Registered No 3278093

Eden Project Limited

Report and Financial Statements

27 March 2011

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COMPANIES HOUSE

Registered No 3278093

Directors

Non Executive Chairman
Mr R Eyre

Non Executive Directors
Ms R Boycott
Mrs M Carver (appointed 4 May 2010)
Ms J Hill
Mr C McAlpine (resigned 24 May 2010)
Mr G Wilkinson

Executive Directors
Mr T Smit – Chief Executive Officer
Mrs G Coley – Managing Director
Mr P Cox – Finance Director
Dr A Kendle – Foundation Director

Company Secretary
Mr P Cox

Bankers
Allied Irish Bank (GB)
Gray's Inn
100 Gray's Inn Road
London
WC1X 8AL

Auditors
Francis Clark LLP
Vantage Point
Woodwater Park
Pynes Hill
Exeter
EX2 5FD

Registered Office
Bodelva
Par
Cornwall
PL24 2SG

Directors' report

The directors present their report and the financial statements of the Group for the period ended 27 March 2011

Principal activity

Eden Project Limited ("the company") is a wholly owned subsidiary of The Eden Trust, a company limited by guarantee and a UK Registered Charity (number 1093070) The principal activity of the company is the operation and continued development of the Eden Project, one of the UK's top landmark projects created to promote understanding of the vital relationship between people and plants and issues surrounding sustainable development, on behalf of the Eden Trust Eden Project Limited is managed by a board of executive and non-executive directors, who remain ultimately responsible to the board of Eden Trustees

The charitable objectives of the Trust set out Eden's aims "to promote public education, research and appreciation in areas such as horticulture, flora, ecology and conservation, and waste management " Eden delivers on these objectives in practical terms through informal and formal education programmes, exhibitions, events, outreach including the Friends events and magazine, partnership projects, and through its approach to operating the visitor destination in areas such as the Waste Neutral initiative, energy consumption and local sourcing policy

The company exists only to deliver the charitable objectives of the Trust and every activity, including that which might ordinarily be termed "commercial", is designed to educate about the environment or inspire people and organisations to make changes in support of the Trust's objectives The combination of the two entities in this way has created an organisation where the charitable and operational aims are linked in ways which inform and inspire both As such the annual accounts of the company alone can never give the complete picture and they should be read in conjunction with the consolidated Report and Accounts of the Eden Trust

Results, review of the business and future developments

The Project opened in full to the public, on time and on budget on 17 March 2001 The response has been very positive with nearly 13 million visitors in the period from opening to 27 March 2011

The Board of Eden Project Limited is ultimately responsible to the Eden Trust for the performance of the company This performance is constantly monitored and reviewed and is reported to the Trust on a regular basis As a social enterprise within a charity framework the success of the Eden Project is measured in terms other than simply financial performance The Board and the Trustees are satisfied with the performance of the company both in financial terms and in terms of the delivery of the wider charitable mission

As detailed in the Profit and Loss Account on page 8, the company made a profit after interest but before depreciation and deferred grant releases of £2,421,345, compared with the £1,759,468 achieved in the previous year This was primarily as a result of an accounting surplus of £836,101 on an insurance claim in respect of assets damaged in a flood incident which had been previously fully depreciated in the accounts

The net charge for depreciation less release of deferred capital grants in the year was £4,209,221 which results in a loss for the year of £1,787,876 However, as explained below this net depreciation charge is overstated by £2,167,601 as a result of the accounting treatment of grants in the holding company, The Eden Trust Without this overstatement the company would have reported a retained profit for the year of £379,725 The directors do not recommend the payment of a dividend

In addition, as detailed in the Statement of Cash Flows on page 10 the company generated an operating cash inflow of £1,021,938 and a net cash outflow after financing of £940,848

During the year it has been agreed to defer the repayments due on a £1m loan and it is now repayable in four instalments commencing in June 2011

Directors' report

Results, review of the business and future developments (continued)

The total capital cost of the Project to date, reflected in the tangible fixed assets of the company, is £137 9 million The Eden Trust received grant funding of £43 2 million in relation to the original construction of the Project from the Millennium Commission and of this £39 5 million was passed down from the Eden Trust to the company by way of an interest free loan in order to acquire the assets

Had the Millennium Commission monies been received as a grant by the company, this would have been treated in accordance with UK Generally Accepted Accounting Practice and accrued in the balance sheet and released to the profit and loss account over the life of the assets to which it relates, thereby mitigating the depreciation charge This is the treatment adopted in respect of those grants which were received directly by the company which has resulted in the release to the profit and loss account during the period under review of £2,758,366 However, in the accounts of the Eden Trust, the Millennium Commission grant has been treated in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities issued in March 2005 and was shown as income in the period received and is hence reflected in the accumulated reserves of the Trust It is this mismatch between the receipt of the grant by the Eden Trust and the depreciation charge in the company, which reduces the reported profit for the company by £2,167,601

This mismatch also results in the negative net assets of £20 9 million shown in the company's balance sheet which is caused by the existence of the intercompany loan of £39 5 million referred to above

Future developments - short term priorities

Eden's main priorities for the coming year are as follows

- To maintain visitor numbers to the Eden site at over 1 million
- To continue to provide an engaging and effective educational experience at Eden to a broad public audience which can be shown, through a developing set of research and evaluation techniques, to begin to change peoples' mindsets and values on a large scale and hence drive significant cultural and social change
- To continue to build Eden's reputation and impact beyond the visitor destination and our immediate environs in Cornwall through national initiatives such as The Big Lunch, The Places of Change Garden project at Chelsea and Eden Forum debates

Risk management

As a wholly owned subsidiary of a registered charity, the Eden Trust, the company is reliant upon the continued support of the parent company in agreeing not to recall the amounts advanced to the company to develop the Project (See Note 1, Accounting Policies, Fundamental Accounting Concept) The main operational risk to which the organisation is exposed are visitor numbers and related spend and the generation of new non-visitor related income streams In addition the company is reliant upon the Trust being able to attract grant funding to cover the cost of charitable activities not covered by the surplus generated from operating the Eden Project

The Trustees of the Eden Trust have delegated responsibility for day to day management of the Project to the Board of Eden Project Limited, who in turn have introduced a formal risk management process to assess risks and implement risk management strategies This process involves identifying the types of risks the company faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks

Directors' report

Risk Management (continued)

The risk management procedures adopted by the Eden Project Limited Board are reviewed on a periodic basis by the Trustees

Directors' responsibilities for the accounts

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

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Disabled employees

Eden values the diversity of its team, whether via different skills, experiences or abilities of all its individuals Eden aims to ensure that all team members, visitors, job applicants, suppliers etc are treated fairly and with respect in an environment which is free from harassment, bullying and discrimination As part of a comprehensive Diversity Policy, Eden also seeks to adhere to the objectives of the Disability Discrimination Act 2000

Employee training, communication and involvement

Eden is committed to ensuring all staff are not only trained sufficiently to do their jobs but are developed for their future beyond just these requirements Eden is also committed to staff communication through regular staff meetings, a daily news letter and the intranet, and also has an elected staff representative body, the Members Assembly An annual appraisal system is in place for all staff

Directors' report

Completeness of information to auditors

So far as each director listed on page 1 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 director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

By order of the board

Mr Peter Cox
Director / Company Secretary

12 July 2011

Independent auditors' report

to the members of Eden Project Limited

We have audited the financial statements of Eden Project Limited for the period ended 27 March 2011 which comprise the Group Profit and Loss Account, Group and Company Balance Sheets, Group Statement of Cashflows and the related notes 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)

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

Respective Responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements In addition we read all of the financial and non-financial information accompanying the financial statements to identify any material inconsistencies with the audited financial statements If we become aware any apparent misstatements or inconsistencies we consider the implications for our report

Opinion on Financial Statements

In our opinion the financial statements

- give a true and fair view of the state of the group and company's affairs as at 27 March 2011 and of the group's loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on Other Matters Prescribed by the Companies Act 2006

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

Independent auditors' report

to the members of Eden Project Limited

Matters on Which We are Required to Report by Exception

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

adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or

the financial statements are not in agreement with the accounting records and returns, or

certain disclosures of directors' remuneration specified by law are not made, or

we have not received all the information and explanations we require for our audit

Francis Clark LLP

Christopher Bush (Senior Statutory Auditor)

For and on behalf of
Francis Clark LLP
Chartered Accountants and Statutory Auditor
Vantage Point
Woodwater Park
Pynes Hill
Exeter
EX2 5FD

14.7.2011

Group profit and loss account

for the period ended 27 March 2011

	Notes	Period ended 27 March 2011 £	Period ended 28 March 2010 £
Turnover		17,381,483	18,303,534
Cost of sales excluding depreciation and amortisation		(12,988,785)	(12,927,585)
Depreciation and amortisation		(6,967,587)	(6,787,522)
		(19,956,372)	(19,715,107)
Gross loss		(2,574,889)	(1,411,573)
Operating expenses			
Administrative expenses		(11,303,477)	(8,225,439)
Other operating income	2	10,123,970	6,366,218
Operating profit (before depreciation and release of deferred capital grants)		454,825	569,141
Operating loss (after depreciation)	3	(3,754,396)	(3,270,794)
Surplus on insurance claim in respect of tangible fixed assets	25	836,101	-
Interest receivable	6(a)	3,390,908	3,334,625
Interest payable and similar charges	6(b)	(2,260,489)	(2,144,298)
Loss on ordinary activities before taxation		(1,787,876)	(2,080,467)
Taxation	7	-	-
Retained profit (before depreciation and release of deferred capital grants)		2,421,345	1,759,468
Retained loss for the period	19	(1,787,876)	(2,080,467)
Profit and loss account brought forward		(19,100,379)	(17,019,912)
Profit and loss account carried forward		(20,888,255)	(19,100,379)

Group Statement of Total Recognised Gains and Losses

There are no recognised gains and losses other than the loss attributable to shareholders of the group of £(1,787,876) in the period ended 27 March 2011 and the loss of £(2,080,467) in the period ended 28 March 2010

Group balance sheet
at 27 March 2011

	Notes	Group At 27 March 2011 £	Company At 27 March 2011 £	Group At 28 March 2010 £	Company At 28 March 2010 £
Fixed assets					
Tangible fixed assets	8	69,187,432	69,187,432	74,484,623	74,484,623
Intangible fixed assets	9	113,924	113,924	170,886	170,886
Investments	10	10,000	10,002	42,384,817	42,384,819
		69,311,356	69,311,358	117,040,326	117,040,328
Current assets					
Investments	10	42,560,889	42,560,889	-	-
Stocks	11	395,276	395,277	446,389	446,389
Debtors	12	1,972,278	1,455,479	1,805,026	1,655,592
Cash at bank and in hand		641,909	641,909	1,582,757	1,582,757
		45,570,352	45,053,554	3,834,172	3,684,738
Creditors amounts falling due within one year	13	(89,704,689)	(90,794,618)	(44,331,620)	(45,292,188)
Net current liabilities		(44,134,337)	(45,741,064)	(40,497,448)	(41,607,450)
Total assets less current liabilities		25,177,019	23,570,294	76,542,878	75,432,878
Creditors amounts falling due after more than one year	14	(3,784,306)	(3,784,306)	(49,523,604)	(49,523,604)
Deferred income	16	(42,280,960)	(41,332,438)	(46,119,645)	(45,009,645)
		(20,888,247)	(21,546,450)	(19,100,371)	(19,100,371)
Capital and reserves					
Called up share capital	18	8	8	8	8
Profit and loss account	19	(20,888,255)	(21,546,458)	(19,100,379)	(19,100,379)
		(20,888,247)	(21,546,450)	(19,100,371)	(19,100,371)

Approved by the Board on 7 June 2011 and signed on its behalf by

Mr R Eyre
Chairman

Mr P Cox
Director / Company Secretary

Group cash flow statement

for the period ended 27 March 2011

	Notes	Period ended 27 March 2011 £	Period ended 28 March 2010 £
Cash inflow from operating activities	20(a)	1,021,938	1,087,124
Returns on investment and servicing of finance			
Interest paid		(106,548)	(166,642)
Interest received		2,324,821	2,268,538
Interest element of finance lease rental payments		(2,149,003)	(2,148,736)
		69,270	(46,840)
Taxation			
UK corporation tax		-	-
Capital expenditure and financial investment			
Payments to acquire fixed assets		(1,413,237)	(1,007,060)
Capital grants received	16	304,432	740,368
Net increase in investments	10	(186,072)	(112,917)
		(1,294,877)	(379,609)
Financing			
Capital element of finance lease rental payments	20(b)	(2,794)	-
Net movement in borrowings	20(b)	(734,385)	(171,184)
		(737,179)	(174,184)
(Decrease)/increase in cash	20(c)	(940,848)	489,491

Notes to the financial statements

at 27 March 2011

1. Accounting policies

Fundamental accounting concept

The parent undertaking is obliged to pass on to the company funds received for the specific purpose of constructing and delivering its major capital project (the Eden Project) It has also agreed not to recall the amounts received by the Trust and advanced to the company for this purpose which at 27 March 2011, amounted to £39,474,223 in preference to third party creditors whose claims have been duly budgeted

The directors believe that it is therefore appropriate to prepare the accounts on a going concern basis

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its subsidiary undertakings As a consolidated group profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of Section 408 of the Companies Act 2006

Turnover

Turnover, which is stated net of value added tax, is attributable to the operating activities of the Eden Project, including admission fees, retail and catering

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance Revenue is measured at the fair value of the consideration received, excluding VAT The following criteria must also be met before revenue is recognised

Admission income

Revenue is recognised on admission to the Eden Project Tickets purchased in advance are deferred until redeemed

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership and the goods have passed to the buyer

Interest income

Revenue is recognised as interest accrues using the effective interest method

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

Finance leases

Assets held under finance lease are capitalised in the balance sheet and are depreciated over their useful lives The interest element of the rental obligations is charged to the profit and loss account over the period of the contracts

Deferred taxation

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted This is not anticipated in the short term and so no such assets are recognised

Notes to the financial statements

at 27 March 2011

1. Accounting policies (continued)

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives This has been provided at the following rates

Biomes	- straight line over 18 years
Buildings and infrastructure	- straight line between 18 to 50 years
Plant and machinery	- straight line between 4 to 10 years
Computer equipment	- straight line over 3 years
Fixtures, furniture and fittings	- straight line over 3 years

Assets in the course of construction are not depreciated until completion whereupon they are transferred to the appropriate fixed asset category and depreciated as above

Amortisation

Intangible assets acquired separately from a business are capitalised at cost

Intangible assets are amortised on a straight line basis over their estimated useful lives up to a maximum of 20 years For Green Talents costs, this is taken to be 3 years from 2010/11

Stocks

Stocks are stated at lower of cost and net realisable value

Pensions

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

Grants and Donations

Grants and donations in respect of capital expenditure are included in deferred income, as shown in note 16 and released to the profit and loss account over the useful lives of the assets once they are brought into use Grants and donations of a revenue nature are initially included within deferred income and then credited to the profit and loss account in the period to which they relate or the related expenditure is incurred

Capitalisation of interest

Interest on loan finance in relation to the initial building project was capitalised as Tangible Fixed Assets and is being written off over the useful life of the assets to which it relates

Related party transactions

The company has relied on the exemption provided by FRS 8 as it is a wholly owned subsidiary and has not therefore disclosed transactions with its parent entity or its own wholly owned subsidiary

Notes to the financial statements

at 27 March 2011

2. Other operating income

	Period ended 27 March 2011 £	Period ended 28 March 2010 £
Release of deferred income - capital	2,758,366	2,947,587
- revenue	2,296,675	908,693
Big Lottery Development Fund grant for "Playful Ideas" Project	47,313	65,741
Big Lottery Development Fund grant for "Family Learning" Project	134,817	85,800
Big Lottery Development Fund grant for "Big Lunch"	1,050,000	-
Other grants and donations	1,858,223	613,962
Miscellaneous income	12,743	17,757
Tax reclaims under Gift Aid	1,502,112	1,726,678
Insurance claim – business interruption/increased costs of working (see note 25)	463,721	-
	10,123,970	6,366,218

The Big Lottery grants shown above are restricted to the projects to which they relate

3. Operating loss

This is stated after charging/(crediting)

		Period ended 27 March 2011 £	Period ended 28 March 2010 £
Auditors' remuneration	- audit services	27,000	25,000
	- tax services	4,000	3,000
Depreciation	- owned assets	4,236,759	4,153,655
	- assets under finance leases	2,673,866	2,633,867
Amortisation of intangible fixed assets		56,962	-
Operating lease rentals	- plant & machinery	37,783	18,764
	- land & buildings	25,000	25,000

4. Directors' emoluments

	Period ended 27 March 2011 £	Period ended 28 March 2010 £
Emoluments	501,032	469,849
Company contributions to pension scheme	17,986	17,960

The emoluments in respect of the highest paid director were £157,372 (2010 - £154,286), with no contributions to a pension scheme

Notes to the financial statements

at 27 March 2011

5. Staff costs

	Period ended 27 March 2011 £	Period ended 28 March 2010 £
Wages and salaries	10,085,756	9,040,025
Social security costs	840,963	749,229
Pension costs	236,703	228,111
	11,163,422	10,017,365

Included in the total above, are staff costs of £Nil (2010-£122,061) which have been capitalised as intangible fixed assets

The average number of employees during the period was as follows

	Period ended 27 March 2011 No	Period ended 28 March 2010 No
Visitor services	252	217
Horticulture	48	44
Site maintenance	87	83
Other	105	104
	492	448

6(a). Interest receivable

	Period ended 27 March 2011 £	Period ended 28 March 2010 £
Commerzbank deposit interest receivable	2,324,807	2,261,653
Royal Bank of Scotland Rebate – release (note 16)	1,066,087	1,066,087
Interest receivable	14	6,885
	3,390,908	3,334,625

Notes to the financial statements

at 27 March 2011

6(b). Interest payable and similar charges

	Period ended 27 March 2011	*Period ended 28 March 2010*
	£	£
Bank overdrafts	4	3,058
Other loans	111,482	157,213
Finance charges	2,149,003	2,148,736
Release of previous interest accrual	-	(164,709)
	2,260,489	2,144,298

7. Taxation

a) Tax on loss on ordinary activities

	Period ended 27 March 2011	*Period ended 28 March 2010*
	£	£
Corporation tax	-	-
Deferred tax	-	-
	-	-

b) Factors affecting current tax charges

The tax assessed on the loss on ordinary activities for the period is reconciled below

	Period ended 27 March 2011	*Period ended 28 March 2010*
	£	£
Loss on ordinary activities before tax	(1,787,876)	(2,080,467)
Loss of ordinary activities multiplied by standard rate of corporation tax of 28% (2010 – 28%)	(500,605)	(582,531)
Non taxable income expenses not deductible for tax purposes	(739,682)	(822,685)
Depreciation in excess of capital allowances	863,287	930,216
Loss carried forward	377,000	475,000
Current tax charge	-	-

c) Factors that may affect future tax charges

The company has trading losses carried forward of approximately £19 million These losses are not expected to be utilised in the short term and consequently no deferred tax asset has been recognised in these accounts

Notes to the financial statements

at 27 March 2011

8. Tangible fixed assets

Group and Company

	Freehold land	Assets in the course of construction	Buildings and infrastructure	Biomes	Plant and machinery	Computer equipment	Fixtures, furniture and fittings	Total
	£	£	£	£	£	£	£	£
Cost								
At 29 March 2010	1,192,576	71,252	88,792,683	21,457,464	19,045,766	3,283,726	2,990,845	136,834,312
Additions	-	222,285	-	-	749,954	247,660	393,535	1,613,434
Eliminations – items destroyed in flood	-	-	-	-	(550,251)	-	-	(550,251)
At 27 March 2011	1,192,576	293,537	88,792,683	21,457,464	19,245,469	3,531,386	3,384,380	137,897,495
Depreciation								
At 29 March 2010	-	-	30,375,809	10,706,182	15,538,037	3,002,181	2,727,480	62,349,689
Charge for the period	-	-	3,694,989	1,192,081	1,486,188	240,442	296,925	6,910,625
On eliminations	-	-	-	-	(550,251)	-	-	(550,251)
At 27 March 2011	-	-	34,070,798	11,898,263	16,473,974	3,242,623	3,024,405	68,710,063
Net book value								
At 27 March 2011	1,192,576	293,537	54,721,885	9,559,201	2,771,495	288,763	359,975	69,187,432
At 28 March 2010	1,192,576	71,252	58,416,874	10,751,282	3,507,729	281,545	263,365	74,484,623

The main capital development is at Bodelva, Par, Cornwall, PL24 2SG At the balance sheet date, the Eden Trust possessed legal ownership of this site The majority of the fixed assets are subject to security arrangements with the funders to the Project Assets in the course of construction relate to asset related projects which had not been completed at the period end No depreciation has been charged on these assets These assets will be reanalysed to the appropriate fixed asset category when the project is completed and depreciation will be charged from that date Assets subject to finance leases above, amount to, cost £45,636,197 (2010 - £45,512,000), depreciation £28,763,932 (2010 - £26,109,067) with net book value at 27 March 2011 £16,872,265 (2010 - £19,402,933)

Notes to the financial statements
at 27 March 2011

9. Intangible fixed assets

Group and company

	Green Talents costs
	£
Cost	
At 29 March 2010 and 27 March 2011	170,886
Amortisation	
At 29 March 2010	-
Charge for the period	56,962
At 27 March 2011	56,962
Net book value	
At 27 March 2011	113,924
At 28 March 2010	170,886

10. Investments

Group

	Other	*Bank deposit*	*Total*
	£	*£*	*£*
Cost			
At 29 March 2010	-	42,384,817	42,384,817
Additions	10,000	2,324,807	2,334,807
Disposal	-	(2,148,735)	(2,148,735)
At 27 March 2011	10,000	42,560,889	42,570,889

Company

	Other	*Subsidiary undertakings*	*Bank deposit*	*Total*
	£	*£*	*£*	*£*
Cost				
At 29 March 2010	-	2	42,384,817	42,384,819
Additions	10,000	-	2,324,807	2,334,807
Disposal	-	-	(2,148,735)	(2,148,735)
At 27 March 2011	10,000	2	42,560,889	42,570,891

'Other' investments represents a capital contribution to Third Sector Consortia Management LLP, and along with the investment in subsidiary undertakings, are classified as fixed asset investments

Under the financing transactions, the company is required to place amounts on deposit, as shown above, as security for the lease payments The bank deposit was reclassified from Fixed Asset Investments to Current Investments at the year end (see Note 24)

Notes to the financial statements

at 27 March 2011

10. Investments (continued)

Investments are classified as follows

	Group At 27 March 2011 £	*Company At 27 March 2011 £*	*Group At 28 March 2010 £*	*Company At 28 March 2010 £*
Fixed asset investments	10,000	10,002	42,384,817	42,384,819
Current asset investments	42,560,889	42,560,889	-	-
	42,570,889	42,570,891	42,384,817	42,384,819

Subsidiary Undertakings

Name of Company	*Holding*	*Proportion of voting rights and shares held*	*Nature of business*
Eden Project (OA) Limited	Ordinary shares	100%	Dormant
Eden Project Campaigns Limited	Ordinary shares	100%	(*)

(*) Eden Project Campaigns Limited was incorporated on 25 March 2010 The company is used as a vehicle to support the charitable aims & objectives of the Eden Trust through funded and sponsored campaigns

11. Stocks

Group and company	*At 27 March 2011* £	*At 28March 2010* £
Goods for resale	395,276	446,389

12. Debtors

	Group At 27 March 2011 £	*Company At 27 March 2011* £	*Group At 28 March 2010* £	*Company At 28 March 2010* £
Amounts falling due within one year				
Trade debtors	689,989	653,213	853,605	853,605
Other debtors	449,628	407,439	108,562	108,562
Prepayments and accrued income	832,661	394,827	842,859	693,425
	1,972,278	1,455,479	1,805,026	1,655,592

Notes to the financial statements

at 27 March 2011

13. Creditors: amounts falling due within one year

	Group At 27 March 2011 £	Company At 27 March 2011 £	Group At 28 March 2010 £	Company At 28 March 2010 £
Trade creditors	1,592,161	1,461,609	962,657	962,657
Bank and other loans (note 15)	1,262,184	1,262,184	216,184	216,184
Other creditors	17,783	17,783	2,379	2,379
Amounts owed to group undertakings	39,004,959	40,284,837	40,459,185	41,519,752
Taxation and social security	819,112	819,112	826,282	826,282
Accruals and deferred income	1,462,294	1,402,897	1,864,933	1,764,934
Finance leases	45,546,196	45,546,196	-	-
	89,704,689	90,794,618	44,331,620	45,292,188

	Group At 27 March 2011 £	Company At 27 March 2011 £	Group At 28 March 2010 £	Company At 28 March 2010 £
Amounts owed to group undertakings				
Grants received by the Eden Trust and passed to the company by way of interest free loan	39,474,223	39,474,223	39,474,223	39,474,223
Loans received by the Eden Trust and passed to the company by way of an interest bearing loan	334,120	334,120	1,800,000	1,800,000
Current account balance- the Eden Trust	(803,384)	(803,384)	(815,038)	(815,038)
Current account balance- Eden Project Campaigns Limited	-	1,279,878	-	1,060,567
	39,004,959	40,284,837	40,459,185	41,519,752

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

Group and company	At 27 March 2011 £	At 28 March 2010 £
Loans (note 15)	3,696,631	4,011,136
Finance Lease (note 24)	87,675	45,512,468
	3,784,306	49,523,604

Notes to the financial statements

at 27 March 2011

15. Loans

Group and company	*At 27 March 2011* £	*At 28 March 2010* £
Loans from the Eden Trust	1,281,799	2,800,000
Bank loans (*)	4,011,136	3,227,320
	5,292,935	6,027,320
Less included in creditors falling due within one year		
Bank and other loans	(1,262,184)	(216,184)
Amounts owed to group undertakings	(334,120)	(1,800,000)
	(1,596,304)	(2,016,184)
	3,696,631	4,011,136

Group and company	*At 27 March 2011* £	*At 28 March 2010* £
Amounts repayable		
In less than one year	1,596,304	2,016,184
In 2-5 years	2,926,415	2,624,736
After 5 years	770,216	1,386,400
	5,292,935	6,027,320

(*) The principal terms of the bank loans are as follows,

- £3 1m at Libor plus 2 02%, repayable in ten quarterly instalments of £45,000, followed by ten quarterly instalments of £91,000, followed by twelve quarterly instalments of £145,000, ending June 2017
- £298,504 at Libor plus 1 37% repayable in quarterly instalments of £9,046, ending June 2017

The bank loans are secured by a legal charge over freehold land and buildings

Notes to the financial statements

at 27 March 2011

16. Deferred income

Group	*Deferred capital grants 2011*	*Deferred revenue grants 2011*	*RBS leasing scheme 2011*	*Total 2011*	*Total 2010*
	£	*£*	*£*	*£*	*£*
Balance at 29 March 2010	42,157,372	1,830,097	2,132,176	46,119,645	48,458,280
Received during the period	304,432	3,210,140	-	3,514,572	2,735,273
Released during the period	(2,758,366)	(3,528,804)	(1,066,087)	(7,353,257)	(5,073,908)
Balance as at 27 March 2011	39,703,438	1,511,433	1,066,089	42,280,960	46,119,645

Company	*Deferred capital grants 2011*	*Deferred revenue grants 2011*	*RBS leasing scheme 2011*	*Total 2011*	*Total 2010*
	£	*£*	*£*	*£*	*£*
Balance at 29 March 2010	42,157,372	720,097	2,132,176	45,009,645	48,458,279
Received during the period	304,432	489,831	-	794,263	1,625,274
Released during the period	(2,758,366)	(481,480)	(1,066,087)	(4,305,933)	(5,073,908)
Transfer to subsidiary	-	(165,537)	-	(165,537)	-
Balance as at 27 March 2011	39,703,438	562,911	1,066,089	41,332,438	45,009,645

As detailed in note 24 the company has received a rebate in respect of lease rentals This is being released to interest income in the profit and loss account over the remaining period of the lease (see note 6a)

Revenue grants received by the group during the period include £766,000 from the Big Lottery for the Big Lunch 2011

17. Deferred taxation

No deferred assets have been recognised The amounts not recognised are as follows

	Not recognised At 27 March 2011	*Not recognised At 28 March 2010*
	£	*£*
Depreciation in advance of capital allowances	(256,000)	(555,000)
Losses carried forward	(5,103,000)	(4,915,000)
	(5,359,000)	(5,368,000)

Notes to the financial statements

at 27 March 2011

18. Share capital

	Authorised		*Allotted, called up and fully paid*	
	At 27 March 2011	*At 28 March 2010*	*At 27 March 2011*	*At 28 March 2010*
	£	*£*	*£*	*£*
Ordinary 'A' shares of £1 each	1,000	1,000	2	2
Ordinary 'B' shares of £1 each	1,000	1,000	6	6
	2,000	2,000	8	8

(a) The profits of the company available for dividends and resolved to be distributed in respect of each financial year or other period of the company up to an amount of one million pounds (£1,000,000) shall be applied in the payment of dividends solely to the holders of ordinary class 'A' shares and the balance (if any) of such profits shall be distributed by way of dividend in the ratio of one pence (1p) per ordinary class 'B' share for every ten thousand pounds (£10,000) distributed by way of dividend for each ordinary class 'A' share

(b) On a return of capital on a winding up or otherwise the surplus assets of the company remaining after payment of its liabilities shall be applied first in rateable repayment to the holders of the Ordinary Class 'A' shares and the Ordinary Class 'B' shares of the amount paid up on each share held by them The balance of the assets of the company shall be distributed between the Ordinary Class 'A' shareholders and the Ordinary Class 'B' shareholders such that the Ordinary Class 'B' shareholders have the right to receive one pence (1p) for every ten thousand pounds (£10,000) distributed to the Ordinary Class 'A' shareholders

Notes to the financial statements

at 27 March 2011

19. Reconciliation of movements in shareholders' funds

Group

	Share Capital £	*Profit and Loss Account* £	*Total Shareholders' Funds* £
As at 29 March 2009	8	(17,019,912)	(17,019,904)
Loss for the period	-	(2,080,467)	(2,080,467)
As at 28 March 2010	8	(19,100,379)	(19,100,371)
Loss for the period	-	(1,787,876)	(1,787,876)
As at 27 March 2011	8	(20,888,625)	(20,888,247)

Company

	Share Capital £	*Profit and Loss Account* £	*Total Shareholders' Funds* £
As at 29 March 2009	8	(17,019,912)	(17,019,904)
Loss for the period	-	(2,080,467)	(2,080,467)
As at 28 March 2010	8	(19,100,379)	(19,100,371)
Loss for the period	-	(2,446,079)	(2,446,079)
As at 27 March 2011	8	(21,546,458)	(21,546,450)

Notes to the financial statements

at 27 March 2011

20. Notes to the statement of cash flows

(a) Reconciliation of operating profit to net cash inflow from operating activities

	Period ended 27 March 2011	*Period ended 28 March 2010*
	£	£
Operating loss	(3,754,396)	(3,270,794)
Depreciation of tangible fixed assets	6,910,625	6,787,522
Amortisation of intangible fixed assets	56,962	-
Decrease/(increase) in stocks	51,113	(93,371)
Increase in operating debtors and prepayments	(167,252)	(421,678)
Increase in operating creditors and accruals	1,001,916	1,208,360
Release of deferred grant income	(6,287,171)	(4,007,821)
Deferred revenue grants received	3,210,141	884,906
	4,776,334	4,357,918
Net cash inflow from operating activities	1,021,938	1,087,124

(b) Reconciliation of net cash inflow to movement in net debt

	Period ended 27 March 2011	*Period ended 28 March 2010*
	£	£
(Decrease)/increase in cash in the period	(940,848)	489,491
Cash outflow from decrease in debt and lease financing	737,179	171,184
Cash inflow from increase in bank deposit	176,072	112,917
Change in net debt arising from cash flows	(27,597)	773,592
Other changes	(124,197)	-
Movement in the period	(151,794)	773,592
Net debt at beginning of period	(7,572,214)	(8,345,806)
Net debt at end of period	(7,724,008)	(7,572,214)

Notes to the financial statements

at 27 March 2011

20. Notes to the statement of cash flows (continued)

(c) Analysis of changes in net debt

	At 28 March 2010	Cashflow	Other	27 March 2011
	£	£	£	£
Cash	1,582,757	(940,848)	-	641,909
Bank deposit	42,384,817	176,072	-	42,560,889
Finance lease obligations	(45,512,468)	2,794	(124,197)	(45,633,871)
Loans	(6,027,320)	734,385	-	(5,292,935)
Total	(7,572,214)	(27,597)	(124,197)	(7,724,008)

21. Capital commitments

The insurance proceeds of £836,101 (note 26) are to be reinvested in replacement fixed assets

22. Financial commitments

At 27 March 2011 the company had annual commitments under non-cancellable operating leases as set out below

	Land and Buildings		Other	
Group and company	At 27 March 2011	At 28 March 2010	At 27 March 2011	At 28 March 2010
	£	£	£	£
In one year	-	-	9,092	9,092
In two to five years	25,000	25,000	28,691	9,672

23. Related parties

During the period grants and donations were received by the Eden Trust, for the sole purpose of development of the Eden Project and as such were passed on to the company

The main capital development has taken place at Bodelva, Par, Cornwall and at the balance sheet date, the Eden Trust, possessed legal ownership Under a lease granted to the company on 1 October 1998 rent of £25,000 per annum is payable

Dr A Kendle's partner is a director of Sensory Trust During the period amounts paid or payable for services to the Sensory Trust amounted to £45,677

During the year the company repaid an interest free loan from Mr T Smit, which had been used to purchase artwork amounting to £37,150 Mr T Smit's son provided consultancy to the company which amounted to £18,750 for the year

Ms Lucy Parker, a Trustee of the parent undertaking, The Eden Trust, provided consultancy to the company which amounted to £10,000 for the year

All related party transactions are routinely reviewed to ensure that they are appropriate This review process is designed to ensure that in each instance the relationship is not material enough to unduly influence either party, that the related party has the necessary skills and expertise to deliver the service and that a fair "arms length" price is paid

Notes to the financial statements

at 27 March 2011

24. Finance leases

During the period ended 31 March 2000 the company entered into a lease and leaseback arrangement with Royal Bank Leasing in respect of leased land and assets in the course of construction Under Financial Reporting Standard No 5 the accounts show the substance of this transaction and consequently, all costs of construction, including the construction financed by Royal Bank Leasing are included in Tangible Fixed Assets under the appropriate fixed asset category Amounts financed by Royal Bank Leasing are included in 'Creditors falling due within one year – finance lease' The cost and net book value of assets financed by the above arrangement as at 27 March 2011 was £45,512,000 and £16,769,066 respectively

The company has placed certain amounts on deposit as security for the above arrangement and to finance the option agreement (see below) and these are shown as 'Investments' (note 10)

The company has also entered into an option agreement with Royal Bank Leasing whereby it will grant an overriding lease to a group company in December 2011 for £45 million This option crystallises in December 2011 and consequently the amount placed on deposit has now been reclassified as a 'current asset' at the year end and the finance lease has been reclassified as due within one year

In May 2006 the company received a rebate of £6,844,282 in respect of the original lease agreement The rebate is being treated as deferred income (see note 16) and is being released to interest income in the profit and loss account over the remaining period of the lease

Obligations under Finance lease and hire purchase contracts, including the above are due as follows

Group and company	*At 27 March 2011* £	*At 28 March 2010* £
Within one year	45,546,196	-
Between two and five years	87,675	45,512,468
After five years	-	-
	45,633,871	45,512,468
Less amounts falling due within one year	(45,546,196)	-
Amount falling due after more than one year	87,675	45,512,468

25. Insurance claim

On 17 November 2010 severe weather conditions resulted in various areas of the site being flooded As a result the visitor centre was closed for 7 days and the catering facility within the main biomes has had to be replaced

The loss of net contribution arising from the closure and subsequent disruption was covered by business interruption insurance and has resulted in a payment of claims amounting to £463,721 This is shown within 'other operating income' – see note 2 In addition, the insurers settled a further £207,000 direct with suppliers in respect of clean up operations – this sum is not reflected within the company accounts

The fixed assets within the catering facility will have to be completely replaced The area had to be completely gutted and allowed to dry out At the year end the replacement equipment had not fully been installed

Notes to the financial statements

at 27 March 2011

25. Insurance claim (continued)

As the relevant assets were already fully depreciated, the fixed asset note (note 8) reflects the elimination of the cost (£550,251) and associated depreciation (£550,251) of those assets Consequently, the current replacement value expected to be agreed with insurers, which was estimated at £836,101 at 27 March 2011, represents a surplus over the net book value at the date of the flood and is recorded in the profit and loss account for the period The replacement assets will be acquired in the year to 31 March 2012 and will appear as fixed asset additions in that period

26. Ultimate parent undertaking

The company's ultimate holding entity at the balance sheet date was the Eden Trust – a company limited by guarantee, incorporated in England and Wales on 16 July 2002, registered charity number 4487099 It has included the company in its group accounts, copies of which are available from its registered office Bodelva, Par, Cornwall PL24 2SG