

Ocean Conservation Trust Limited

(Formerly National Marine Aquarium Limited)

Report and Financial Statements

31 January 2020

Registered Charity No. 1032491

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Ocean Conservation Trust Limited

Registered No: 2674910

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Reference and administrative details

The Trustees present their annual report (including the strategic report for the purposes of Companies Act 2006) and the audited financial statements of the group for the year ended 31 January 2020. The financial statements have been prepared in accordance with Accounting and reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Strategic Report - The sections on risk management and financial review contained within this Trustees' report constitute the strategic report for the purposes of Companies Act 2006.

Name Change – On 28 May 2019 National Marine Aquarium Limited changed its name to Ocean Conservation Trust Limited. This change was implemented as it was felt the new branding better conveyed the mission of the Charity.

Mission, Objectives and Activities

Mission and Objectives

The Aims and Objectives of the Charity as set out in its governing document (the Articles of Association) are to 'advance the education of the public in, and promote the conservation of, living marine and freshwater aquatic organisms by the provision of an aquarium and museum and other programmes of education and research and to disseminate the useful results of such research for the benefit of the public'.

Objectives and Activities for the Public Benefit

In drafting this report, the Trustees have had regard to the Charity Commissions guidance on public benefit. In addition to operating a successful visitor attraction, the Ocean Conservation Trust (OCT) needs to be able to demonstrate that, as a registered Charity, it is operating to benefit the public in accordance with its charitable aims and objectives.

This is achieved by delivering a wide range of activities under various banners that serve to deliver the charitable objects.

The Charity engages with the public when they visit and reaches out to a wider audience using the press, the website and through social media channels. The Charity is building a larger "share of the voice" of the media in the UK and Europe and is increasing its authoritative media voice.

Conservation Education

Conservation education activities run by the Discovery and Learning team are divided into three broad categories – Schools Programme, Public Engagement Programme and Community Programme. This team is also responsible for interpretation content.

Formal Education – Schools Programme

The number of school children that visited in the year was 26,485 (2019: 25,139). There was a greater focus, increased marketing and improved educational content on the website. The evaluation process demonstrates that the quality of education sessions delivered has remained extremely high, with satisfaction levels consistently in the high 90% range.

We continued to receive donations which have allowed OCT to operate the schools programme into Newcastle and Wales through our Outreach Hubs. The Hubs take the workshops and shows that are delivered at the Aquarium facility in Plymouth out to school children in other areas of the country. This ensures that more children than ever can learn about the oceans and the conservation of living marine and freshwater aquatic organisms that live within the aquatic environment. The film is then used as a catalyst for delivering the educational message within the rest of the lesson. During the year we discontinued our Outreach Hub in Newcastle but our Cardiff Outreach worked with a local schools and developed a program incorporating ocean literacy into the curriculum.

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Informal Education – Public Engagement Programme

The Public Engagement team deliver a comprehensive range of talks, demonstrations and interactions with the NMA's visitors, which are designed to be entertaining, engaging and deliver key learning objectives. Through this interactive programme, visitors understand the main themes of the aquarium and also understand the key messages of current campaigns, projects and the underlying purposes of the Charity.

In addition to the standard programme the team ran additional activities which aim to connect people with our Ocean. These included the very successful engagement with marine life and environment and include VIP Back of House Tours, Birthday Parties, Toddler Tuesdays and the NMA Lates series which are marine educational talks specifically designed for an adult audience. The public engagement team also delivered 4 sessions of Ocean Squad, a club designed to get teenagers, aged 11-15, interacting with the marine environment through science experiments, cooking sustainable seafood, snorkel safaris, boat trips and other ocean related activities. Outside the building, the team also ran public boat trips, rockpooling and beach cleans.

The team also ran exciting events throughout the year, the stand out one being World Ocean's Day where we opened our garden up to the public, hosted guest organisations and a live band to celebrate the Ocean. This event was organised by one of our public engagement hosts, who was selected to attend an invitation-only policy event at the European Parliament as a Youth Ambassador. This allowed the Ocean Conservation Trust to participate in debates aimed at improving ocean governance by addressing challenges such as ocean literacy, engagement, co-creation and shared responsibility.

Community Programme

This year, The NMA has been working in the community as the lead business in the Plastic Free Plymouth Initiative as well as delivering a wide range of community events and activities. Many of these events and activities link with the NMA's Plymouth Sound Initiative which is designed to help support local people to access the NMA and the Ocean on Plymouth's shores. The team has run our Virtual Reality Ocean for All programme throughout the year to allow people who can't experience the Ocean for themselves to be able to (virtually) dive in headfirst.

The NMA is well represented in external learning communities with Nicola Bridge (NMA's Head of Conservation Education and Communication, selected to chair BIAZA's (the British and Irish Association of Zoos and Aquaria) Conservation Education Committee for 2018 to 2021, as well as being selected as President of the European Marine Science Educators Association.

Interpretation

This year, the NMA subtly revamped a wide variety of its interpretation around the exhibits and the external areas of the building. This included the Ocean Drifters corridor, sign language videos, introducing the OCT #ThinkOcean campaign and updating Species ID.

Evaluation

The NMA's evaluation process demonstrates that the quality of education sessions delivered has remained extremely high, with satisfaction levels consistently in the high 90% range. The NMA places a high value on quality rather than quantity, particularly in relation to 25,000 young learners that have benefited from the tutored program this year.

The NMA's evaluation protocol has also been featured in a Springer book publication on *Exemplary Practices in Marine Science Education*.

Report of the Board of Trustees

Conservation Research

The NMA carries out research and conservation projects which aim to complement its charitable objectives. These projects utilise the unique skillsets and facility at the National Marine Aquarium to fulfil joint objectives with key partners. Projects involve working with other marine science organisations within Plymouth seeking to develop through collaboration better understanding of the issues our changing Ocean environments face.

An example of one of these projects to the LIFE funded ReMEDIES project. Reducing and Mitigating Erosion and Disturbance Impacts affecting the Seabed. A National conservation project that aims to reverse the decline of 5 Special Area of Conservation. Working with external partners, each partner provides a unique skill set that complement each other to deliver a ground breaking project. OCT is developing its understand of large scale habitat restoration by restoring 8 hectares of seagrass to favourable condition over 3 years.

Our daily lives have an influence on the Ocean environment and for meaningful change and pro-ocean behaviour to be adopted by the community, OCT communicates the impact our daily activities have on the fragility of the natural world. Behaviour change is a major focus of the OCT research efforts. Behaviour change is fundamental to conservation success, building barriers of exclusion and labelling features of protection is proven not to work in the long term. The community must feel a sense of connection to the Ocean environment to care for what they feel connected to. Communicating to visitors of the NMA they have a deep connection to the Ocean is a key message of the discovery and learning team.

Conservation

The NMA is actively involved and committed to marine conservation and carries out both in-situ and ex-situ projects.

Conservation projects are carried out in the aquarium involving enhanced husbandry techniques, behavioural studies, dietary studies and reproductive studies. These all contribute to reducing the impact on wild populations of animals and help make the conservation work of public aquariums more sustainable.

The OCT focus on seagrass has continued through the ReMEDIES project with OCT focusing on cultivation of seagrass plants. Another major focus is supporting a sustainable fishery of scallops. Scallop dredging is one of the most destructive fishing practices. The Devon Scallop Initiative exists to research the reproductive strategy of Pecten Maximus and to produce settles scallop spat with an aim of seeding areas for a diver collected scallop fishery. This project is being performed in collaboration with Plymouth Marine Laboratories.

Ocean Conservation Trust Grant Programme

The OCT also supports a number of field projects. During this financial year they included:

International – Galapagos Trust ‘Science Drones & Outreach’ – Year 2 of 3 **£3,333**

This project is using innovative drone technology to collect visual data on little known shark nurseries in the protected Galapagos Marine Reserve to ensure adequate rezoning and protections can be put in place. The footage collected has helped to inform shark breeding patterns and has also allowed the Galapagos Conservation Trust to engage local communities, educating them about the importance of protecting these areas to support a range of species.

International – Seafront Environmental – Year 2 of 3 **£2,000**

A community engagement project taking place on Ghana’s Cape Coast, this initiative is centred around the Fosu lagoon, which is an important system for the economy and culture of the people of Cape Coast. Urban expansion coupled with poor sanitation and environmental management, plus poor city planning, have led to the Fosu Lagoon being on the receiving end of some of the City’s waste. The project is using underwater VR footage to engage and educate communities with the importance of protecting the lagoon and ultimately aims to encourage positive behaviour change.

Report of the Board of Trustees

International – Marine Megafauna – Year 2 of 3

£3,333

This project is centred around engaging local communities with the beauty of Mozambique's marine ecosystems through innovative VR film, making them accessible to stakeholders, communities and educators in the local area as well as worldwide. In biodiverse locations, such as the Bazaruto Archipelago, the team are capturing reefs, sharks, rays and whales with a 360-degree camera and have been working hard to create authentic storylines that resonate with a range of different ages.

UK – Far Flung Dance Project - Tidal Surge

£2,175

People can form connections with the Ocean in different ways, and this community project is centred around engaging local people living with disabilities through the medium of dance. Run by the Far Flung Dance company, the 'Tidal Surge' project comprised of a monthly workshop held at the National Marine Aquarium, centred around Ocean themes, and encouraged them to create performances that told a range of different stories about the Ocean.

The monitoring of Research and Conservation output is carried out by the Ethics committee and management reports through this group to the Trustees.

Animal Husbandry

The NMA prides itself on exceptional standards of animal husbandry and animal welfare and is recognised within the public aquarium sector as being a centre of excellence for its standards, knowledge and care. Within the husbandry department at the National Marine Aquarium there is approximately 80 years of public aquarium experience, which includes time spent at approximately 10 other institutions.

The aquarium itself has a collaborative approach to animal husbandry and works closely with other aquariums, not just in the UK but also throughout Europe and further afield. As a result we are partners in European breeding programmes for seven separate species of sharks and rays which includes the ocellated eagle ray for which we are still the only aquarium in the UK to not only display this species but to also have a successful breeding programme. Other species such as cownose rays and bluespotted ribbon tail rays have also been bred at the NMA in the last 12 months. The NMA has also gained a reputation for being able to facilitate movements of large animals, most recently by re-homing two large sandbar sharks from Brighton Sealife Centre. This is in addition to shipping lemon sharks from the Netherlands and sand tiger sharks from South Africa in recent years.

As well as overseeing the displays at the NMA, the aquarium manages the largest private aquarium in the UK at Salesforce Tower, London. This 80,000 litre exhibit was recently refurbished by the NMA resulting in a new, more vibrant centrepiece in the foyer of one of the tallest buildings in the City of London.

Advocacy

The NMA maintains its annual membership and active participation in BIAZA (British and Irish Association of Zoos and Aquariums). The NMA proactively engages with the media, aiming to be a respected and authoritative "go-to" source of information on the marine environment for the national press. This approach is supported by the Trustees who continue to encourage the NMA to 'take a stand' on issues adversely impacting the marine environment and marine life and encouraging and supporting beneficial behaviours and initiatives to further the NMA's charitable objectives. The NMA is willing to speak out on controversial issues aligned with its core charitable aims and objectives.

Partnerships

OCT continues to work with a wide range of organisations and participates in initiatives which enhance its ability to deliver on its key aims and objectives. Wherever possible OCT works with these partners to identify possible funding streams which could be of mutual benefit. Increasingly these partners are becoming more international as the reputation and reach of the organisation grows.

OCT is also active within the business community in Plymouth and the wider region promoting tourism and leisure as a key element of the future economic sustainability of the city and the region in order to drive visitor numbers to the Aquarium to further its charitable aims.

Report of the Board of Trustees

Support from the corporate, public and private sectors

The Trustees wish to record their thanks to all organisations and individuals who generously provide support to the OCT during the previous 12 months including the Pridden Trust and Plymouth City Council.

Volunteers

The Trustees are immensely grateful for the assistance and help provided by its volunteers who are involved in the husbandry and education departments and those who act as aquarium hosts. It is estimated that over 13,000 volunteer hours were provided during the period. If this is conservatively valued at the National Living Wage of £8.21 an hour the volunteer effort amounts to £106,730 (2019 - £101,800).

Achievements and Performance

The main driver for the NMA remains its charitable objectives and it strives to improve these outputs year on year. The strategic direction of the organisation is determined by the Trustees. The current strategy runs until 31 January 2023.

The Charity continues to make steady progress with its discovery and learning initiatives. Visitor numbers increased from 240,000 to 280,000 during the year due to wetter weather and the re-opening of the footbridge to the main town. The Charity continues its reliance on sufficient wet weather days during the crucial summer months, which is an integral factor impacting on visitor numbers, for example the particularly good weather in 2018 contributed to a decrease in numbers.

This year we were expecting further footfall increases as the celebrations for the 400th Anniversary of the Mayflower. However, with the impact of Covid 19, the Aquarium had to close on Friday 20 March and we do not yet have an indication from the Government of when we may be able to re-open. The main income for the charity comes from admission tickets and then retail and catering income so the charity will effectively have no income during this time of closure. However, although we have closed to the public, we still need to maintain the health of our animals so still bear significant overhead costs. In line with the Government's guidance during this period, we have furloughed staff whilst retaining the husbandry and engineering team to ensure the animals remain healthy during this time. All staff have supported our policy. We have reviewed our budget and made cuts where possible to reduce the overheads to essential items and as we had no planned capital expenditure for this year, we have been able to make material savings. We have procured a loan under the CBIL scheme which together with the likelihood of further funding should the closure persist beyond June. Our projections show that with this additional funding, we will remain a going concern with reasonable assumptions to when we may re-open. We are working on a re-opening schedule to allow us to build to normal activities as allowed by Government Guidance. We are grateful for the support of the Government and Bank during this period.

During the year we managed to update our visitor experience with diver in tank communication and engagement, improved tank display lighting, a new jellyfish exhibit and the refurbishment of the waterfront garden to include an outside coffee shack and bar.

Employee Involvement

The Trustees are extremely appreciative of the skills, knowledge, dedication and hard work and commitment of its employees and volunteers and aims to be a fair, responsible and engaging employer.

The Charity has a structure in place to ensure all staff receive clear communication about the work of the Charity's strategic initiatives through regular staff meetings, staff notices and internal communication. Ideas are welcomed and encouraged to present suggestions and views on the Charity's performance.

The Trustees have implemented a number of detailed policies in relation to personnel matters including:

- Equal opportunities policy
- Volunteer's policy
- Health and Safety policy
- Child Protection policy

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In accordance with the Charity's equal opportunities policy, the Charity has long established fair employment practices. All staff, volunteers and applicants for jobs receive equal treatment when being considered for employment. In particular, no applicant will receive less favourable treatment on the grounds of age, race, colour, nationality, ethnic or national origin, disability, religion, political belief, gender reassignment, marital or civil partner status, pregnancy or maternity, sex or sexual orientation.

Individuals are selected, promoted and treated on the basis of their relevant aptitude, skills and abilities.

Structure

The Charity is a company limited by guarantee and was incorporated on 31 December 1991. It is governed by its Articles of Association which were last amended on 17 October 2011.

The Charity has a number of wholly owned subsidiaries, namely: -

NMA Operations Limited – a company limited by shares that manages the trading operations incorporating the ticket, retail and café sales and associated trading costs.

National Aquarium Limited – a charitable company limited by shares that receives income under gift aid and also makes grants.

Scylla Reef Limited – a company limited by shares set up to hold legal title to an artificial reef (dormant company).

Financial Review

The majority of the group's income is derived from gift aided donations, amounting to £1,956,081 (an increase compared to the financial year ending January 2019: £1,860,326). In addition, income derived from secondary spend comprising sales of aquarium tickets and sales from the aquarium café and gift shop, increased to £1,599,382 (FYE 2019: £1,427,278). This income continues to be heavily dependent on visitor numbers, which is in turn reliant on the weather. The Charity is continuously looking to develop income streams that are not as dependent on visitor numbers or weather conditions.

Pricing is reviewed annually to ensure ticket, café and gift shop prices are competitive whilst ensuring an appropriate level of profit margin to sustain the charity and enable delivery of its charitable objectives. Corporate and private events income decreased slightly to £232,924 (for the FYE January 2019 it was £282,220). This is an area of the business that will continue to develop and investment has been made to allow further marketing and promotion of the range of events that may be hosted at the aquarium, including the development of the garden facilities used to host the judging of Plymouth's Firework competition.

In addition to the above, consultancy, third party aquarium management, grants and projects provided an income amounting to £402,796 (2019: £534,263). Included within this total is income from external buildings that no longer form part of the overall exhibition, which provide an annual rental income of £45,000. The related 25-year tenancy lease expires in April 2038.

Ocean Conservation Trust Limited – Consolidated position

An increase in other activities and donations has increased total income to £4,122,445 (2019: £4,104,157). Total expenditure amounted to £4,433,678 (2019: £4,745,559) which includes an accounting depreciation charge of £622,193 (2019: £639,466). The Trustees view this as a positive result as the Charity continues to be self-supporting, whilst allowing investment in the exhibition whilst still maintaining its cash reserves. Following a restructure last year, salary costs are lower than in previous years whilst maintaining the previous levels of service. All costs continue to be tightly controlled. Unrestricted funds net incoming resources for the year provided a surplus of £151,116 (2019: deficit £205,191) which was generated from unrestricted income of £4,058,243 (2019: £4,079,634). The cash at bank and in hand has increased to £646,244 (2019: £354,882). The Trustees continue to hold cash reserves allowing the Charity to make future investment in the building.

NMA Operations Limited

The Charity's wholly owned trading subsidiary, NMA Operations Limited, carries out the non-charitable trading activities for the Charity. These activities comprise the operation of the aquarium, gift shop, café,

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corporate / private events venue and consultancy advice. During the year, the Company made an operating profit on ordinary activities before interest and payment of gift aid of £590,389 (2019: loss £23,683).

Gift Aid of £nil has been recognised in the following year's accounts (2019: £23,532). The balance of distributable profits will be gifted to the parent charity within 9 months of the year end.

The Company made a profit on ordinary activities after taxation and payment of gift aid in the year of £593,708 (2019: loss £51,832).

During the year the company welcomed 281,547 (2019: 240,805) visitors to the aquarium. Income from visitors under the gift aid scheme is shown in the accounts of National Aquarium Limited, a wholly owned subsidiary of Ocean Conservation Trust Limited.

National Aquarium Limited

During the year the Charity made an operating surplus on ordinary activities before gift aid payment to National Marine Aquarium Ltd of £403,570 (2019: £342,165), up by £61,405. National Aquarium Limited generated donations during the year, through the operation of the gift aid scheme amounting to £1,909,973 (2019: £1,672,274), up by £237,699. After management charges were applied, the net incoming resources for the period were £170 (2019: £5,165 incoming) leaving total funds carried forward at 31 January 2020 of £327,968 (2019: £327,798). Gift aid of £403,400 (2019: £337,000) has been recognised as a distribution in the current year's accounts. The balance of distributable profits will be gifted to the parent charity within 9 months of the year end.

Scylla Reef Limited

The Company owns the former HMS Scylla, which was placed on the seabed, off the Plymouth coast, as a long-term project to create an artificial reef in March 2004. The Company has remained dormant during the year.

There have been no significant changes in the status of Scylla Reef during the financial year to 31 January 2020 with the original structure gradually deteriorating as the reef develops. The company maintains a website providing general information on Scylla Reef for members of the public who dive on the wreck. www.divescylla.com. The Trustees determined that the holding of this asset is non-core to the Charity's current strategic aims so the Charity is in a process with a view to transferring ownership of the company and the artificial reef.

Reserves Policy

The Trustees have considered the reserves of the Charity. This review encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves.

Unrestricted funds at 31 January 2020 amounted to £2,847,066 (2019: £2,695,950) of which £2,501,062 (2019: £2,568,533), up by £67,471 was invested in tangible fixed assets resulting in "free" reserves of £346,004 (2019: £127,417), up by £218,587. The Trustees consider that they should aim for a situation where the Charity not only has positive free reserves but they are at a level that would cover a temporary fall in income and future planned investment in the building.

Restricted funds at 31 January 2020 amounted to £6,566,795 (2018: £7,029,144), for reserves which are not available for the general purposes of the charity.

Changes in fixed assets

Additions to fixed assets are shown in note 11 to the financial statements.

Plans for future periods

During the year, the Trustees changed the name of the over-arching Charity, known previously at the National Marine Aquarium, to the Ocean Conservation Trust. This has provided a new platform for the Charity, thereby differentiating between the work of the Charity and the operation of the attraction, the National Marine Aquarium. In the light of this, the Trustees are in the process of revising the previously

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approved 5-year strategy to 31 January 2023. Going forward, the work of the Ocean Conservation Trust will be focussed on ocean related behaviour change and habitat restoration, in particular its work on seagrass restoration. At the same time, plans are being prepared to enhance the visitor experience at the National Marine Aquarium and take advantage of the declaration of Plymouth Sound as the UK's first national marine park. The Charity's conservation, research and educational programmes will continue to be reflected in the re-development the aquarium.

The overall aim is to increase visitor numbers to in excess of 350,000 by 2023.

Governance and Management

The Charity is governed by a Board of Trustees. The Trustees determine the strategy, the policies, the business plan and the annual budget, which the management team then implements.

The management team meets weekly and follows specific delegated authority. The Board of Trustees meet on a quarterly basis to review progress against the strategy, the business plan and approved budget. Advice and guidance is sought directly from this Board on matters outside the delegated authority.

Trustees

The Trustees who served during the year were as follows: -

M Lomas (Chairman)

M Attrill

K Lewins

J Roberts (Appointed 22 August 2019)

I McFadzen (Appointed 21 March 2019)

The Trustees received no remuneration during the year in their capacity as trustees (2019: £nil).

Recruitment and appointment of Trustees

A panel comprising existing Trustees selects members of the Trustee Board. Applications for Trusteeship are welcomed by the Board from those who have appropriate skills, qualities and experience to help the Charity achieve its objects and are primarily sought by personal recommendation. Applications are considered, assessed and if appropriate approved by the Trustee Board in accordance with the Articles. Trustees serve for a three-year period and may be re-elected for a further two terms.

Trustee Training and induction

The Trustees undergo induction to brief them of their legal obligations under company and Charity law, the content of the Articles of Association, the governance, structure and decision-making processes, approval of the annual operating plans and budgets and review of strategy and performance and are selected to maintain a balance of skills which are relevant to the Charity. In broad terms, the balance is comprised of individuals from the public sector, scientific community, education, finance, legal and business groups.

Pay policy for senior staff

The pay of senior staff is reviewed annually and normally increased in accordance with average earnings, which applies to all other staff of the charity if the budget allows. Additional increases may be made where a senior staff member has taken on additional responsibilities and benchmarks are taken into account as appropriate. During the reported year the structure changed organically following redundancies the prior year. The new staff structure will take the OCT forward with better focus on the vision for the charity.

Governance and internal control

The Trustees meet at least four times a year; this includes a meeting to review strategy and performance. The trading subsidiary is monitored by the NMA Operations Board. Individuals on the NMA Operations Board, which meets quarterly, comprise Trustees/Directors and other individuals with relevant experience. In accordance with the terms of the Zoo Licensing Act, there is also an Ethics Committee which meets at least once per year and operates under specific terms of reference. The committee is composed of key animal

Report of the Board of Trustees

husbandry staff, senior managers and independent external experts. The Ethics Committee reports to the Board of Trustees.

Risk Management

The Trustee Board has conducted a review of the major risks to which the Charity is exposed and the Risk Register was updated as part of this process (the Risk Register is updated at least annually). Where necessary, systems and procedures have been prepared to reduce the risks the Charity may face. Internal control risks are minimised by the requirement for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health & safety of staff, volunteers and visitors to the aquarium. Compliance with the requirements of the Zoo Licence allows the Charity to continue to operate an animal-based visitor attraction. The Zoo Licence Inspection regime, informed by the Secretary of States Standards of Modern Zoo Practice (SSSMZP), provides for a baseline set of standards in animal welfare, education, conservation and research. Procedures and working protocols have been established to, at the very least, ensure compliance with the SSSMZP and appropriate recording systems are in place to demonstrate compliance. Periodic visits by an appointed Vet, regular consultation with the Local Authority and annual informal inspections provide a level of assurance that the standards are being upheld and that records are maintained. The OCT prides itself on achieving standards of animal welfare far in excess of the minimum requirements of the Zoo Licensing Act.

Covid 19 and Going Concern across the Ocean Conservation Trust group

For the year ending 31 January 2021, we were expecting an increase in footfall, given the celebrations for the 400th Anniversary of the Mayflower. However, with the impact of Covid 19, the Aquarium had to close on Friday 20 March and we do not yet have formal notification from the Government of when we may be able to re-open, although this is likely to be in July. The main income for the charity comes from admission tickets and then retail and catering income so the charity will effectively have no income during this time of closure. However, although we have closed to the public, we still need to maintain the health of our animals so still bear significant overhead costs. In line with the Government's guidance during this period, we have furloughed staff whilst retaining the husbandry and engineering team to ensure the animals remain healthy during this time. All staff have supported our policy. We have reviewed our budget and made cuts where possible to reduce the overheads to essential items and as we had no planned capital expenditure for this year, we have been able to make material savings. We have procured a loan under the CBIL scheme which together with the likelihood of further funding should ensure continuing operations, should the closure persist beyond June. Our projections show that with this additional funding, we will remain a going concern with reasonable assumptions to when we may re-open. We are working on a re-opening schedule to allow us to build to normal activities as allowed by Government Guidance. We are grateful for the support of the Government and Bank during this period.

In building our forecasts we have made assumptions to reflect a pessimistic scenario for which we would have sufficient funding to continue. We cut our overhead budget by £100k for the year meaning a monthly overhead cost of £300k which would then be offset by furloughing during closure, reducing this cost to £248k per month to be funded. We have also modelled on the basis that we could re-open in July at 25% footfall rising to full footfall by October and the funding would also cover this scenario. We have secured a CBIL loan of £650k to cover us to September, when, should closure remain in place or footfall levels be less than anticipated, we expect a further £250k will be made available which will allow us to remain solvent until re-opening in October at normal off season footfall. We have also been in touch with other financiers, who have expressed an interest in helping the charity if further funding was required after the procured funds were exhausted. We are working with DEFRA who are looking to help fund the Zoos and Aquaria sector during this period and we anticipate receiving funds from this initiative, although details and amounts have not yet been discussed. We do recognise that should closure be deferred further or footfall impaired beyond these dates that further costs saving measures could be put in place to allow the gradual build up to full operations again. We feel that we are approaching this current situation with a realistic viewpoint and have the ability to be reactive quickly to updates to allow us to ensure the future of the charity. We will be continuing to monitor this everchanging situation regularly, so that appropriate action can be taken to continue delivering the charitable purpose.

Report of the Board of Trustees

Related Parties

Transactions with related parties are disclosed in note 25.

Health and Safety

The OCT operates a detailed Health and Safety policy.

Reference and administrative details

Status

Ocean Conservation Trust Limited is a registered Charity (Charity number 1032491), and company (company number 2674910) limited by guarantee ("the Charity").

On 28 May 2019 it changed its name from National Marine Aquarium Limited.

Trustees and Directors

M Lomas

M Attrill

K Lewins

I McFadzen (Appointed 21.03.19)

J Roberts (Appointed 22.08.19)

Auditors

PKF Francis Clark

North Quay House

Sutton Harbour

Plymouth

PL4 0RA

Bankers

Lloyds Bank Plc

PO Box 128

8 Royal Parade

Plymouth

PL1 1LX

Registered Office

Rope Walk

Coxside

Plymouth

PL4 0LF

Website

www.oceanconservationtrust.org

www.national-aquarium.co.uk

Statement of Trustees Responsibilities

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the group and of the result of the group for that year.

In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Completeness of information to auditors

So far as each Trustee listed on page 11 above is aware: -

- There is no relevant audit information of which the company's auditors are unaware; and
- They have taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The report of the Board of Trustees (including the strategic report) were approved by the Board and signed on its behalf by:



Mr M Lomas
Chair

Independent auditors' report

to the members of Ocean Conservation Trust Limited (continued)

Opinion

We have audited the financial statements of Ocean Conservation Trust Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 January 2020, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 January 2020 and of the group's results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

Independent auditors' report

to the members of Ocean Conservation Trust Limited (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Board of Trustees' for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Board of Trustees' has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Board of Trustees.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page 12, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Independent auditors' report

to the members of Ocean Conservation Trust Limited (continued)

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

Use of our report

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



Duncan Leslie (Senior Statutory Auditor)

PKF Francis Clark, Statutory Auditor

North Quay House, Sutton Harbour, Plymouth, Devon, PL4 0RA

Date: 17.7.20

Consolidated statement of financial activities

for the year ended 31 January 2020 (including income and expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total 31 January 2020 £	Total 31 January 2019 £
Income:					
Income from donations and legacies					
Donations and gifts	2	1,956,081	-	1,956,081	1,860,326
Income from charitable activities:					
Grants	3	-	64,202	64,202	27,587
Operation of establishment		849,489	-	849,489	716,337
Rental income		44,938	-	44,938	44,178
Other trading activities					
Commercial trading operations		1,028,873	-	1,028,873	1,002,046
Other income					
	4	178,862	-	178,862	453,683
Total		4,058,243	64,202	4,122,445	4,104,157
Expenditure:					
Raising funds:					
Fund raising costs of donations and gifts	6	363,226	-	363,226	373,104
Commercial trading operations	6	903,688	-	903,688	944,071
Charitable activities:					
Operation of establishment and direct charitable expenditure	6	2,640,213	526,551	3,166,764	3,428,384
Total	6	3,907,127	526,551	4,433,678	4,745,559
Net income(expenditure)		151,116	(462,349)	(311,233)	(641,402)
Funds brought forward at 1 February 2019					
	18	2,695,950	7,029,144	9,725,094	10,366,496
Funds carried forward at 31 January 2020					
	18	2,847,066	6,566,795	9,413,861	9,725,094

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

Consolidated and Charity balance sheets

as at 31 January 2020

	Notes	Group 31 January 2020 £	Group 31 January 2019 £	Charity 31 January 2020 £	Charity 31 January 2019 £
Fixed assets					
Tangible assets	11	9,047,174	9,576,994	9,047,174	9,575,407
Investments		-	-	4	4
Live exhibits		67,668	67,668	67,668	67,668
		<u>9,114,842</u>	<u>9,644,662</u>	<u>9,114,846</u>	<u>9,643,079</u>
Current assets					
Stocks	13	47,617	61,795	-	-
Debtors	14	184,673	148,895	109,878	50,948
Cash at bank and in hand		646,244	354,882	84,991	3,161
		<u>878,534</u>	<u>565,572</u>	<u>194,869</u>	<u>54,109</u>
Creditors: amounts falling due within one year	15	(566,678)	(459,170)	(803,622)	(278,029)
Net current assets/ (liabilities)		<u>311,856</u>	<u>106,402</u>	<u>(608,753)</u>	<u>(223,920)</u>
Total assets less current liabilities		<u>9,426,698</u>	<u>9,751,064</u>	<u>8,506,093</u>	<u>9,419,159</u>
Creditors: amounts falling due after more than one year	15	12,837	25,970	12,837	25,970
Net assets		<u>9,413,861</u>	<u>9,725,094</u>	<u>8,493,256</u>	<u>9,393,189</u>
Funds					
Unrestricted funds	18	2,847,066	2,695,950	1,926,461	2,364,045
Restricted funds	18	6,566,795	7,029,144	6,566,795	7,029,144
Total funds		<u>9,413,861</u>	<u>9,725,094</u>	<u>8,493,256</u>	<u>9,393,189</u>

The financial statements were approved by the Board of Trustees on 5th July 2020 and were signed on its behalf by:



Mr M Lomas
Chairman

Consolidated statement of changes in equity

for the year ending 31 January 2020

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total</i>
	£	£	£
At 1 February 2019	2,695,950	7,029,144	9,725,094
Profit (Loss) for the year	151,116	(462,349)	(311,233)
Total comprehensive income (expenditure)	151,116	(462,349)	(311,233)
As at 31 January 2020	2,847,066	6,566,795	9,413,861

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total</i>
	£	£	£
At 1 February 2018	2,901,141	7,465,355	10,366,496
(Loss) for the year	(205,191)	(436,211)	(641,402)
Total comprehensive expenditure	(205,191)	(436,211)	(641,402)
As at 31 January 2019	2,695,950	7,029,144	9,725,094

Statement of changes in equity - Charity

for the year ending 31 January 2020

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total</i>
	£	£	£
At 1 February 2019	2,364,045	7,029,144	9,393,189
Profit (Loss) for the year	(437,584)	(462,349)	(899,933)
Total comprehensive (expenditure)	(437,584)	(462,349)	(899,933)
As at 31 January 2020	1,926,461	6,566,795	8,493,256

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total</i>
	£	£	£
At 1 February 2018	2,522,569	7,465,355	9,987,924
(Loss) for the year	(158,524)	(436,211)	(594,735)
Total comprehensive expenditure	(158,524)	(436,211)	(594,735)
As at 31 January 2019	2,364,045	7,029,144	9,393,189

Consolidated Cash flow statement

for the year ended 31 January 2020

	Notes	2020 £	2019 £
Cash flows from operating activities	24	395,932	48,809
Cash flows from investing activities			
Purchase of tangible fixed assets		(92,374)	(191,888)
Interest received		206	70
Net cash (used) in investing activities		(92,168)	(191,818)
Cash flows from financing activities			
Net receipt from / (repayment of amounts due under) finance leases		-	(7,051)
Receipt from loans received		-	50,750
Repayment of amounts due under loans		(15,025)	(7,863)
Loan interest paid		2,623	(1,782)
Change in cash and cash equivalents in the year		291,362	(108,955)
Change in cash and cash equivalents at 1 February		354,882	463,837
Change in cash and cash equivalents at 31 January		646,244	354,882
Analysis of cash and cash equivalents			
		2020 £	2019 £
Cash at bank and in hand		646,244	354,882

Notes to the financial statements

for the year ended 31 January 2020

1. Accounting policies

Constitution

The Charity is a company limited by guarantee, incorporated in England and Wales. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The registered office is shown in Reference and Administrative details in the trustees' report.

Basis of accounting and basis statement of compliance

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

The financial statements have been prepared on a going concern basis and the Trustees are not aware of any material uncertainties that would cast doubt on the charity's ability to continue as a going concern.

Accounting convention

National Marine Aquarium Limited meets the definition of a public benefit entity under FRS 102.

These financial statements have been prepared on a going concern basis and under the historical cost convention.

Group accounts

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Charity has taken advantage of the Schedule 4, Paragraph 3(3) of the Companies Act and has adapted the Companies Acts formats to reflect the special nature of the Charity's activities. No separate SOFA has been presented for the Charity alone as permitted by S.408 of the Companies Act 2006 and paragraph 397 of the SORP. The Charity has taken advantage of the exemption not to prepare a cash flow statement for the Charity entity.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are unrestricted funds which have been assigned by the Trustees for future projects.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund.

Income

Voluntary income including donations, gifts and grants that provide core funding that are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Charity has unconditional entitlement.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided), and stated after trade discounts and net of VAT.

Investment income is recognised when it is received.

Notes to the financial statements

for the year ended 31 January 2020

1. Accounting policies (continued)

Grants – revenue

Grants are credited to revenue when receivable.

Ticket sales and merchandising income

Income is recognised in the period in which the charitable group is entitled to the income. All ticket sales and merchandising income is generated in the UK.

Intangible income

The Charity receives assistance in the form of donated services and services from volunteers. In accordance with the SORP this income is not recognised in the Statement of Financial Activities where no financial cost is borne by the third party or the cost borne is not readily quantifiable or measurable.

Expenditure

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other payments are recognised when a constructive obligation arises that result in the payment being unavoidable.

- Costs of raising funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Costs consist of directly attributable expenses together with a proportion of the relevant personnel costs.
- Charitable activities include expenditure associated with the operation of the aquarium, educational programmes and conservation and research work, and include both the direct costs and support costs relating to these activities and grants made to third parties.
- Grants payable are payments to third parties in the furtherance of the charitable objectives of the charity.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, staff costs by time spent and other costs by their usage. Governance related costs include those incurred in the governance of the Charity and its assets and are primarily associated with strategic, constitutional and statutory requirements

Project income and expenditure

These categories include income and expenditure related to a contract at 110 Bishopsgate, London to maintain an aquarium within an office, retail and leisure complex.

Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life, as follows:

Buildings and alterations	- 10 to 50 years
Fixed plant and fixtures	- 5 to 30 years
Equipment, motor vehicles and computers	- 3 to 20 years
Exhibit enhancement	- 1 to 5 years

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.

Investments

Investments in subsidiaries are stated at cost less any provision for permanent diminution in value.

Notes to the financial statements

for the year ended 31 January 2020

1. Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity date of three months or less.

Stocks

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Direct cost for stocks has been determined on the basis that goods received first are used first.

Pension

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Finance and operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance leases are capitalised under fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the SOFA over the period of the lease on a straight-line basis.

Live exhibits

The base stock of exhibits has been capitalised at a cost of £67,668. This represents the cost of obtaining the foundation stock of the aquarium. The cost of replacement exhibits is written off in the period in which they are obtained.

Grants – capital

Grants received for specific purposes are accounted for as restricted funds. Once the conditions for receipt have been complied with, the grant is recognised immediately in the statement of Financial Activities.

Donations

Donations are credited to revenue when received.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences, including those relating to pensions, which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred taxation assets are only recognised if recovery without replacement by equivalent debit balances is reasonably certain.

Financial instruments

Financial assets and liabilities are recognised/ (derecognised) when the Group becomes/ (ceases to be) party to the contractual provisions of the instrument. The Group holds the following financial assets and liabilities:

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account before operating profit.

Notes to the financial statements

for the year ended 31 January 2020

1. Accounting policies (continued)

Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The following are the critical judgements and estimates that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

The useful life of fixed assets – the directors review the useful life of assets which are detailed within the fixed asset register. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation over the useful life of the asset.

2. Donations and gifts

<i>Unrestricted</i>	2020 £	2019 £
Individuals (including payments under Gift Aid) and other	1,956,081	1,860,326

3. Income from Charitable activities

Included in income from charitable activities are the following amounts recognised are restricted funds: -

<i>Restricted</i>	Notes	2020 £	2019 £
Revenue Grants			
Other	18	64,202	24,523
		<u>64,202</u>	<u>24,523</u>
<i>Unrestricted</i>			
Revenue Grants			
Other	18	-	3,064
		<u>64,202</u>	<u>27,587</u>

Notes to the financial statements

for the year ended 31 January 2020

4. Other income

<i>Unrestricted</i>	2020	2019
	£	£
Interest received from current bank accounts	206	70
Consultancy and external management contracts	135,414	422,628
Service charge income from buildings	21,626	20,862
Sundry income	21,616	10,123
	<u>178,862</u>	<u>453,683</u>

5. Net income from activities of subsidiaries

a) NMA Operations Limited

The Charity owns the whole of the issued share capital of NMA Operations Limited, a company registered in England. The subsidiary undertakes non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the SOFA. A summary of the results of the subsidiary is shown below.

Profit and loss account

	2020	2019
	£	£
Turnover	3,371,052	3,014,891
Cost of sales	(586,762)	(515,993)
Gross profit	<u>2,784,290</u>	<u>2,498,898</u>
Operating expenses	(2,193,901)	(2,522,581)
Operating profit / (loss)	<u>590,389</u>	<u>(23,683)</u>
Interest receivable, grant and sponsorship income	206	70
Interest payable and similar charges	(2,065)	(4,687)
Gift aid payment	-	(23,532)
Repayment of refunded Gift Aid	-	-
Profit / (Loss) on ordinary activities	<u>588,530</u>	<u>(51,832)</u>

The aggregate of the assets, liabilities and funds of the subsidiary was:

	2020	2019
	£	£
Assets	1,141,939	596,171
Liabilities	(548,231)	(590,994)
	<u>593,708</u>	<u>5,177</u>

Notes to the financial statements

for the year ended 31 January 2020

5. Net income from activities of subsidiaries (continued)

b) National Aquarium Limited

The Charity owns the whole of the issued share capital of National Aquarium Limited, also a registered Charity, and a company registered in England. All activities have been consolidated on a line by line basis in the SOFA. A summary of the results of the subsidiary is shown below.

Statement of financial activities

	2020 £	2019 £
Income	1,912,187	1,674,697
Expenditure	(1,508,617)	(1,332,532)
Net income for the year	403,570	342,165
Gift aid distribution	(403,400)	(337,000)
	170	5,165

The aggregate of the assets, liabilities and funds of the subsidiary was:

	2020 £	2019 £
Assets	334,645	340,807
Liabilities	(6,676)	(13,008)
	327,969	327,799

Ocean Conservation Trust Limited

Notes to the financial statements

for the year ended 31 January 2020

6. Expenditure

	Support costs £	Projects £	Operation of establishment and charitable expenditure £	Catering £	Retail costs £	Depreciation £	2020 £	2019 £
Fundraising costs of donations and gifts	92,650	38,424	232,152	-	-	-	363,226	373,104
Commercial trading operations	-	70	149,291	560,665	193,662	-	903,688	944,071
Operation of establishment and direct charitable expenditure	221,865	251,887	2,070,819	-	-	622,193	3,166,764	3,428,384
	<u>314,515</u>	<u>290,381</u>	<u>2,452,262</u>	<u>560,665</u>	<u>193,662</u>	<u>622,193</u>	<u>4,433,678</u>	<u>4,745,559</u>

Fundraising costs of donations and gifts include the allocated payroll costs and associated employer costs of individuals involved with fundraising as well as direct fundraising costs. Operation of establishment and direct charitable expenditure includes £460,734 (2019: £460,734) related to restricted funds. Commercial trading operations relate to the costs associated with the running of the retail gift shop, café and corporate / private events.

Analysis of support costs

	General Support £	Governance Related £	Total 2020 £	Total 2019 £
Wages & Salaries	268,039	32,310	300,349	326,317
Audit fees	-	13,486	13,486	13,965
Professional fees	83	-	83	1,118
Travel Expenses	-	597	597	103
	<u>268,122</u>	<u>46,393</u>	<u>314,515</u>	<u>341,503</u>

Notes to the financial statements

for the period ended 31 January 2020

6. Expenditure (continued)

Operation of establishment and direct charitable expenditure includes costs incurred in connection with the administration of the Charity, the running of the aquarium and the compliance with constitutional and statutory requirements. Operation of establishment and direct charitable expenditure also includes:

	2020	2019
	£	£
Depreciation		
- Owned assets	622,193	631,498
- Leased assets	-	7,968
Operating lease rentals – land and buildings	113,750	105,000
Auditors' remuneration:		
- costs of external scrutiny (Charity: £4,000)	13,325	11,000
- non audit services – taxation services (Charity: £Nil)	3,500	3,000
Interest under finance lease agreements	-	1,068

Governance costs include an allocation of payroll costs and associated employer's costs for those individuals who are involved with the general running of the Charity, including strategic planning costs. The costs also include the statutory audit fees.

7. Trustees' remuneration

Out of pocket expenses were reimbursed to Trustees, in accordance with the Memorandum and Articles of Association, as follows:

	2020	Group	2020	Charity
	£	2019	£	2019
		£		£
Travel	597	597	103	103

During the year an insurance premium of £2,800 (2019: £3,782) was incurred in respect of Trustees' indemnity (including officers and directors).

	2020	2019
	No.	No.
The number of Trustees reimbursed for out of pocket expenses were	2	2

Notes to the financial statements

for the period ended 31 January 2020

8. Staff costs

The aggregate payroll costs were as follows:

	2020	Group 2019	2020	Charity 2019
	£	£	£	£
Wages and salaries	1,491,490	1,624,772	-	-
Redundancy costs	-	106,085	-	-
Social security costs	107,143	132,709	-	-
Other pension costs	37,667	38,475	-	-
	<u>1,636,300</u>	<u>1,902,041</u>	<u>-</u>	<u>-</u>

The Charity does not have any employees since these are employed in the wholly owned trading subsidiary NMA Operations Limited.

Total key management personnel compensation for the group was £272,925 (2019: £411,639). Key management personnel comprise the Senior Management Team and Board of Trustees.

The Board of Trustees did not receive any remuneration for their services as trustees during the year.

There were no redundancies in the year but, during the year to January 2019, as part of a restructuring process 15 staff were made redundant at a cost of £106,085 (2019: £nil) in line with the company's redundancy policy and are charged in the year they occur.

The following numbers of staff had salaries of £60,000 or more:

	2020	2019
	No	No
£60,000-£69,999	-	-
£70,000-£79,999	-	-
£80,000-£89,999	1	1

The average number of full and part time employees during the year was as follows:

	2020	Group 2019	2020	Charity 2019
	No	No	No	No
Charitable activities	41	54	-	-
Management and administration of the Charity	8	7	-	-
Cost of generating funds	52	48	-	-
	<u>101</u>	<u>109</u>	<u>-</u>	<u>-</u>

Notes to the financial statements

for the period ended 31 January 2020

9. Taxation

The company is a registered Charity. As such it is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives provided that these profits and surpluses are applied solely for charitable purposes.

10. Pension scheme

The trading subsidiary operates a defined contribution pension plan with Standard Life and an automatic enrolment scheme with NEST. The assets of this scheme are held separately from those of the company in an independently administered fund. The total pension cost for the company, paid by the trading subsidiary, was £37,667 (2019: £38,475). At 31 January 2019, the company had outstanding pension contributions of £nil (2019: £nil).

Ocean Conservation Trust Limited

Notes to the financial statements

for the period ended 31 January 2020

11. Tangible fixed assets

Group	Long leasehold land and buildings £	Fixed plant and fixtures £	Equipment and computers £	Exhibit Enhance- ment £	Total £
Cost:					
At 1 February 2019	13,733,317	5,603,663	890,130	1,841,864	22,068,974
Additions	-	18,199	35,234	38,940	92,373
Disposals	-	-	-	-	-
At 31 January 2020	13,733,317	5,621,862	925,364	1,880,804	22,161,347
Depreciation:					
At 1 February 2019	5,459,073	4,491,890	704,589	1,836,428	12,491,980
Charge for the year	320,470	232,710	63,506	5,507	622,193
Disposals	-	-	-	-	-
At 31 January 2020	5,779,543	4,724,600	768,095	1,841,935	13,114,173
Net book amount:					
At 31 January 2020	7,953,774	897,262	157,269	38,869	9,047,174
Net book amount:					
At 31 January 2019	8,274,244	1,111,773	185,541	5,436	9,576,994

Included within the net book value of £9,047,174 is £nil (2019: £nil) relating to assets held under finance leases and similar agreements. The depreciation charged to the financial statements in the period in respect of such assets amounted to £nil (2019: £7,968).

As at 31 January 2020 the Board had approved capital expenditure of £nil (2019: £nil).

Notes to the financial statements

for the period ended 31 January 2020

11. Tangible fixed assets (continued)

<i>Charity</i>	<i>Long leasehold land and buildings</i>	<i>Fixed plant and fixtures</i>	<i>Equipment and computers</i>	<i>Exhibit Enhance- ment</i>	<i>Total</i>
<i>Cost:</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
At 1 February 2019	13,733,317	5,602,916	601,245	1,756,684	21,694,162
Additions	-	18,199	35,234	38,938	92,371
Disposals	-	-	-	-	-
At 31 January 2020	13,733,317	5,621,115	636,479	1,795,622	21,786,533
<i>Depreciation:</i>					
At 1 February 2019	5,459,073	4,463,392	445,043	1,751,247	12,118,755
Charge for the year	320,470	231,690	63,005	5,439	620,604
Disposals	-	-	-	-	-
At 31 January 2020	5,779,543	4,695,082	508,048	1,756,686	12,739,359
<i>Net book amount:</i>					
At 31 January 2020	7,953,774	926,033	128,431	38,936	9,047,174
<i>Net book amount:</i>					
At 31 January 2019	8,274,244	1,139,524	156,202	5,437	9,575,407

The net book value of equipment, furniture and computers and exhibit enhancement includes an amount of £nil (2019: £nil) in respect of assets held under finance lease. As at 31 January 2020 the Board had approved capital expenditure of £nil (2019: £221,000).

Notes to the financial statements

for the period ended 31 January 2020

12. Interests in group undertakings and joint associations

The company had the following subsidiary undertakings at the year end.

NMA Operations Limited

Nature of business	Operation of aquarium and service activities
Company no:	2972338
Proportion of nominal value of issued shares held by the company	100%
Country of incorporation	England

The company has paid up share capital of £2.

National Aquarium Limited

Nature of business	Registered Charity*
Company no:	4027669
Charity no:	1098529
Proportion of nominal value of issued shares held by the company	100%
Country of incorporation	England

The company has paid up share capital of £1.

* The company was registered as a Charity with the Charity Commission in July 2003 and commenced trading in July 2003 with the introduction of a gift aid scheme.

Scylla Reef Limited

Nature of business	Non trading**
Company no:	5042643
Proportion of nominal value of issued shares held by the company	100%
Country of incorporation	England

The company has paid up share capital of £1.

** The company owns the former HMS Scylla, which was placed on the seabed off the coast of South East Cornwall as an artificial reef in March 2004.

The registered office for all above named companies is:

Rope Walk
Coxside
Plymouth
PL4 0LF

Notes to the financial statements

for the period ended 31 January 2020

13. Stocks

	2020	Group 2019	2020	Charity 2019
	£	£	£	£
Goods for resale	47,617	61,795	-	-

The difference between the purchase price of stocks and their replacement cost is not material.

Stock recognised as an expense amounted to £190,153 (2019: £153,271)

14. Debtors

	2020	Group 2019	2020	Charity 2019
	£	£	£	£
Trade debtors	34,687	50,253	23,041	35,036
Other debtors	18,823	18,017	8,539	-
Prepayments and accrued income	131,163	80,625	78,298	15,912
Amounts due from subsidiary undertaking	-	-	-	-
	<u>184,673</u>	<u>148,895</u>	<u>109,878</u>	<u>50,948</u>

Included in the Charity debtors are amounts due from subsidiary undertakings of nil (2019: £nil), that are due after more than one year.

Interest is charged on these amounts at bank base rate plus 0.5%. The loans are unsecured and have no fixed repayment terms.

15. Creditors

	2020	Group 2019	2020	Charity 2019
	£	£	£	£
<i>Due within one year</i>				
Trade creditors	268,159	118,888	26,241	35,248
Other creditors	23,059	13,413	-	-
Other taxation and social security	60,007	94,293	-	15,991
Loans and borrowings due in 1 year	15,025	16,917	15,025	16,917
Amounts due to subsidiary undertaking	-	-	689,842	130,142
Accruals and deferred income	200,428	215,659	72,514	79,731
	<u>566,678</u>	<u>459,170</u>	<u>803,622</u>	<u>278,029</u>
<i>Due after one year</i>				
Loans and borrowings	16 12,837	25,970	12,837	25,970

Notes to the financial statements

for the period ended 31 January 2020

16. Loans and borrowings

	<i>Group</i>		<i>Charity</i>	
<i>Non-current loans and borrowings</i>	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	£	£	£	£
Bank borrowings – due in 2-5 years	12,837	25,970	12,837	25,970
	<u>12,837</u>	<u>25,970</u>	<u>12,837</u>	<u>25,970</u>

17. Obligations under leases and hire purchase contracts

Finance leases

The total of future minimum lease payments is as follows:

	<i>Group</i>		<i>Charity</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	£	£	£	£
Not later than one year	-	-	-	-
Later than one year and not later than five years	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

18. Fund balances

Group

	<i>Balance 1 February 2019</i>	<i>Incoming resources</i>	<i>Resources expended</i>	<i>Balance 31 January 2020</i>
	£	£	£	£
Restricted Funds:				
Restricted capital grants	7,029,144	-	(462,349)	6,566,795
Restricted revenue grants (see below)	-	64,202	(64,202)	-
	<u>7,029,144</u>	<u>64,202</u>	<u>(526,551)</u>	<u>6,566,795</u>
Unrestricted funds	<u>2,695,950</u>	<u>4,058,243</u>	<u>(3,907,127)</u>	<u>2,847,066</u>
	<u>9,725,094</u>	<u>4,122,445</u>	<u>(4,433,678)</u>	<u>9,413,861</u>

Charity

	<i>Balance 1 February 2019</i>	<i>Incoming resources</i>	<i>Resources expended</i>	<i>Balance 31 January 2020</i>
	£	£	£	£
Restricted Funds:				
Restricted capital grants	7,029,144	-	(462,349)	6,566,795
Restricted revenue grants (see below)	-	64,202	(64,202)	-
	<u>7,029,144</u>	<u>64,202</u>	<u>(526,551)</u>	<u>6,566,795</u>
Unrestricted funds	<u>2,364,045</u>	<u>766,611</u>	<u>(1,204,195)</u>	<u>1,926,461</u>
	<u>9,393,189</u>	<u>830,813</u>	<u>(1,730,746)</u>	<u>8,493,256</u>

Notes to the financial statements

for the period ended 31 January 2020

18. Fund balances (continued)

Restricted capital grants

The restricted capital grant fund comprises of capital grants received by the Charity. The fund will be amortised each year by equal instalments over the same period as the assets to which it relates are depreciated. The amortisation charge in 2020 was £462,349 (2019: £436,211).

Restricted Revenue Grants – group and Charity

	<i>Balance at 1 February 2019 £</i>	<i>Incoming resources £</i>	<i>Resources expended £</i>	<i>Balance at 31 January 2020 £</i>
EMFF Devon Scallops	-	32,058	(32,058)	-
MCS Eco Moorings	-	1,773	(1,773)	-
Awards for All	-	5,463	(5,463)	-
Reverberations	-	10,940	(10,940)	-
Seeking Survivors Coral Project	-	9,968	(9,968)	-
Calouste Gulbenkian We are Ocean	-	4,000	(4,000)	-
	-	64,202	(64,202)	-

19. Analysis of group net assets between funds

Fund balances at 31 January 2020 are represented by:

	<i>Restricted funds £</i>	<i>Unrestricted funds £</i>	<i>Total £</i>
Tangible fixed assets	6,546,112	2,501,062	9,047,174
Live exhibits	20,683	46,985	67,668
Current assets	-	878,534	878,534
Creditors	-	(579,515)	(579,515)
	6,566,795	2,847,066	9,413,861

Notes to the financial statements

for the period ended 31 January 2020

20. Operating lease commitments

At 31 January 2020, the company had total commitments under non-cancellable operating leases as follows:

	<i>Group</i>			
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>Land and buildings</i>	<i>Other operating leases</i>	<i>Land and buildings</i>	<i>Other operating leases</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Within one year-	105,000	33,674	105,000	55,742
Between two and five years-	420,000	14,410	420,000	36,556
More than five years	10,115,000	-	10,220,000	-
	<u>10,640,000</u>	<u>48,084</u>	<u>10,745,000</u>	<u>92,298</u>

	<i>Charity</i>			
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>Land and buildings</i>	<i>Other operating leases</i>	<i>Land and buildings</i>	<i>Other operating leases</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Within one year	105,000	-	105,000	-
Between two and five years	420,000	-	420,000	-
More than five years	10,115,000	-	10,220,000	-
	<u>10,640,000</u>	<u>-</u>	<u>10,745,000</u>	<u>-</u>

The land and buildings represents the ground rent under the terms of a 125 year lease.

21. Share capital

The company is limited by guarantee and is a registered Charity. The registered office is in England.

Notes to the financial statements

for the period ended 31 January 2020

22. Income and Expenditure account and total funds – Charity

	<i>Charity continuing operations</i>	
	2020	2019
	£	£
Grant Income	64,202	24,523
Operating expenses	(1,733,369)	(1,774,057)
Other income	766,611	1,155,513
Operating (loss)	(902,556)	(594,021)
Interest payable	2,623	(714)
Interest receivable and similar income	-	-
Deficit of income over expenditure for the year	(899,933)	(594,735)
		<i>Charity</i>
		£
Total funds as at 1 February 2019		9,393,189
Excess of expenditure over income for the year		(899,933)
Total funds as at 31 January 2020		8,493,256

The income and expenditure account is presented to ensure compliance with the Companies Act 2006.

23. Contingent liabilities

Included in restricted grant reserves are amounts received in respect of government grants. These grants have certain future conditions attached to them. In the event that these conditions are not fulfilled, then some of these grants may be repayable. A royalty charge is payable of 90p per visitor between 450,000 and 500,000 paying visitors, £1.05 per paying visitor between 500,000 and 550,000 and £1.25 per paying visitor between 550,000 and 600,000 paying visitors. Visitor numbers have yet to reach the levels at which royalty payments become due.

24. Reconciliation of net income/ (expenditure) to net cash inflow from operating activities

	2020	2019
	£	£
Net expenditure for the year	(311,233)	(641,402)
Depreciation of tangible fixed assets	622,193	639,466
(Increase) / decrease in stocks	14,178	1,123
(Increase) / decrease in operating debtors	(35,778)	18,520
Increase / (decrease) in operating creditors	109,401	29,390
Interest receivable	(206)	(70)
Interest payable	(2,623)	1,782
Net cash inflow from operating activities	395,932	48,809

Notes to the financial statements

for the period ended 31 January 2020

25. Related party transactions

During the year the NMA purchased goods from the following organisations in which Trustees and Senior Managers had an interest.

In Respect of:	Amount Incurred	In Respect of:	Amount Received	Year End Balance 2020	Year End Balance 2019
Creative design services	Nil	Creative design services	Nil	Nil	£1,920
Fundraising	£6000	Consultancy	Nil	Nil	Nil
Educational visits and corporate events	Nil	Educational visits and corporate events	£11,734	£1,206	Nil
				£1,670	
Professional fees	£9,775	Legal advice	Nil		£1,253

Certain Trustees provide services to the aquarium for which no charge is made or estimated.

During the year donations amounting to £nil (2019: £nil) were received from Trustees. These were unrestricted in nature and without conditions.

26. Deferred taxation

Potential deferred taxation balance, arising in the trading subsidiary, not recognised in the accounts is as follows:

Group	2020 £	2019 £
Excess of capital allowances over depreciation	-	-
Deferred taxation liability not recognised	-	-

The trustees consider the deferred tax balance to be immaterial in both years.