals grew by 5.7% in 2015 to £6.9m. This income provides essential funding for our field conservation, science and research work in the UK, the 50 countries that we operate in overseas and within our Zoos, and has enabled us to grow our conservation work. This income is primarily restricted to the specific projects that we undertake. The surplus from our Zoos helps fund this conservation work.

DONATIONS AND LEGACIES

Donations and legacies remain an important source of income for us, for which we rely on the generosity of our benefactors. This income decreased marginally (£0.1m) in 2015 to £3.6m.

EDUCATION INCOME

The Society's education programme generates c.£1.5m of income from a range of school visits, running adult and Junior Zoo Academies and evening talks. These are an important source of income for us to enable us to provide a breadth and depth of education, both for those on our formal education programmes and all visitors to our Zoos.

INVESTMENT INCOME

We hold listed investments provided from restricted endowments and a scientific fund, together with some funds held on our general reserves. These investments are structured to provide an income towards funding our activities. Investment performance was weak in 2015 given the current economic conditions, providing an income of only £0.4m compared to £0.5m in 2014.

EXPENDITURE

The Statement of Financial Activities (SOFA) shows the analysis of charitable activities split between animal collections, science, research and field conservation. Total spending on charitable activities, at

£46.8m prior to the VAT refund on animal keeping costs, is 6.6% higher than last year due to higher levels of activity in our conservation programmes work with the expansion of programmes in countries overseas, including our exciting new project with the UK Climate Change unit in South Sumatra. Total resources expended include a £1.6m VAT refund in 2015 from a rebate of VAT on animal keeping costs incurred between 2003 and 2012 following the successful outcome of an HMRC VAT Tribunal run by Chester Zoo that was supported by ZSL.

Unrestricted charitable spend prior to the VAT refund on animal keeping costs increased by £4.4m due to a number of factors: spend on our animal collections increased following the opening of new exhibits; an increase in our staff costs to provide capacity to support growth in our charitable work in the UK and overseas and growth in our commercial income; increased maintenance costs for our ageing and listed buildings and investment in expanding our conservation offices overseas.

CAPITAL EXPENDITURE

Where funding permits, we are replacing exhibits with new habitats that provide improved animal welfare and lower maintenance and utilities costs. During 2015, we spent £9.5m on capital expenditure (2014: £3.8m). At ZSL Whipsnade Zoo, this included our new Butterfly House to provide visitors with an enhanced experience, and the new visitor centre at ZSL Whipsnade Zoo, which significantly enhanced access to the Zoo and provided improved merchandising and catering. At ZSL London Zoo, we opened *In with the Spiders*, a walk-through exhibit; built a new immersive lemur walk-through, and improved the use of space within our Rainforest Life exhibit to increase the range of animals on display. We also continued the construction of our new *Land of the Lions* exhibit modelled on the Gir Forest, including our new overnight experience with the construction of the Gir Lion Lodge. We also commenced work to upgrade our customer relationship management systems to improve our interactions with our visitors.

RESERVES POLICY

Reserves are maintained at a level that enables the Charity to manage financial risk and short-term income volatility. They allow the Charity to



Above: In with the Lemurs was another exciting walk-through experience opened in 2015. This image: The new visitor centre at ZSL Whipsnade Zoo



sustain optimal levels of science, research and conservation programme work over the long term, provide appropriate care for the animals in our Zoos and maintain the infrastructure that allows us to operate, ensuring that financial commitments can be met as they fall due.

ZSL's Council of Trustees has set a minimum liquidity and general reserves requirement to ensure the financial sustainability of the Society. As a consequence, Council has set appropriate reserves policies relating to: liquidity based on the relationship between readily realisable cash and investments, future liabilities for committed capital developments and the cash requirements for sustaining ZSL's operations for a period of time; and the level of general reserves required to support this.

ZSL's policy concerning the level of cash and investments and general reserves is to have funds available to:

- meet liabilities as they fall due;
- meet emergencies;
- cover the costs of running the Zoos during an emergency closure to the public for a period of up to three months;
- augment the capital expenditure programme from time to time as appropriate and fund capital commitments that exist at the year-end that will be expended during the following financial year, to the extent that they are not covered by the expected unrestricted surplus for the following year or could not be delayed;
- ensure ZSL can fund its pension commitments; and
- build up investments over a period with the aim of providing an additional income stream to cover non-commercial activities.

The Trustees' minimum liquidity and general reserves target is to hold readily realisable cash and investments and general reserves in excess of £4.0m. The policy is reviewed annually in connection with the setting of revenue and capital budgets and the charitable activities planned for the year.

At 31 December 2015, ZSL held £7.0m of unrestricted liquidity (2014: £12.0m), which was £3m in excess of the target minimum. In December 2015, the Trustees arranged a new £5m revolving credit facility with Barclays Bank to provide additional short-term unrestricted liquidity should this be required during ZSL's low season for the Zoos. This new facility was finalised in February 2016.

General reserves (funds not tied up in tangible fixed assets and other designated funds, any pension asset and restricted funds) reduced during 2015 to £3.2m at 31 December (2014: £6.2m) given increased operating costs and the high level of capital expenditure during the year. This resulted in an increase in the designated fixed asset reserve, which is funded from the general reserve, and the creation of the new tangible fixed asset commitments reserve (£1.9m) which was set up in 2015 to cover expenditure on major capital projects that was committed at the year-end. The general reserves at 31 December 2015 are £0.8m below ZSL's general reserves target (2014: £2.2m held in excess of general reserves target). The Trustees are committed to increasing the level of general reserves through commercial activity and visitor income from our Zoos, our new online store opening in 2016, general fundraising activities and through managing the phasing of future capital developments in order to build up the general reserves to reach their target level.

INVESTMENT POLICY

The investment policy is designed to support the reserves policy. The Charity seeks to adopt a cautious, prudent and well-diversified investment stance to balance potential returns with appropriate levels of risk, having regard to our mission objectives.

The Charter and Byelaws of ZSL give the Trustees the right to invest the funds of the Society in such investments, securities or property as may be thought fit. Investments are managed by Newton Investment Management Limited, M&G Investments and Blackrock, which have been instructed not to directly make investments that are contrary to the Society's stated purpose and objectives. Specific areas of constraint in investment include companies involved in animal testing, marine harvesting, high environmental impact products

and practices using Red List ingredients and substances, and those using tropical hardwoods from unsustainable sources. In addition, all shareholder voting is to be actively conducted in line with these socially responsible guidelines and principles.

ZSL holds most of its available funds in bank and short-term deposits, which at 31 December 2015 totalled £15.9m (2014: £18.6m). In addition, ZSL holds listed investments of £4.6m (2014: £4.7m), the majority in the Newton Investment Management Limited 'Socially Responsible Investment (SRI) Fund for Charities'. This SRI Fund for Charities contains a mixture of funds with the intention of providing a balance between capital growth and income. The remainder are held in M&G Investment's Charifund, which contains a diversified portfolio of high yielding UK stocks with the objective of generating a high income and increasing the annual distribution, a small holding in Blackrock's Charinco Common Investment Fund and some small direct holdings of other listed investments.

The Charity ensures that performance is managed against appropriate benchmarks. The income from investments for the year was £0.4m (2014: £0.5m) and investment losses totalled £0.1m. The Newton SRI fund underperformed against its comparative index in 2015 (-0.4% return versus 2.5%) and the M&G Charifund has outperformed its comparative index in 2015 (4.46% versus 0.98%). A review of the investment policy is conducted every year.

PENSION SCHEMES

The valuation of our ZSL 1988 defined benefit pension scheme per the Accounting Standards Board's Financial Reporting Standard 102 shows a deficit of £2.3m at 31 December 2015 (2014: FRS17 deficit was £4.1m, this deficit is the same when restated under FRS 102). FRS102 provides additional accounting disclosures on the statement of financial activities for the net income and expenses of operating the scheme and the actuarial gain/loss. For 2015, this results in a net pension cost of £2.1m included in total resources expended, a £3.0m actuarial gain and £0.4m negative return on plan assets.

While these disclosures do not impact ZSL's net movement in funds and the value of the deficit on the balance sheet in 2014, they do alter the disclosures in the 2014 comparative income and expenditure. Consequently, the 2014 income and expenditure have been restated in accordance with FRS102. This results in a 2014 net pension cost of £1.6m, an actuarial loss in 2014 of £8.2m and a return on plan assets of £2.4m (previously 2014 £0.2m net income in addition to the £1.3m ongoing employer contribution and a net actuarial loss of £6.3m). The valuation is based on rolling forward the June 2014 triennial actuarial valuation and updating it for changes in actuarial assumptions to reflect market conditions at 31 December 2015. The approach used for setting assumptions for the valuation is similar to 2014, however assumptions have been updated for market conditions at the year-end. The main driver of the £3.0m actuarial gain in 2015 is the increase in the yield on AA corporate bonds over 2015 (3.7% increasing to 4.0%). The scheme value is very sensitive to the movement in bond yields; this has resulted in the scheme's deficit reducing as at 31 December 2015. Funding levels continue to be monitored by ZSL and the pension fund trustees on a regular basis. Both the pension trustees and ZSL are of the opinion that no changes are required to the ongoing funding of this pension scheme, however this position will be reviewed during 2016. While this scheme is now closed to employees joining after 30 June 2011, a stakeholder-defined contribution scheme is available for those employees.

SUBSIDIARIES

The Society wholly owns Zoo Operations Limited, which is the investment holding company for its wholly owned companies, Zoo Enterprises Limited and Whipsnade Wild Animal Park Limited. Merchandising and catering are undertaken by these subsidiary companies. The taxable net profits of our trading subsidiaries are distributed to the Society annually.

Our group of trading subsidiaries was reorganised with effect from midnight on 31st December 2015, with a view to simplifying legal and financial management of retail, catering, events and other commercial activities at London Zoo and Whipsnade Zoo.

The group reorganisation involved a transfer of the trade and assets of Whipsnade Wild Animal Park Limited to Zoo Enterprises Limited and the transfer of Zoo Enterprises Limited from its holding company (Zoo Operations Limited) to ZSL. Whipsnade Wild Animal Park Limited and Zoo Operations Limited became dormant entities on 1 January 2016 and the commercial activities of our Zoos will be conducted through Zoo Enterprises Limited from 1 January 2016.

Total income of Zoo Enterprises Limited during 2015 was £5.5m (2014: £5.7m), with a profit of £2.5m (2014: £2.3m). Total income of Whipsnade Wild Animal Park Limited was £3.8m during 2015 (2014: £3.5m), with a profit of £0.1m (2014: £0.3m).

FINANCIAL POSITION AND GOING CONCERN

The Council of Trustees considers that there are sufficient reserves held at the year-end to manage any foreseeable downturn in the UK and global economies. The Trustees consider that there is a reasonable expectation that ZSL has adequate resources to continue in operational existence for the foreseeable future and, for this reason, the Council of Trustees continues to adopt the 'going concern' basis in preparing the accounts.

KEY MANAGEMENT REMUNERATION POLICY

The Trustees determine and agree the overall policy for the remuneration and pension arrangements for all the charity's employees and oversee any major changes to employee benefits.

The Charity's reward principles are to ensure the same remuneration system applies to all, except where there are justifiable reasons for making separate arrangements. For example the Institute of Zoology's remuneration policy is aligned to the higher education sector and has a separate remuneration committee linked to UCL.

The Charity aims to provide an overall reward package that is competitive within the sector it operates in. In assessing levels of remuneration, the charity uses external professional advice and salary survey databases from public, private and charity sectors. While the Charity recognises that it should not and does not compete directly with the private sector on remuneration, it does aim to provide an overall reward package that is competitive to attract and retain high calibre staff that are aligned with our mission, vision and values.

The Remuneration Committee reviews and approves the remuneration, benefits and pension arrangements of the Director General and the Director Group. Each position on the Director Group is individually benchmarked.

Principal risks and uncertainties

Every organisation must address uncertainty – and we have a robust system in place for identifying, managing and mitigating the risks we face.

ZSL is a diverse organisation operating business and mission functions in a number of discrete areas, each with their own unique set of challenges. In delivering all of our objectives, we accept that we must face a range of risks, varying in substance and significance. We have robust procedures in place to identify and evaluate risk, and to design and implement effective measures, not only to reduce the likelihood of risks

occurring, but also to limit the potential impact if those risks occur.

Our risk-management process

We manage a society-wide risk register, tracking and evaluating the strategic, operational, finance and compliance risks that we face. These risks are reviewed and assessed annually by our senior leadership team, our Finance and General Purposes Committee and our Council of Trustees, who have collective responsibility to identify, assess and manage risks, and ensure that risk management arrangements

are robust, appropriate and sufficiently comprehensive.

Outside of this annual assessment, we have risk-assessment processes

embedded in management and operational processes, and a dedicated risk manager to track risks from an organisational perspective. New risks identified are brought to the attention of the senior leadership team, which convenes regularly so that risks can be assessed by them and suitable mitigation plans can be developed and implemented.

Risk assessment

Risks are assessed according to their likelihood to occur, and their likely impact on the organisation. These values combine to provide a score that allows us to identify the major risks to the organisation and prioritise management actions accordingly.

Risk-management statement

Our Trustees have given consideration to the major risks to which ZSL and its subsidiary undertakings are exposed and satisfied themselves that suitable procedures have been established in order to identify and manage those risks. The following principal risks were identified during 2015. Specific actions are in place to manage each risk.



Main image and left: We keep a keen eye on risk



RISKS	MANAGEMENT
Risk to income and amenity from the loss of the main car park for ZSL London Zoo, arising partly from a proposal by developers of HS2 to use it as a lorry holding area during a 16-year construction period from 2017	<ul style="list-style-type: none"> Follow up from petition submitted to House of Commons Select Committee objecting to the use of the car park by HS2 Continue discussions with HS2 and regularly review legal position with our lawyers
Reliance on HEFCE funding and failure to maintain funding might impact on our ability to continue to undertake high-quality zoological conservation research	<ul style="list-style-type: none"> Continue to develop diversity of funding Ensure we maintain the research standards funders require by regularly reviewing research outputs and benchmarking performance Grant-funded projects subject to standard ZSL approval procedures to ensure conditions and commitment can be met
Growth in the scale and impact of our international work may result in financial control mechanisms being overstretched and brings potential to encounter unforeseen legal liabilities, both of which could lead to financial exposure	<ul style="list-style-type: none"> All major new undertakings are reviewed by the senior management and external advisors where appropriate Investment in new International Finance and operations teams with oversight of overseas financial management Investment in a new in-house legal, risk and compliance team with legal oversight on all significant new commitments Legal reviews conducted by UK and overseas lawyers of compliance with overseas rules and regulations in the countries where we operate, and for all new countries New bank accounts to require prior Trustee approval and use of reputable institutions Audits to review accounts, signatories and controls
Growth in successful grant applications brings unforeseen pressure on central resources	<ul style="list-style-type: none"> Central approval policy and procedures for project proposals and grant applications Focus on costing projects, with formalisation of a new overhead recovery policy

Governance

Our work as a charity is steered by our Council Trustees and expert committees, outlined here.

CORPORATE STATUS

ZSL is a charity incorporated under Royal Charter, registered in England and Wales with the Charity Commission (No. 208728). Certain of the commercial operations of the two Zoos, principally catering and shops, are carried out through its wholly owned subsidiary companies Zoo Operations Limited, Zoo Enterprises Limited and Whipsnade Wild Animal Park Limited.

ORGANISATION

Council

The Society is governed by the Charter, the current version of which dates from 1995, and by Byelaws and Regulations. The Byelaws set out requirements concerning membership, the Officers (President, Secretary and Treasurer), the election and proceedings of Council, and general and other meetings. The Council is the ruling body of the Society, meets five times each year, and is responsible for establishing and monitoring the policies of the Society. Council members ('the Trustees') are elected from and by the Fellowship of the Society by postal ballot and serve for periods of four years. Invitations are circulated to all Fellows to nominate Trustees, and Fellows are advised of the retiring Trustees and specialist skills that the Council considers would be helpful to the Society. The election is by postal ballot of the complete Fellowship. New Trustees are invited to an induction/training meeting prior to taking up their role, where, in accordance with Charity Commission guidelines, they are briefed on their legal obligations under charity law and, where relevant, company law, the Charter and Byelaws of the Society, the committee and decision-making process, Directors' reports and the financial performance of the Society. Additional training, if required, can be provided internally or externally.

Council members/Trustees

The following were Council members in the period 1 January 2015 to the date of this report, unless otherwise indicated.

President: Professor Sir John Beddington CMG FRS	Ken Livingstone**
Secretary: Professor Geoff Boxshall FRS	Professor Anna Meredith+
Treasurer: Paul Rutteman CBE	Dr Ruth Padel
Elizabeth Passey+	Dr Maggie Redshaw
(Vice President)	Sean Rovai*
Ken Sims (Vice President)	Martin Rowson
Sheila Anderson MBE+	Paul Wilson+
Dr Brian Bertram+	Robert Wingate
Michael Bird*	<i>*to 17 June 2015 +from 17 June 2015</i>
Martin Cooke	<i>**retired March 2016</i>
Ray Heaton	<i>+to June 2015, from March 2016</i>

COMMITTEES

In addition to Council, the Society operates through a number of committees and boards, whose terms of reference and membership are shown below (* retired during 2015, + joined during 2015, ** retired in March 2016).

Finance and General Purposes Committee

Terms of reference: To monitor the financial management of the Society and act as an audit committee, and to preview and prepare papers for Council requiring policy or capital investment decisions.

Membership: Paul Rutteman CBE (Chair), Professor Sir John Beddington CMG FRS, Dr Brian Bertram, Michael Bird*,	Professor Geoff Boxshall FRS, Rupert Hambro CBE, Ken Livingstone**, Ken Sims, Elizabeth Passey+
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Animal Welfare Committee

Terms of reference: To advise Council on matters relating to animal welfare in the collections, at both ZSL London Zoo and ZSL Whipsnade Zoo, at the Institute of Zoology (IoZ) and in the work of conservation programmes.

Membership: Dr Maggie Redshaw (Chair), Sheila Anderson+, Dr Heather Bacon, Dr Brian Bertram*,	Dr Matthew Brash+, Martin Cooke, Natasha Fleming*, Professor Anna Meredith*, Dr Kirsten Pullen, Michael Waters
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Awards Committee

Terms of reference: Council presents a number of awards for contributions to zoology and conservation. The committee advises Council on all matters relating to these awards and the appointment of Honorary Fellows.

Membership: Dr David Ferrier (Chair), Professor Geoff Boxshall, Dr Paul Donald, Professor Adam Eyre-Walker, Professor Sunetra Gupta, Professor Rebecca Kilner, Professor Judith Mank+, Professor EJ Milner-Gulland,	Professor Ken Norris, Professor Beth Okamura, Professor Andrew Rambaut, Professor David Sims+, Professor Jon Slate, Dr Rosie Trevelyan, Professor Nina Wedell*
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Joint University College London (UCL)/ZSL Committee

Terms of reference: To determine, in the light of the policies and plans of the Society and where appropriate those of the University, the academic policy and development of the IoZ, and to advise the Director of IoZ of the Society thereon. To coordinate and monitor the implementation of the IoZ's policies and plans, including planned staffing levels, student numbers and its financial management, and to submit an annual report thereon to the Council of the Society and the General Board of the Faculties of the University. To undertake other business as may be assigned to it by the Society or the University.

Membership: Ralph Armond, Professor Geoff Boxshall, Professor Frances Brodsky (Chair), Sir Cyril Chantler,	Dr Helen Chatterjee, Professor Ian Owens, Professor Andrew Pomiankowski, Professor Geraint Rees
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Zoos Advisory Committee

Terms of reference: To provide specialist advice on the objectives of the Zoos and on specific aspects of their management; to review the annual business and financial plans for the Zoos and to recommend them to Council; to review any material variances to the plans and, where necessary, recommend to Council remedial actions; to review and recommend to Council any capital developments.

Membership: Dr Brian Bertram (Chair), James Breheny (corresponding member), Mark Challis, Ray Heaton, Darren Martin*, Sir William McAlpine*,	Ruth Padel+, Colomba de la Panouse+, Mark Ridgway, Sean Rovai, Martin Rowson, Andy Simpson, Ken Sims, Simon Tonge, Paul Wilson+
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Remuneration Committee

The committee meets once a year and is chaired by Professor Geoff Boxshall, with Paul Rutteman CBE as a permanent member.

Day-to-day management

The day-to-day management of ZSL is delegated to the Director General and the seven operational Directors, and monitored by Council through the Officers. All matters of policy are determined by Council and by the Officers of ZSL.

DIRECTORS

Director General: Ralph Armond	Director of Science: Professor Ken Norris
Conservation Programmes Director: Professor Jonathan Baillie	Finance Director: Amanda Smith
Human Resources Director: Fiona Evans	Commercial and Communications Director: Rich Storton
Zoological Director: Professor David Field	Development Director: James Wren

THE FINANCIAL STATEMENTS AND TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and *UK Accounting Standards* (UK Generally Accepted Accounting Practice). The law applicable to charities in England and Wales 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 Charity and group, and of the incoming resources and application of resources of the Charity and 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 Statement of Recommended Practice* (SORP); make judgements and estimates that are reasonable and prudent; state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and group, and enable them to ensure that the financial statements comply with the *Charities Act 2011, the Charity*

(Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter. They are also responsible for safeguarding the assets of the Charity and group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are also responsible for the maintenance and integrity of the Charity and group, and for financial information included on the Charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

RSM UK Audit LLP (previously Baker Tilly UK Audit LLP) was reappointed for 2015. A resolution to reappoint RSM UK Audit LLP, chartered accountants, as auditor will be put to the members at the Annual General Meeting.

REFERENCE AND ADMINISTRATIVE INFORMATION

Principal address:	Regent's Park London NW1 4RY	Principal bankers:	Barclays Bank PLC 1 Churchill Place London EC14 5HP
Also at:	ZSL Whipsnade Zoo Dunstable Bedfordshire LU6 2LF	Statutory auditor:	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB
Registered office:	Regent's Park London NW1 4RY	Investment advisors:	Newton Investment 160 Queen Victoria Street London EC4V 4LA

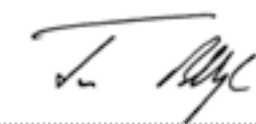
Lawyers: Hempsons Solicitors
40 Villiers Street
London
WC2N 6NJ

Bates Wells Braithwaite
10 Queen Street
Place
London
EC4R 1BE

White & Case LLP
5 Old Broad Street
London
EC2N 1DW

Approved by Council on 10 May 2016

Trustees' Report signed on behalf of Council



Professor Sir John Beddington, President

Independent Auditors' Report to the Trustees of The Zoological Society Of London

We have audited the financial statements of The Zoological Society of London for the year ended 31 December 2015 on pages 51 to 74. 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 charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 49, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 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 group's and charity's affairs as at 31 December 2015 and of their incoming resources and application of resources 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 Charities Act 2011.

Emphasis of matter – early adoption of the Charities SORP (FRS 102)

In forming our opinion, which is not modified, we have considered the disclosure in the Accounting Policies section 1 page 54 concerning the charity's early adoption of the Charities SORP (FRS 102) issued in July 2014, rather than applying the Charities 2005 SORP, which has been withdrawn, but is still referred to in the extant Charities (Accounts and Reports) Regulations 2008. This departure has been necessary for the financial statements to show a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice effective for accounting periods beginning on or after 1 January 2015.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RSM UK audit LLP

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), 25 May 2016
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Consolidated Statement of Financial Activities

For the year ended 31 December 2015

	Notes	Unrestricted £000	Endowment £000	Restricted Other £000	2015 Total £000	2014 Total £000
Income						
Donation and legacies	3	1,852	–	1,728	3,580	3,670
Income from charitable activities	2					
Animal collections		34,529	–	–	34,529	34,486
Science and research		2,854	–	1,570	4,424	5,265
Conservation programmes		284	–	3,101	3,385	2,016
Income from trading activities	4	9,257	–	–	9,257	9,199
Investment income	5	338	1	36	375	466
Total income		49,114	1	6,435	55,550	55,102
Expenditure						
Expenditure on raising funds:						
Costs of generating voluntary income		1,116	–	–	1,116	972
Fundraising trading:						
Cost of goods sold and other costs	4	6,704	–	–	6,704	6,586
Expenditure on charitable activities:						
Animal collections		33,180	–	12	33,192	31,622
VAT reclaim on animal-related costs		(1,588)	–	–	(1,588)	–
Science and research		4,129	–	2,114	6,243	6,205
Conservation programmes		3,473	–	3,875	7,348	6,048
Total Expenditure	6a	47,014	–	6,001	53,015	51,433
Net gain/ (loss) on investments	10	8	(39)	(99)	(130)	161
Net income/ (expenditure)		2,108	(38)	335	2,405	3,830
Other recognised gains/(losses):						
Remeasurement of defined benefit obligation	16	2,600	–	–	2,600	(5,800)
Net movement in funds		4,708	(38)	335	5,005	(1,970)
Reconciliation of funds:						
Total funds balance brought forward	15	51,535	807	7,489	59,831	61,801
Total funds balance carried forward	15	56,243	769	7,824	64,836	59,831

The notes on pages 54-74 form part of these financial statements.

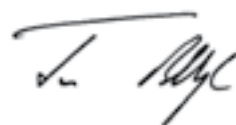
Consolidated and Charity Balance Sheets

For the year ended 31 December 2015

	Notes	Group		Charity	
		2015 £000	2014 £000	2015 £000	2014 £000
Fixed assets					
Tangible assets	9	49,915	44,092	49,915	44,092
Investments	10	4,605	4,735	6,378	6,396
		<u>54,520</u>	<u>48,827</u>	<u>56,293</u>	<u>50,488</u>
Current assets					
Stocks	11	458	712	1	19
Debtors	12	4,729	4,639	8,312	7,678
Short-term deposits		1,022	6,779	1,022	6,779
Cash at bank and in hand		14,889	13,273	11,082	10,390
		<u>21,098</u>	<u>25,403</u>	<u>20,417</u>	<u>24,866</u>
Creditors: amounts falling due within one year	13	(8,482)	(9,309)	(9,584)	(10,443)
		<u>12,616</u>	<u>16,094</u>	<u>10,833</u>	<u>14,423</u>
Net current assets					
Creditors: amounts falling due after more than one year	14	–	(990)	–	(990)
		<u>67,136</u>	<u>63,931</u>	<u>67,126</u>	<u>63,921</u>
Net assets excluding pension scheme liability					
Defined benefit pension scheme liability	16	(2,300)	(4,100)	(2,300)	(4,100)
		<u>64,836</u>	<u>59,831</u>	<u>64,826</u>	<u>59,821</u>
Net assets					
Funds					
Unrestricted – General		5,506	10,289	5,496	10,279
– Designated		53,037	45,346	53,037	45,346
		<u>58,543</u>	<u>55,635</u>	<u>58,533</u>	<u>55,625</u>
Unrestricted funds excluding pension liability					
Unrestricted – Pension reserve		(2,300)	(4,100)	(2,300)	(4,100)
		<u>56,243</u>	<u>51,535</u>	<u>56,233</u>	<u>51,525</u>
Total unrestricted funds					
Restricted – Endowments		769	807	769	807
– Other		7,824	7,489	7,824	7,489
		<u>769</u>	<u>807</u>	<u>769</u>	<u>807</u>
Total funds	15	<u>64,836</u>	<u>59,831</u>	<u>64,826</u>	<u>59,821</u>

Approved and authorised for issue by Council on 10 May 2016 and signed on their behalf by:

Professor Sir John Beddington, President



Paul Rutteman, FCA, Treasurer



The notes on pages 54 to 74 form part of these financial statements.

Consolidated Cash Flow Statement

For the year ended 31 December 2015

	Notes	2015 £000	2014 £000
Cash flow from operating activities	19a	6,428	9,551
Cash flow from investing activities			
Interest received on bank and cash balances		235	133
Investment income		140	147
Interest on bank loan		–	(39)
Purchase of tangible fixed assets		(9,514)	(3,801)
Purchase of fixed asset investments		–	(1,735)
Sale of tangible fixed assets		–	118
Sale of fixed asset investments		–	1,707
		<u>(9,139)</u>	<u>(3,470)</u>
Net cash provided by investing activities			
Cash flow from financing activities			
Bank deposit receipt		1,430	440
Bank loan repayments		(1,430)	(440)
		<u>–</u>	<u>–</u>
Net cash provided by financing activities			
Change in cash and cash equivalents in the reporting period		(2,711)	6,081
Cash and cash equivalents at the beginning of the reporting period		18,622	12,541
Cash and cash equivalents at the end of the reporting period	19b	<u>15,911</u>	<u>18,622</u>

The notes on pages 54 to 74 form part of these financial statements.

Notes to the Financial Statements
For the year ended 31 December 2015

1. Accounting policies

Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014 and the Charities Act 2011.

The financial statements have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn. The Society constitutes a public benefit entity as defined by FRS 102. The Trustees consider that there are no material uncertainties about the Charity’s ability to operate as a going concern.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether, in applying the accounting policies required in FRS102 and the Charities SORP FRS102, a restatement of comparative items was needed. In accordance with the requirements of FRS 102 a reconciliation of opening balances and net income/(expenditure) for the year is provided with the net income/(expenditure) under previous GAAP adjusted for the presentation of investment gains/(losses) and changes in interest calculation on the defined benefit scheme, as a component of reported income.

	<i>Group</i>	<i>Charity</i>
	<i>£000</i>	<i>£000</i>
Reconciliation of reported net income		
Net income/ (expenditure) as previously stated	4,169	4,169
Change in interest calculation on defined benefit scheme	(500)	(500)
Adjustment for gains on investments now treated as a component of net income	<u>161</u>	<u>161</u>
2014 net income as restated	<u>3,830</u>	<u>3,830</u>

These adjustments did not affect funds at the groups transition date to FRS102, or at 31 December 2014.

Consolidation

The financial statements consolidate on a line-by-line basis the results and the assets and liabilities of the Society and its wholly owned subsidiaries – Zoo Operations Limited, Zoo Enterprises Limited and Whipsnade Wild Animal Park Limited. The Consolidated Statement of Financial Activities represents the results of both the charitable and non-charitable activities of the Society. A separate Statement of Financial Activities for the Charity itself is not presented, however, a summary statement of Financial Activities for the Charity itself is presented in Note 24. The results for the activities carried out by the Society’s subsidiaries are set out in note 4 in respect of catering and merchandising and in note 10 in respect of other activities. The Trustees have elected to utilise the exemption available in preparing a charity only cash flow statement.

Funds

The Society maintains a number of internal funds, which include restricted and unrestricted funds:

- (i) Unrestricted – general fund: The general fund is the free fund of the Society.
- (ii) Unrestricted – designated funds: These funds are derived from donations, grants, bequests and other resources set aside to be used in accordance with the resolutions passed by the Council of the Society. Both the capital and income may be spent. Until expended, the funds are held in cash or tangible fixed assets. Designated funds are as follows:
 - Tangible fixed assets fund – this represents those resources that have been used to acquire tangible fixed assets. The value of this fund at the year end represents the net book value of tangible fixed assets.
 - Tangible fixed asset commitment fund – this represents the resources required for assets under construction to be brought to completion in the coming months.
 - Conservation, science and education mission fund – this represents resources set aside to meet conservation, science and education project expenditure.

- Giraffe conservation fund – this represents resources set aside to meet giraffe conservation project expenditure.
- Lion conservation fund – this represents resources set aside to meet lion conservation project expenditure.
- Butterfly and crocodile conservation fund – this represents resources set aside to meet butterfly and crocodile conservation project expenditure.
- Elephant conservation fund – this represents resources set aside to meet elephant conservation project expenditure.
- Tiger SOS fund – this fund was set aside to meet the capital cost of *Tiger Territory*, which was completed and opened in March 2013 at ZSL London Zoo. The balance on the fund has not moved in the year.
- Students’ awards fund – this fund represents resources set aside to meet the cost of an annual prize for best talk, awarded annually at the IoZ student conference, and to fund awards to IoZ-registered students for travel and subsistence in connection with their research projects. This fund is expected to be fully utilised within the next 10 years.

(iii) Restricted – endowment funds: These funds are derived from bequests to the Society, are held permanently by the Trustees, and comprise investments, the income from which may be used to support Society activities. These funds are:

- De Arroyave fund and Davis fund – these funds are held permanently by the Trustees, and comprise investments, the income from which, being unrestricted, may be used to support Society activities.
- Fantham bequest – this fund is held permanently by the Trustees, and comprises investments, the income from which is to be used to endow a Memorial Research Fellowship for research in parasitology or aquatic animal ecology.

(iv) Restricted – other funds: These funds are as follows:

- Scientific fund – this fund was derived from grants and donations, and the Society, by trust deed dated 30 May 1991. The deed created a trust over the fund and converted it into a restricted fund that can be used for the ‘advancement of zoology and animal physiology’.
- Library support fund – the fund represents the resources given for the activities of the ZSL Library.
- HEFCE fund – this fund represents grants received from HEFCE to support the core IoZ science and research activities.
- Other funds – these funds are derived from donations, grants and bequests to be used in accordance with the wishes of the donor, which are primarily to fund animal collection, science and research, conservation programme activities and capital expenditure relating thereto.

Fund transfers

Restricted funds are transferred to unrestricted funds in accordance with restrictions upon which the Society may use such restricted funds and include occasions when restricted income has been used, in accordance with donors’ instructions, in the acquisition of tangible fixed assets.

Income

In accordance with the SORP, all incoming resources, including Gift Aid on admissions, becoming receivable by the Society during the year are recognised in the Consolidated Statement of Financial Activities, regardless of their source or of the purpose to which they are to be put or have been put. The exception to this relates to membership income and similar income, which is deferred to the extent that it relates to a service to be provided in future periods, and grants and donations that are deferred where milestones and conditions for recognition are expected to be met in future periods.

Where income is received for a specific purpose, the income is included in Restricted Funds.

Income from grants is recognised in accordance with the recognition criteria of SORP when entitlement is assured, there is probability of receipt, and when the amount can be reliably measured.

Legacies are recognised when the Society’s entitlement is advised by the personal representative of an estate, that it is probable that payment will be made or assets transferred and the amount involved can be reasonably quantified.

Expenditure

Expenditure is recognised when a liability is incurred. Expenditure is allocated to categories in accordance with the main activity of the staff concerned or the substance of the costs incurred as set out in note 6a. Resources expended include the costs of raising funds and charitable expenditure, including support, management and administration costs.

Governance costs include those expenses incurred in the governance of the Society’s assets and are primarily associated with constitutional and statutory requirements and include an appropriate proportion of senior management time. These have been allocated to each of the Charity’s core chargeable activities in the proportion that the activity has to the total of all other costs. Support costs are those costs incurred in support of expenditure on the objectives of the Society and are allocated to the activities set out in note 6 on the basis set out in note 6.

VAT

Admissions income is treated as VAT exempt and accordingly, as a partially exempt body, ZSL may not recover all VAT paid. The exception is VAT incurred in connection with the catering and merchandising operations that operate through subsidiary companies, which is fully recoverable. Irrecoverable VAT is included within the category of expenditure to which it related. Catering and merchandising income is stated excluding VAT.

Fixed assets and depreciation

Fixed assets acquired by purchase or gift are shown at cost or valuation and are depreciated (with the exception of freehold land and assets under construction, which are not depreciated) on a straight-line basis at rates appropriate to write off the cost over their expected useful lives. Freehold buildings are depreciated over five to 50 years; leasehold buildings from three years to the shorter of the lease term, and 50 years; plant and equipment five to 15 years; and motor vehicles one to five years. Assets under construction consist of expenditure incurred in respect of tangible assets in the course of their construction and installation, and that are directly attributable to bringing the asset into operation, these assets are not depreciated.

Transfers are made to the relevant fixed assets category as and when the assets are available for use. The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Tangible fixed assets with a cost below £5,000 are charged to resources expended and are not capitalised.

Foreign currencies

Transactions in foreign currencies are recognised at the rate of exchange at the date of the transaction. Any exchange differences are recognised through the Consolidated Statement of Financial Activities. Foreign exchange monetary assets and liabilities are recognised at the rate of exchange ruling at the balance sheet date.

Investments

Listed investments are included in the balance sheet at market value with realised and unrealised gains or losses recognised in the Consolidated Statement of Financial Activities, in the year in which they arise. Investment income is accounted for on an accruals basis. Other investments comprise investments in subsidiaries and are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Stocks

Stocks are stated at the lower of direct cost (determined on a first-in, first-out basis) and net realisable value.

Animals

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

Heritage assets

ZSL holds a collection of books and artwork located at the ZSL London Zoo site, which is held to support ZSL's charitable objectives, being the advancement of zoology. The Trustees do not consider that reliable cost or valuation information can be obtained for the vast majority of items held in the collection of books and artwork. This is because of the unique features of the assets held, the number of assets held and the lack of comparable market values. Furthermore, the Trustees believe the cost of obtaining a valuation of these assets would be onerous compared with the benefit that would be derived by users of the financial statements in assessing their stewardship of the assets. The Society does not therefore recognise these assets on its balance sheet. In accordance with the requirement of Section 34 of FRS102 and Section 18 of SORP FRS102, note 23 to the financial statements provides additional disclosures on the nature and scale of the charity's heritage assets, as well as collections, management policy and the extent to which access is permitted to the collection. The collection of books and artwork is held to advance zoology by facilitating the improvement and dissemination of zoological knowledge. During the year ended 31 December 2015, there were no acquisitions or disposals of heritage assets (2014: none).

Donated facilities

The Society leases the Regent's Park site from the Department for Culture, Media and Sport. The lease was renewed in 1999 for a term of 56 years at no annual rent. The Trustees do not believe it is possible to reasonably quantify and measure the benefit conferred to the Society under this rent-free arrangement and, as such, have not included the value of this donated facility in the Consolidated Statement of Financial Activities.

Advertising costs

Costs incurred in relation to advertising are charged to the Consolidated Statement of Financial Activities at the time the advertisements appear in the media or are otherwise made public. Amounts invoiced but not yet taken to the Consolidated Statement of Financial Activities are included in prepayments.

Liquid resources

These comprise cash at bank and in hand and short-term deposits.

Pension costs

The Society participates in various defined benefit and defined contribution pension schemes:

Defined benefit scheme

The cost of providing benefits under defined benefit plans is determined using the projected unit credit method, and is based on actuarial advice. The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise. The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in the Statement of Financial Activities (SOFA) as other finance revenue or cost. Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in the SOFA in the period in which they occur and are not reclassified to the SOFA in subsequent periods. The defined net benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high-quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

The Society participates in the Universities Superannuation Scheme (USS), a defined benefit scheme, which is contracted out of the State Second Pension (S2P). The assets of the USS scheme are held in a separate fund administered by its trustee, Universities Superannuation Scheme Limited. Because of the mutual nature of the USS scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The Society is therefore exposed to actuarial risks associated with other institutions' employees, and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by SORP FRS 102 Section 17, accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Consolidated Statement of Financial Activities represents the contributions payable to the USS in respect of the accounting period.

Defined contribution scheme

Contributions to defined contribution schemes are recognised in the Consolidated Statement of Financial Activities in the period in which they become payable. Any unpaid (or prepaid) contributions are separately disclosed within note 16.

Leasing commitments

Rentals payable under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities.

Trade debtors and creditors

Trade debtors which are receivable within one year 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. Other creditors and 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. Bank loans are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and included in expenditure.

Critical accounting estimates and judgements

The Society makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are those used by the scheme actuary in calculating the Society's defined benefit pension scheme liability (see note 16 for details).

2. Incoming resources from charitable activities

Animal collections incoming resources include those derived from providing: access to ZSL London Zoo and ZSL Whipsnade Zoo to view the collections and to learn about animals and conservation; animal adoption services; animal-keeping experiences; and animal and conservation educational services inside and outside (outreach programmes) the Zoos. Incoming resources from charitable activities include grants of £6,114,000 (2014: £5,994,000), which comprise:

	2015 £000	2014 £000
Higher Education Funding Council for England (HEFCE)	2,142	2,214
Defra (Darwin Initiative)	1,108	1,162
Other grants	2,864	2,568
	<u>6,114</u>	<u>5,944</u>

3. Voluntary income

Voluntary income includes gifts, legacies and donations, including those given at the Zoo gates from visitors.

4. Income from subsidiaries' trading activities

The Society wholly owns Zoo Operations Limited, which is the investment holding company for its wholly owned companies, Zoo Enterprises Limited and Whipsnade Wild Animal Park Limited. Merchandising and catering are undertaken by these subsidiary companies. The consolidated results of Zoo Operations Limited comprise those of Zoo Enterprises Limited and Whipsnade Wild Animal Park Limited. Taxable net profits are distributed to the Society annually.

The turnover and net contribution to the Society from catering and merchandising in Zoo Enterprises Limited (ZEL) and Whipsnade Wild Animal Park Limited (WWAPL) were as follows:

	2015			2014		
	ZEL £000	WWAPL £000	Total £000	ZEL £000	WWAPL £000	Total £000
Turnover:						
Catering	1,466	2,038	3,504	1,498	1,929	3,427
Merchandising	4,013	1,740	5,753	4,175	1,597	5,772
	<u>5,479</u>	<u>3,778</u>	<u>9,257</u>	<u>5,673</u>	<u>3,526</u>	<u>9,199</u>
Cost of activities	(2,505)	(3,118)	(5,623)	(2,737)	(2,724)	(5,461)
	<u>2,974</u>	<u>660</u>	<u>3,634</u>	<u>2,936</u>	<u>802</u>	<u>3,738</u>
Catering and merchandising (net)						
Support and overhead costs	(537)	(544)	(1,081)	(635)	(490)	(1,125)
Interest receivable	35	–	35	26	–	26
Group interest receivable/(payable)	–	–	–	(5)	5	–
	<u>2,472</u>	<u>116</u>	<u>2,588</u>	<u>2,322</u>	<u>317</u>	<u>2,639</u>
Net profit for the year before distribution						

Catering and merchandising turnover at ZSL London Zoo is generated by Zoo Enterprises Limited and at ZSL Whipsnade Zoo by Whipsnade Wild Animal Park Limited. Catering and merchandising turnover of £9,257,000 (2014: £9,199,000) is included in the Consolidated Statement of Financial Activities within subsidiaries' trading turnover. Cost of activities, support and overhead costs of £6,704,000 (2014: £6,586,000) are included within fundraising trading while interest receivable of £35,000 (2014: £26,000) is included within interest and investment income.

5. Interest and investment income

	2015 £000	2014 £000
Interest on bank and cash balances	235	239
Investment income:		
Other (UK)	140	127
Pension finance income (note 16)	–	100
	<u>375</u>	<u>460</u>

6a. Group analysis of total resources expended

	Direct staff costs* £000	Direct costs £000	Other support costs* £000	Total 2015 £000	Total 2014 £000
Charitable activities:					
Animal collections	13,611	15,276	4,305	33,192	31,622
Science and research	2,938	2,364	941	6,243	6,205
Conservation programmes	2,608	3,670	1,070	7,348	6,048
	<u>19,157</u>	<u>21,310</u>	<u>6,316</u>	<u>46,783</u>	<u>43,875</u>
Costs of generating funds:					
Costs of generating voluntary income	634	310	172	1,116	972
Subsidiaries' costs of goods sold and other costs	2,450	3,173	1,081	6,704	6,586
VAT reclaim on animal related costs	–	(1,588)	–	(1,588)	–
	<u>22,241</u>	<u>23,205</u>	<u>7,569</u>	<u>53,015</u>	
Total resources expended for Group in 2015					
	<u>19,955</u>	<u>24,640</u>	<u>6,838</u>		<u>51,433</u>
Total resources expended for Group in 2014					

*Staff costs of £24,781,000 are set out at note 8 and comprise support staff costs of £2,541,000 (within 'Other support costs' of £7,569,000) and 'Direct staff costs' of £22,241,000.

6b. Analysis of support costs

	2015 £000	2014 £000
Staff costs	2,541	3,194
Other costs	4,228	3,444
Pension cost on ZSL 1988	800	200
	<u>7,569</u>	<u>6,838</u>

Support costs consist of Governance, Finance, Information Technology, Human Resources, Health and Safety, Facilities Management, Press Office, Reception and Switchboard and Central Management services. These have been allocated to the activities in note 6a on the basis of total expenditure by activities.

7. Net Income/(Expenditure)

Net incoming resources before other recognised gains/(losses) is stated after charging/(crediting) the following items:

	2015 £000	2014 £000
Auditor's remuneration:		
Audit services – charged by RSM UK Audit LLP (previously Baker Tilly UK Audit LLP)	70	81
Non-audit services – charged by RSM Tax and Accounting Limited and RSM Tax and Advisory Services Limited	34	21
Depreciation of fixed assets	3,691	3,712
Loss on disposal of tangible fixed assets	–	(118)
Operating lease rentals in respect of plant, equipment and motor vehicles	465	474
Trustees' expenses	4	4

Trustees' expenses consist mainly of the reimbursement of travel expenses. In the current year, these Trustees' expenses relate to eight Trustees (2014: eight) who served as Council members during the year. None of the Trustees, nor any persons connected to the Trustees, received remuneration for their services. The Society pays the insurance premiums on behalf of the Trustees in respect of professional indemnity insurance. The premium paid is incorporated with the general professional liability premiums and so is not separately disclosable.

There are no other reportable transactions with Trustees. The auditor's remuneration for non-audit services is in respect of fees in connection with general tax advice and agreed upon procedures on specific grants.

8. Staff costs and remuneration of key management personnel

	2015 £000	2014 £000
Salaries and wages (including those of key management personnel)	20,906	19,148
Social security costs	1,928	1,780
Pension costs	1,947	2,021
	<u>24,781</u>	<u>22,949</u>

In addition, the cost of temporary staff in the year was £340,000 (2014: £185,000).

The average full-time equivalent number of employees during the year was as follows:

	Full-time equivalent		Headcount	
	2015 No.	2014 No.	2015 No.	2014 No.
Animal collections	273	282	365	396
Science and research	63	55	82	77
Conservation programmes	204	208	231	224
Cost of generating funds – voluntary income	39	36	57	59
Cost of generating funds – voluntary trading	175	214	457	454
Support costs	54	47	79	90
	<u>808</u>	<u>842</u>	<u>1,271</u>	<u>1,300</u>

The number of employee emoluments in excess of £60,000 p.a. (higher paid employees) exclusive of pension contributions were:

Band	2015 No.	2014 No.
£60,001 – £70,000	11	9
£70,001 – £80,000	5	3
£80,001 – £90,000	3	1
£90,001 – £100,000	2	3
£100,001 – £110,000	2	–
£150,001 – £160,000	–	1
£160,001 – £170,000	1	–

The key management personnel of ZSL comprise the Directorate, which includes the Director General, Finance Director, Human Resources Director, Conservation Programmes Director, Institute of Zoology Director, Director of Zoology, Commercial and Communications Director, and Development Director. The total employee benefits, including employer pension contributions of the key management personnel of ZSL were £931,674 (2014: £942,706), and employer NI contributions for these personnel were £99,403 (2014: £101,928).

9. Tangible fixed assets

Group and Charity	Freehold land and buildings £000	Buildings on leased land £000	Assets under construction £000	Plant and equipment £000	Motor vehicles £000	Total £000
Cost:						
At 31 December 2014	22,050	54,725	1,055	7,544	906	86,280
Additions during the year	3,194	1,374	4,809	51	86	9,514
Transfer of assets under construction	147	71	(218)	–	–	–
Disposals and impairments	–	–	–	–	–	–
At 31 December 2015	<u>25,391</u>	<u>56,170</u>	<u>5,646</u>	<u>7,595</u>	<u>992</u>	<u>95,794</u>
Depreciation:						
At 31 December 2014	12,305	23,003	–	6,186	694	42,188
Provided during the year	1,112	2,140	–	328	111	3,691
Disposals and impairments	–	–	–	–	–	–
At 31 December 2015	<u>13,417</u>	<u>25,143</u>	<u>–</u>	<u>6,514</u>	<u>805</u>	<u>45,879</u>
Net book value:						
At 31 December 2015	<u>11,974</u>	<u>31,027</u>	<u>5,646</u>	<u>1,081</u>	<u>187</u>	<u>49,915</u>
At 31 December 2014	<u>9,745</u>	<u>31,722</u>	<u>1,055</u>	<u>1,358</u>	<u>212</u>	<u>44,092</u>

All tangible fixed assets are held by ZSL and substantially all are used for the charitable purposes of the Society. The land at ZSL Whipsnade Zoo was purchased by the Society many years ago at negligible cost. In the absence of a formal valuation, it is not considered practicable to quantify the market value of the land at Whipsnade.

The Trustees are not aware of any other material difference between the carrying value and the market value of land and buildings.

10. Investments

Group and Charity	Value at 31 December 2014		Net Unrealised £000	Value at 31 December 2015	
	£000	Acquisition £000		£000	£000
Listed investments at market value:					
Fixed interest (UK)	2	–	–	2	
Other (UK)	4,733	–	(130)	4,603	
	4,735		(130)	4,605	
Charity					
Unlisted investments at net asset value:					
Investment in Zoo Enterprises Limited	–	112	–	112	
Investment in Zoo Operations Limited	1,661	–	–	1,661	
	6,396	112	(130)	6,378	
Listed investments historical cost	3,853	–	–	3,853	

The unlisted investment in the wholly owned subsidiary, Zoo Operations Limited, is carried in the Charity balance sheet at its net asset value and has remained as the investment holding company for its wholly owned subsidiary, Whipsnade Wild Animal Park Limited, and is incorporated in the UK. The shares in Zoo Enterprises Limited, previously held by Zoo Operations Limited, were purchased by the charity in the year.

Zoo Enterprises Limited and Whipsnade Wild Animal Park Limited undertake the merchandising and catering operations at ZSL London Zoo and ZSL Whipsnade Zoo respectively and Gift Aid their profits to ZSL annually. The results of Zoo Enterprises Limited and Whipsnade Wild Animal Park Limited are set out in note 4.

The value of investments at 31 December 2015 of £6,378,000 included the following investments with a holding of greater than 5%:

	£000
Newton SRI Fund for Charities	3,885
M&G Charifund	688
Zoo Enterprises Limited	112
Zoo Operations Limited	1,661

The financial position of the individual subsidiaries was as follows:

	Assets			Liabilities			Funds		
	2015 £000	2015 £000	2015 £000	2014 £000	2014 £000	2014 £000	2014 £000	2014 £000	
Zoo Operations Limited	1,661	–	1,661	1,661	–	1,661			
Zoo Enterprises Limited	4,584	(4,472)	112	3,849	(3,737)	112			
Whipsnade Wild Animal Park Limited	357	–	357	913	(556)	357			

11. Stocks

Raw materials	
Finished goods and goods for resale	

Group 2015 £000	2014 £000	Charity 2015 £000	2014 £000
21	18		18
437	694	1	1
458	712	1	19

12. Debtors

Trade debtors	
Amounts owed by group companies	
Taxation and social security	
Other debtors	
Accrued interest and investment income	
Prepayments and accrued income	

Group 2015 £000	2014 £000	Charity 2015 £000	2014 £000
1,327	1,487	1,011	1,122
–	–	3,744	3,533
1,588	–	1,588	–
486	616	642	616
–	32	–	32
1,328	2,504	1,327	2,375
4,729	4,639	8,312	7,678

13. Creditors: amounts falling due within one year

Trade creditors	
Amounts owed to group companies	
Taxation and social security	
Accruals and deferred income	
Bank loan (see note 14)	
Other creditors	

Group 2015 £000	2014 £000	Charity 2015 £000	2014 £000
1,161	2,039	1,054	1,847
–	–	1,481	1,690
532	821	532	597
6,420	5,669	6,148	5,529
–	440	–	440
369	340	369	340
8,482	9,309	9,584	10,443

The movement in deferred income included within creditors amounts falling due within one year is analysed below:

	Group 2015 £000	2014 £000	Charity 2015 £000	2014 £000
Deferred income at 1 January	3,155	2,896	3,063	2,812
Amounts released from previous years	(3,155)	(2,896)	(3,063)	(2,812)
Incoming resources deferred	3,829	3,155	3,654	3,063
Deferred income at 31 December	3,829	3,155	3,654	3,063

Deferred income comprises membership and similar income, which relates to services that will be provided in future periods, and grants and donations where milestones and conditions for recognition are expected to be met in future periods.

14. Creditors: amounts falling due after more than one year

	2015 £000	Group 2014 £000	Charity 2015 £000	2014 £000
Bank loan	–	990	–	990

A £2,200,000 bank loan was secured in 2013 and was repayable in £110,000 equal quarterly instalments. The loan was secured by an amount, at least equivalent to the amount outstanding on the loan, deposited into a bank account with the lender. The loan was repaid on 11 December 2015 using the funds held in the bank account with the lender, which at 31 December 2014, was included in the balance sheet under short-term deposits.

15. Funds

A full description of the individual fund categories and their purpose is set out in note 1.

a) Movement of funds for the year – Group

	Balance at 31 Dec 2014 £000	Incoming resources £000	Resources expended £000	Transfers £000	Other gains & (losses) £000	Balance at 31 Dec 2015 £000
Unrestricted funds						
General fund*	6,189	49,110	(46,703)	(7,998)	2,608	3,206
Designated funds:						
Students' awards	8	4	(8)	–	–	4
Tiger SOS	73	–	–	–	–	73
Giraffe conservation	35	–	(3)	–	–	32
Lion conservation	495	–	(64)	25	–	456
Conservation, science and education mission	398	–	(236)	250	–	412
Butterfly and crocodile conservation	65	–	–	–	–	65
Elephant conservation	180	–	–	–	–	180
Tangible fixed asset fund	44,092	–	–	5,823	–	49,915
Tangible fixed asset commitments	–	–	–	1,900	–	1,900
	45,346	4	(311)	7,998	–	53,037
Restricted funds						
Endowment funds:						
De Arroyave	729	–	–	–	–	729
Fantham Bequest	74	1	–	–	(37)	38
Davis	4	–	–	–	(2)	2
	807	1	–	–	(39)	769
Other funds:						
Scientific	2,167	66	(57)	–	(99)	2,077
Library support	99	–	(1)	–	–	98
HEFCE	–	2,142	(2,142)	–	–	–
Other	5,223	4,227	(3,801)	–	–	5,649
	7,489	6,435	(6,001)	–	(99)	7,824
Total funds	59,831	55,550	(53,015)	–	2,470	64,836

*Incorporating the unrestricted pension liability at 31 December 2015, being £2,300,000 (2014: £4,100,000).

Fund transfers of £7,998,000 have been made from the general fund to designated funds.

Transfers to designated funds included £25,000 to the lions conservation fund, £5,823,000 to the tangible fixed asset fund (the tangible fixed asset fund was set up to separately identify the resources that have been used to acquire tangible fixed assets and its value at the year-end represents the net book value of tangible fixed assets), and £1,900,000 for committed expenditure for tangible fixed assets. A further £250,000 was transferred during the year to the ZSL Conservation, Science and Education Mission Fund.

b) Movement of funds for the year – Charity

	Balance at 31 Dec 2014 £000	Incoming resources £000	Resources expended £000	Transfers £000	Other gains & (losses) £000	Balance at 31 Dec 2015 £000
Unrestricted funds						
General fund*	6,179	42,406	(39,999)	(7,998)	2,608	3,196
Designated funds:						
Students' awards	8	4	(8)	–	–	4
Tiger SOS	73	–	–	–	–	73
Giraffe conservation	35	–	(3)	–	–	32
Lion conservation	495	–	(64)	25	–	456
Conservation, science and education mission	398	–	(236)	250	–	412
Butterfly and crocodile conservation	65	–	–	–	–	65
Elephant conservation	180	–	–	–	–	180
Tangible fixed asset fund	44,092	–	–	5,823	–	49,915
Tangible fixed asset commitments	–	–	–	1,900	–	1,900
	45,346	4	(311)	7,998	–	53,037
Restricted funds						
Endowment funds:						
De Arroyave	729	–	–	–	–	729
Fantham Bequest	74	1	–	–	(37)	38
Davis	4	–	–	–	(2)	2
	807	1	–	–	(39)	769
Other funds:						
Scientific	2,167	66	(57)	–	(99)	2,077
Library support	99	–	(1)	–	–	98
HEFCE	–	2,142	(2,142)	–	–	–
Other	5,223	4,227	(3,801)	–	–	5,649
	7,489	6,435	(6,001)	–	(99)	7,824
Total funds	59,821	48,846	(46,311)	–	2,470	64,826

*Incorporating the unrestricted pension liability at 31 December 2015, being £2,300,000 (2014: £4,100,000).

15. Funds (continued)

Incoming resources of the Charity amounted to £48,854,000 (2014: £48,255,000) and its net movement in funds amounted to a £5,005,000 increase (2014: £1,970,000 decrease).

Fund transfers of £7,998,000 have been made from the general fund to designated funds.

Transfers to designated funds included £25,000 to the lions conservation fund, £5,823,000 to the tangible fixed asset fund (the tangible fixed asset fund was set up to separately identify the resources that have been used to acquire tangible fixed assets and its value at the year-end represents the net book value of tangible fixed assets), and £1,900,000 for committed expenditure for tangible fixed assets. A further £250,000 was transferred during the year to the ZSL Conservation, Science and Education Mission Fund.

(c) Analysis of group net assets between funds:

	<i>Tangible assets</i>		<i>Other net assets</i>	<i>Total</i>
	<i>£000</i>	<i>Investments £000</i>	<i>£000</i>	<i>£000</i>
Unrestricted funds	49,915	1,759	4,569	56,243
Restricted funds				
– Endowment funds	–	769	–	769
– Other funds	–	2,077	5,747	7,824
Total group net assets	49,915	4,605	10,316	64,836

16. Pension schemes

The Society has contributed to both defined benefit and defined contribution schemes during the year and defined benefit schemes are accounted for as if they were defined contribution schemes if required by FRS 102 Section 28 'Employee benefits'. Employees join the appropriate scheme, depending on their employment terms. The total cost to the Society for the year ended 31 December in respect of pension contributions, which have been allocated between resources expended categories in proportion to staff costs and charged to the Consolidated Statement of Financial Activities as appropriate, are as follows:

	<i>2015</i>	<i>2014</i>
	<i>£000</i>	<i>£000</i>
Defined benefit scheme contributions	1,250	1,400
Defined contribution schemes*	697	621
	1,947	2,021

At 31 December, there were outstanding employer's and employees' contributions, including any additional voluntary contributions, to the schemes as follows:

	<i>2015</i>	<i>2014</i>
	<i>£000</i>	<i>£000</i>
Defined benefit scheme contributions	91	119
Defined contribution schemes*	154	85
	245	204

*Includes amount in respect of the USS, which is a defined benefit scheme, but, as required by FRS 102 Section 28 'Employee benefits', is accounted for as if it were a defined contribution scheme.

Most employees who participate in a scheme do so in either the Zoological Society 1988 Pension Scheme (ZS 1988), which is the Society's own self-administered occupational pension scheme, or the Universities Superannuation Scheme, which is contracted out of the State Second Pension (S2P) or the Friends Life schemes. As the ZSL 1988 scheme was closed to employees joining after 30 June 2011, a Friends Life stakeholder-defined contribution scheme is available for those employees.

ZSL 1988 Pension Scheme

	<i>At year-end</i>	<i>At year-end</i>
	<i>31 December</i>	<i>31 December</i>
	<i>2015</i>	<i>2014</i>
	<i>£000</i>	<i>£000</i>
Change in present value of the defined benefit value of obligation		
Benefit obligation at beginning of year	45,100	34,700
Current service cost	1,700	1,500
Current interest cost	1,600	1,600
Actuarial gain/(loss)	(3,000)	8,200
Benefits paid	(1,200)	(900)
Premiums paid	(100)	–
Benefit obligation at end of year	44,100	45,100
Change in plan assets		
Fair value of plan assets at the beginning of the year	41,000	36,700
Interest income	1,500	1,700
Employer contribution	1,300	1,300
Benefits paid (including expenses)	(1,600)	(1,100)
Return on plan assets (excl. net interest on the net defined benefit liability)	(400)	2,400
Fair value of plan assets at end of year	41,800	41,000
Amounts recognised in the balance sheet		
Plans that are wholly unfunded and plans that are wholly or partly funded		
Present value of wholly or partly funded obligations	44,100	45,100
Fair value of plan assets	41,800	41,000
Deficit for funded plans	2,300	4,100
Net liability	2,300	4,100
Liabilities	2,300	4,100
Assets	–	–
Net liabilities	2,300	4,100
Components of pension cost		
Current service cost	1,700	1,500
Pension scheme expenses	300	200
Finance income	100	(100)
Return on plan assets (excl. net interest on the net defined benefit liability)	2,100	(1,600)
Actuarial gain	400	(2,400)
Total of pension cost recognised in the SOFA	(500)	6,100

Actual return on plan assets for 2015 is £1,100,000 (2014: £4,100,000).

16. Pension schemes (continued)

Principal actuarial assumptions

Weighted average assumptions used to determine benefit obligations at:

	31 December 2015	31 December 2014
	%	%
Discount rate	4.0	3.7
Future salary increase	4.1	4.0
Rate of price inflation (Retail Price Index)	3.0	3.0
Rate of price inflation (Consumer Price Index)	2.2	2.1
Future pension increases:		
Retail Price Index capped at 5%	3.1	3.0
Retail Price Index capped at 5% subject to a minimum of 3%	3.6	3.6

Plan assets

Fair value of plan assets

	31 December 2015	31 December 2014
	£000	£000
Cash and cash equivalents	500	1,000
Equity investments	28,300	27,200
Debt investments	11,900	12,300
Real estate	1,100	500
	<hr/>	<hr/>
	41,800	41,000
Actual return on plan assets	1,100	4,100

Assumed life expectancy on retirement age at 65

	31 December 2015		31 December 2014	
	Male	Female	Male	Female
Retiring today (member age 65)	23.3	25.3	23.4	25.9
Retiring in 25 years (member age 40 today)	25.1	27.2	25.2	27.8

Plan assets

Percentage of plan assets by asset allocation

	Plan assets at 31 December 2015	Plan assets at 31 December 2014
	%	%
Equity securities	67.69	66.45
Debt securities	28.60	29.92
Property	2.56	1.31
Other	1.15	2.32
	<hr/>	<hr/>
Total	100.00	100.00

Contributions

There were outstanding contributions payable to the plan of £92,000 (2014: £104,000) at 31 December 2015 and the Society expects to pay £1,300,000 into the scheme in 2016.

Universities Superannuation Scheme (USS)

The Society participates in USS, a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the USS scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited.

The latest available triennial actuarial valuation of the scheme was at 31 March 2011. This was the second valuation for USS under the scheme-specific funding regime introduced by the Pension Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. The actuary also carries out regular reviews of fund levels. In particular, he carries out a review of the funding level each year between triennial valuations and details of the estimate of the funding level at 31 March 2014 are also included in this note.

The triennial valuation was carried out using the projected unit method. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (ie the valuation rate of interest), the rates of increase in salary and pensions and the assumed rates of mortality. The financial assumptions were derived from market yields prevailing at the valuation date. An 'inflation risk premium' adjustment was also included by deducting 0.3% from the market-implied inflation on account of the historically high level of inflation implied by government bonds (particularly when compared to the Bank of England's target of 2% for CPI, which corresponds broadly to 2.75% for RPI p.a.).

To calculate the technical provisions, it was assumed that the valuation rate of interest would be 6.1% p.a., salary increases would be 4.4% p.a. (with short-term general pay growth at 3.65% p.a. and an additional allowance for increases in salaries due to age and promotion reflecting historic scheme experience, with a further cautionary reserve on top for past service liabilities), and pensions would increase by 3.4% p.a. for three years following the valuation then by 2.6% p.a. thereafter.

At the valuation date, the value of assets of the scheme was £32,433.5m and the value of the scheme's technical provisions was £35,343.7m, indicating a shortfall of £2,910.2m. The assets therefore were sufficient to cover 92% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The actuary also valued the scheme on a number of other bases at the valuation date. On the scheme's historic gilts basis, using a valuation rate of interest in respect of past service liabilities of 4.4% p.a. (the expected return on gilts) the funding level was approximately 68%. Under the Pension Protection Fund regulations introduced by the Pensions Act 2004 the scheme was 93% funded; on a buy-out basis (ie assuming the scheme had discontinued on the valuation date) the assets would have been approximately 57% of the amount necessary to secure all the USS benefits with an insurance company; and using the FRS 17 formula as if USS was a single-employer scheme, using AA bond discount rate of 5.5% p.a. based on spot yields, the actuary estimated that the funding level at 31 March 2011 was 82%.

As part of this valuation, the trustees have determined, after consultation with the employers, a recovery plan to pay off the shortfall by 31 March 2021. In 2011, the actuary estimated that if experience remained in line with the assumptions made, the shortfall at 31 March 2014 would be £2.2 billion, equivalent to a funding level of 95%.

However, changes in market conditions between March 2011 and March 2014 have had an impact on scheme funding. The next formal triennial actuarial valuation will take place as at 31 March 2014, and work is currently under way to update the actuarial assumptions and allow for any adjustments to the overall funding approach adopted by the trustee board in consultation with stakeholders.

As work on the 2014 valuation is not yet complete, the trustee cannot provide the final figure. However, an estimate has been provided using the assumptions used to deliver the 2011 actuarial valuation. On that basis, the actuary has estimated that the funding level under the scheme-specific funding regime will have fallen from 92% at 31 March 2011 to 85% at 31 March 2014. This estimate is based on the results from the valuation at 31 March 2011 allowing primarily for investment returns and changes to market conditions.

The funding level has decreased mainly due to a decrease in real gilt yields, reducing the implied net discount rate and therefore placing a higher value on the schemes' liabilities. This increase has been partially offset by a higher than expected investment return.

On the FRS 17 basis, using an AA bond discount rate of 4.5% per annum based on spot yields, the actuary estimates that the funding level at 31 March 2014 was 75%. An estimate of the funding level measured on a historic gilts basis at that date was approximately 61%.

Surpluses or deficits which arise at future valuations may impact on the institution's future contribution commitment. A deficit may require additional funding in the form of higher contribution requirements, where a surplus could, perhaps, be used to similarly reduce contribution requirements.

The technical provisions relate essentially to the past service liabilities and funding levels, but it is also necessary to assess the ongoing cost of newly accruing benefits. The cost of future accrual was calculated using the same assumptions as those used to calculate the technical provisions but the allowance for promotional salary increases was not as high. Analysis has shown very variable levels of growth over and above general

pay increases in recent years, and the salary growth assumption built into the cost of future accrual is based on more stable, historic, salary experience. However, when calculating the past service liabilities of the scheme, a cautionary reserve was included, in addition, on account of the variability mentioned above.

As at the 2011 valuation, the scheme was still a fully Final Salary Scheme for future accruals and the prevailing employer contribution rate was 16% of Salaries.

Following UK government legislation, from 2011 statutory pension increases or revaluations are based on the Consumer Prices Index measure of price inflation. Historically, these increases had been based on the Retail Prices Index measure of price inflation.

Since the valuation effective date of 31 March 2011 there have been a number of changes to the benefits provided by the scheme, although these became effective from October 2011. These include:

New entrants

Other than in specific, limited circumstances, new entrants are now provided benefits on a Career Revalued Benefits (CRB) basis rather than a Final Salary (FS) basis.

Normal pension age

The normal pension age was increased for future service and new entrants, to age 65.

Flexible retirement

Flexible retirement options were introduced.

Member contributions increased

Contributions were uplifted to 7.5% p.a. and 6.5% p.a. for FS Section members and CRB Section members respectively.

Cost sharing

If the total contribution level exceeds 23.5% of Salaries per annum, the employers will pay 65% of the excess over 23.5% and members would pay the remaining 35% to the fund as additional contributions.

Pension increase cap

For service derived after 30 September 2011, USS will match increases in official pensions for the first 5%. If official pensions increase by more than 5% then USS will pay half of the difference up to a maximum increase of 10%.

USS is a 'last man standing' scheme so that in the event of the insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme.

At 31 March 2015, USS had 147,137 (2014: 154,119) active members and the Society had, at 31 December 2015, 40 (2014: 38) active members participating in the scheme. The total USS pension cost to the Society for the year ended 31 December 2015 was £278,000 (2014: £247,000) and there was £39,000 (2014: £33,000) outstanding in employer's and employees' contributions at 31 December 2015. The contribution rate payable by ZSL was 16% of pensionable salaries.

USS scheme rules are changing from 1 April 2016. Members will see an increase to their contribution rate to 8%, and members will build up benefits in a new career-revalued benefits section with an accrual rate of 1/75 of salary, among other changes. Employers will see an increase to 18%.

17. Leasing commitments

	2015 £000	2014 £000
Leases expiring:		
Within one year	–	40
Within two to five years	465	444
	465	484

The lease commitments relate to the annual amounts payable over the following 12 months on non-cancellable operating leases in respect of plant and equipment and motor vehicles.

18. Capital commitments

Capital expenditure of £7.4m (2014: £11.1m) had been authorised but not provided at 31 December 2015, of which £4.3m (2014: £4.5m) had been contracted and £3.1m (2014: £6.6m) had not been contracted.

19. Notes to the Consolidated Cash Flow Statement

(a) Reconciliation of net incoming resources before other recognised gains to net cash inflow from operating activities

	2015 £000	2014 £000
Net incoming resources before other recognised gains	2,405	3,830
Current service cost/(surplus)	–	100
Pension finance (cost)/income	800	200
Loss/(gain) on investment	130	(161)
Interest and investment income	(375)	(266)
Bank loan interest	–	39
Depreciation of fixed assets	3,691	3,712
Loss /(Profit)/on disposal of tangible fixed assets	–	(118)
Decrease /(Increase) in stocks	254	(121)
(Increase)/Decrease in debtors	(90)	41
(Decrease)/Increase in creditors	(387)	2,295
Net cash inflow from operating activities	6,428	9,551

(b) Analysis of consolidated net cash resources

	1 January 2015 £000	Cash flow £000	31 December 2015 £000
Cash at bank and in hand	13,273	1,616	14,889
Cash on short-term deposit	6,779	(5,757)	1,022
Bank loan	(1,430)	1,430	–
	18,622	(2,711)	15,911

20. Contingent liabilities

The Charity is jointly and severally liable for all Value Added Tax (VAT) debts of the VAT group registration of which it is a part, relating to the period that it has been a member of the VAT group. The total VAT debtor for the VAT group at 31 December 2015 was £414.

21. Related parties

There were no material-related party transactions in the year (2014: none), except for the subsidiary companies. Per SORP and FRS 102 the related party disclosure for the subsidiaries (refer to note 10 regarding their purposes) are:

	2015			2014		
	Intercompany debtor/ (creditor) as at 31st December 2015	Gift Aid distribution to ZSL during the year	Support costs charged to subsidiary during the year	Intercompany debtor/ (creditor) as at 31st December 2014	Gift Aid distribution to ZSL during the year	Support costs charged to subsidiary during the year
Zoo Enterprises Limited Whipsnade Wild	£3,934,745	£2,472,000	£537,000	£3,421,543	£2,322,000	£635,000
Animal Park Limited	(£356,567)	£116,000	£544,000	(£375,587)	£317,000	£490,000
Zoo Operations Limited	(£1,314,478)	–	–	(£1,202,959)	–	–

22. Consolidated Statement of Financial Activities

For the year ended 31 December 2014

	Unrestricted £000	Endowment £000	Restricted Other £000	Total £000
Income				
Donation and legacies	1,909	–	1,761	3,670
Income from charitable activities	35,499	–	6,268	41,767
Income from trading activities	9,199	–	–	9,199
Investment income	465	1	–	466
Total income	47,072	1	8,029	55,102
Expenditure				
Costs of generating voluntary income and other costs	972	–	–	972
Expenditure on charitable activities:	6,586	–	–	6,586
	36,362	–	7,513	43,875
Total resources expended	43,920		7,513	51,433
Transfers between funds	(117)	–	117	–
Gain/(loss) on investments	69	1	91	161
Net incoming resources before other recognised gains/(losses)	3,104	2	724	3,830
Other recognised gains/(losses):				
Actuarial (loss)/gain on pension scheme	(5,800)	–	–	(5,800)
Net movement in funds	(2,696)	2	724	(1,970)
Reconciliation of funds:				
Total funds balance brought forward	54,231	805	6,765	61,801
Total funds balance carried forward	51,535	807	7,489	59,831

23. Heritage Assets

ZSL Library holds a significant range of important heritage items including historic publications, illustrated books, art works, sculptures and archives of ZSL's own records. Heritage items are acquired through donations and legacies. Annual funds are specifically allocated to the preservation of these items, and copies are made of priority items through a system of digitisation. Most heritage items are stored in secure areas on ZSL premises with controlled access. These items are recorded in an online catalogue. Viewing of heritage items is strictly controlled and invigilated at all times. The Trustees of ZSL consider from time to time the maintenance or disposal of heritage assets.

24. Charity Statement of Financial Activities

For the year ended 31 December 2015

A summary SOFA for the Charity itself is presented below, with the turnover and resources expended for Whipsnade Wild Animal Park Limited, Zoo Operations Limited and Zoo Enterprises Limited in the consolidated SOFA replaced in the Charity's SOFA by the amount of gift aid payable to the Charity by these companies.

Income		<i>Unrestricted</i>	<i>Endowment</i>	<i>Restricted</i>	<i>2015</i>	<i>2014</i>
<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>other</i>	<i>Total</i>	<i>Total</i>
				<i>£000</i>	<i>£000</i>	<i>£000</i>
Donation and legacies		1,852	–	1,728	3,580	3,670
Income from charitable activities		37,667	–	4,671	42,338	41,787
Gift Aid from profits from trading subsidiaries		2,588			2,588	2,322
Investment income		303	1	36	340	466
Total income		42,410	1	6,435	48,846	48,245
Expenditure						
Expenditure on raising funds:						
Costs of generating voluntary income		1,116			1,116	957
Expenditure on charitable activities:						
Animal collections		33,180		12	33,192	29,440
VAT reclaim on animal-related costs		(1,588)			(1,588)	–
Science and research		4,129	–	2,114	6,243	5,891
Conservation programmes		3,473		3,875	7,348	5,898
Total resources expended	6a	40,310	–	6,001	46,311	42,186
(Loss)/gain on investments	10	8	(39)	(99)	(130)	161
Net incoming resources before other recognised gains/(losses)		2,108	(38)	335	2,405	6,220
Other recognised gains/(losses):						
Actuarial gain/(loss) on pension scheme	16	2,600		–	2,600	(8,200)
Net movement in funds		4,708	(38)	335	5,005	(1,980)
Reconciliation of funds:						
Total funds balance brought forward	15	51,525	807	7,489	59,821	61,801
Total funds balance carried forward	15	56,233	769	7,824	64,826	59,821



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