

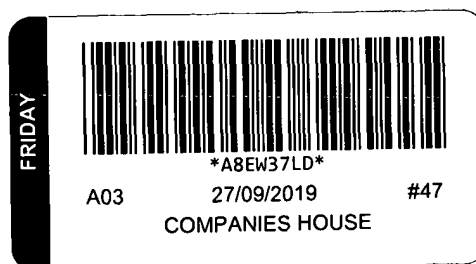
SEA LIFE Trust Limited

Trustees' Report and Financial Statements

Financial Year ended 29 December 2018

Registered Charity number: 1175859

Company number: 10833916



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Trustees' Report

Report of the Trustees for the year ended 29 December 2018

SEA LIFE Trust Limited, known as SEA LIFE Trust, is a registered incorporated charity, Charity Number 1175859, company number 10833916. The Trustees, who are also directors for the purposes of companies' legislation, have the pleasure in presenting their report and the financial statements of the charity for the year ended 29 December 2018. These comply with current statutory legislation and the Trust Deed.

Objectives and Activities for the public benefit

SEA LIFE Trust is a charity focused on protecting marine and freshwater wildlife and habitat across the world. The Trust's vision is for a world where our seas are healthy, properly protected and full of diverse life.

The SEA LIFE Trust's objectives are to promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment, in particular the marine and freshwater environment and the well-being and conservation of wild species living in that environment. Furthermore, The Trust's objective are to promote and conduct research into vulnerable and endangered species including their breeding, conservation, rehabilitation and release into the wild of such species.

The Trustees confirm that they have referred to and complied with the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year. The primary objective of the Charity is the protection of marine and freshwater wildlife and habitat.

Our mission and how we will achieve this

Our mission is to develop and support projects and campaigns that make a measurable difference to the protection of marine and freshwater wildlife and habitats.

We will achieve this by harnessing the reach, power, resource and influence of our Sanctuaries and the SEA LIFE aquarium network around the globe. The Trust will promote simple, practical actions that SEA LIFE staff and visitors can engage in to achieve our goals.

Our Focus

The SEA LIFE Trust has chosen to focus on key areas where we feel we can make a measurable difference. Those areas are:

- 🌿 Increasing protection for freshwater and marine wildlife and habitat across the world
- 🌿 Rescue, rehabilitation and release of marine wildlife through Trust operated Sanctuaries
- 🌿 Reducing plastic pollution in our seas
- 🌿 Reducing the impacts of overfishing
- 🌿 Campaigning for better protection for marine life

Trustees' Report (*continued*)

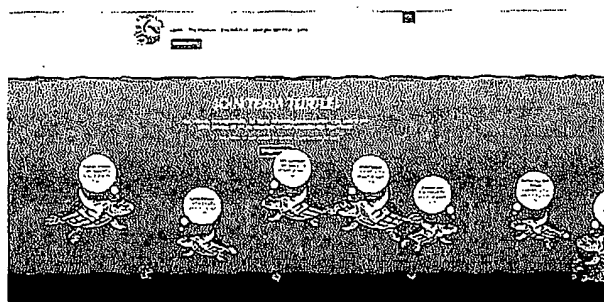
Activity, achievement and performance in 2018

2018 was a significant year of growth and development for the SEA LIFE Trust Limited as we took on ownership of the Cornish Seal Sanctuary in the UK in our own right and acquired the assets and work of SEA LIFE Trust (registered charity number 1149058) including the world's first whale sanctuary, the SEA LIFE Trust Beluga Whale Sanctuary in Iceland.

Campaigning and project funding in 2018

We continued the focus on the SEA LIFE Trust's Team Turtle campaign across the world to help protect sea turtles from plastic pollution and fisheries bycatch.

Campaign materials remained in SEA LIFE aquariums across the world, educating visitors about the threats to sea turtles and encouraging them to make a pledge to protect them by reducing their plastic use or choosing sustainable seafood via the teamturtle.sealifetrust.org website.

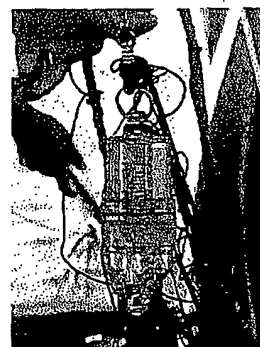


Alongside the Team Turtle campaign, we provided grant funding for projects helping to protect sea turtles in the wild – a selection of projects funded is listed below:

US\$13,940 to a project protecting sea turtles from fisheries bycatch in Peru

This was the second and last tranche of a two year grant to Peruvian NGO Prodelphinus piloting the use of LED lights on artisanal gillnets as a means to reduce sea turtle bycatch (accidental capture of turtles in fishing nets).

The project continued to be an outstanding success in Year 2 with a significant reduction in sea turtle bycatch in those nets with LED lights – saving the lives of many hundreds of sea turtles. There is also an associated reduction in sea bird and cetacean bycatch in the nets with LED lights.



Given the ongoing success of the project, we will explore how we can help to extend the use of this mechanism further to protect many more turtles from an untimely death.

Trustees' Report (*continued*)

£10,200 to the Olive Ridley Project to support vital hospital equipment in a sea turtle hospital in the Maldives

Our grant to this project was to support the purchase of equipment for an x ray machine in a sea turtle hospital in the Maldives. Being able to x-ray sick or injured turtles on site will help the ORP to diagnose and treat illness or injury much more quickly than before when turtles would have to be transported to a different atoll to be examined, causing stress and risking further complications for the turtles.

£20,000 to the Marathon Turtle Hospital in Florida, USA to repair severe hurricane damage

The grant was used by the Turtle Hospital to repair significant damage to the main turtle enclosure after a hurricane. Our grant helped to repair the steel structure, repair shade covers and to replace the pumps and plumbing for the water treatment system.

US\$23,770 to a project helping to study and protect a population of green sea turtles in California, USA

Our grant has funded the Aquarium of the Pacific and SEA LIFE Carlsbad to support a citizen science project studying the turtles on the San Gabriel River, California. The grant has helped to fund population research and a photo identification component as well as training of volunteers and staff and a public education campaign to help protect the turtles.

Other activities in 2018

Rescue, rehabilitation and release of marine animals through Trust operated Sanctuaries

2018 saw us make some significant strides forward in line with our strategy around operating marine wildlife sanctuaries:

- In March 2018 we acquired the Cornish Seal Sanctuary in the UK
- In April 2018 we began to build the world's first sea-based Beluga Whale Sanctuary in Iceland

The Cornish Seal Sanctuary

Situated in Gweek in Cornwall, the Cornish Seal Sanctuary rescues, rehabilitates and releases sick, injured and abandoned seal pups from around the Cornish coastline. SEA LIFE Trust Ltd took on ownership of the Sanctuary on 4th March 2018.

Between March and the end of December, the Sanctuary continued its vital work and:

- Treated over 60 sick or injured seal pups
- Continued to contribute to research related to seals including:
 - A study investigating micro plastic trophic transfer in marine top predators
 - The influence of sex and weight on grey seal (*Halichoerus grypus*) pup behaviour in captivity
 - A comparative study of olfactory enrichment in Common Seals (*Phoca vitulina*): an effective tool for captive welfare.

Trustees' Report *(continued)*

Seal rescue case study for the Cornish Seal Sanctuary



This grey seal pup is called Roger Taylor. Roger was rescued from Widemouth Bay on 3rd November 2018 due to superficial wounds and malnourishment. Once at the Sanctuary, and with the help of our expert team, he recovered really well. Roger was released back into the wild on 28th December 2018.

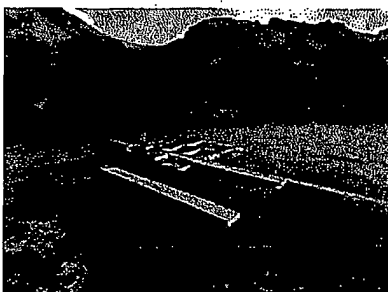
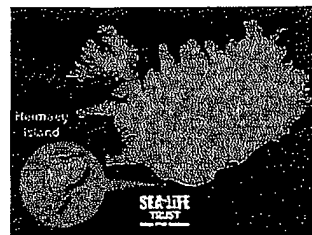
Since taking over the Cornish Seal Sanctuary on 4th March, the Trust has worked with the Sanctuary team to develop a long term development plan to enhance the ability of the Sanctuary to remain at the forefront of seal rescue, rehabilitation and release.

One of the first elements we identified was that investment was required in to the animal care team to enable them to cope better with the increased number of seal pups the Sanctuary is seeing come through its doors. To that end, the Trust provided funding to support three additional roles in the animal care team.

We expect the long term plan to be agreed by the Trust Board in 2019.

The Beluga Whale Sanctuary

In April 2018, funded by a donation from Merlin Entertainments plc, the Trust began building a Beluga Whale Sanctuary on the small island of Heimaey off the south coast of Iceland. The sanctuary is being developed as a more natural home for two female belugas called Little Grey and Little White from a marine park in China. When they arrive in Spring 2019 this will become the world's first sea sanctuary for captive beluga whales.



Developed with the support of experts from across the world, the sanctuary site includes a 32,000 square metre sea pen, where Little White and Little Grey can swim freely, experiencing natural tides and ocean currents as well as a landside quarantine care pool to help them acclimatise when they arrive before being introduced in to their new home. The Trust is also building a small aquarium and visitor centre including an education facility outlining the story of Little White and Little Grey and their journey back to a home in the sea.

Trustees' Report (*continued*)

Throughout 2018, Little Grey and Little White underwent extensive preparations for their epic journey to their new home. We hope Little White and Little Grey will be the first of many previously captive beluga whales to find a new home in the Sanctuary, offering hope for their fellow belugas across the world.

Fundraising and Thank You

All that the Trust achieved in 2018 would not have been possible without our committed and inspiring supporters. In 2018 we raised £512,043 (Note 2).

We are particularly grateful to those SEA LIFE staff who took part in fundraising events for the Trust during 2018 raising over £203,700 in the process.

The Merlin Entertainments Group & SEA LIFE made a total cash contribution of £4,387,218 to the Trust in 2018 as well as Gift in Kind donations to the value of £140,668. Alongside this they continue to encourage and enable employees and visitors to support the charity.

Financial Review

Total income for the period was £ 6,476,604 comprised of £1,940,986 unrestricted funds and £4,535,618 restricted funds. Donations and legacies to unrestricted funds amounted to £508,780 coming through a wide variety of fundraising activities carried out by SEA LIFE employees and donations made at SEA LIFE attractions via collection boxes as well as sales of SEA LIFE Trust wristbands and pin badges. During the period, the Charity made grants totalling £74,413. Merlin continues to provide office facilities, including telecommunications and accommodation, at no cost to the charity but as a donated service estimated at £17,920 for 2018.

The charity follows sector best practice and guidelines, as set out in the Code of Fundraising Practice. Merlin attractions report to the charity regularly to allow monitoring of fundraising activities and behaviour. The charity does not use professional fundraisers or commercial participators. No complaints have been received by the charity regarding its fundraising activity. The charity does not, nor do those acting on its behalf, undertake fundraising activities that puts vulnerable people and others at risk of unreasonable intrusion on a person's privacy, unreasonable persistent approaches or undue pressure to give.

Plans for the Future

In 2019, the Trust will focus on ensuring our two Sanctuaries - the SEA LIFE Trust Cornish Seal Sanctuary in the UK and the SEA LIFE Trust Beluga Whale Sanctuary in Iceland – are run effectively in line with our overarching objectives, and that they positively contribute to our wider focus on making a positive difference for marine life and habitat.

Alongside this, the Board will work with the Trust team to develop a new 5 year strategy for the Trust and as a key part of that will continue to explore ways of diversifying and significantly increasing our income in line with our charitable objectives and responsibilities.

Trustees' Report *(continued)*

Reference and Administrative Details

Charity Name	SEA LIFE Trust Ltd
Charity Registration Number	1175859
Company Registration number	10833916
Principal office	Link House, 25 West Street, Poole, Dorset, BH15 1LD
Auditor	KPMG LLP, Gateway House, Tollgate, Chandlers Ford, Hampshire, SO53 3TG
Banker	HSBC Bank Plc, 62-76 Park Street, Southwark, London, SE1 9DZ

The Board of Trustees

The Trustees of SEA LIFE Trust Ltd during this period and as at the date of this report were as follows:

Trustees	Anne-Francoise Nesmes (appointed 15 January 2018)
	Chris Butler-Stroud
	Grant Stenhouse
	James Burleigh (appointed 15 January 2018)
	Matthew Jowett (appointed 15 January 2018)

Structure and Governance

The SEA LIFE Trust is a registered Charity (registered number 1175859). The SEA LIFE Trust was established as a private company limited by guarantee by Articles of Association dated 23 June 2017 (company number 10833916) and on 21 November 2017 the Trust was registered as a charity. The governing document is the Articles of Association. The Trustees were appointed pursuant to the Articles dated 23 June 2017.

Remuneration policy and Management

The Head of the Charity during this period and at the date of this report is Andrew Bool. The Head of the Trust is responsible for day to day operations and decision making as delegated and agreed by the Trustees.

The SEA LIFE Trust through its Board of Trustees independently benchmark its staff pay with external data of comparable roles in comparably sized organisations.

Trustee appointment, induction and training

All SEA LIFE Trust trustees are unpaid, although expenses may be claimed and remunerated.

The trustees and officers of the Charity served throughout the period and are aware of their legal obligations under charity law, the content of the Charity's governing document, the committee and

Trustees' Report (*continued*)

decision making processes, the Charity's plan and recent financial performance of the Charity. They are all encouraged to keep fully up to date with the latest Charity Commission directives.

Potential new trustees are assessed according to whether they fulfil a gap in the skill audit of the Board. All Trustees are subject to a Disclosure and Barring (criminal record) check.

Per the Trusts Article of Association, Merlin Entertainments plc has the power at any time to appoint three persons as directors and to remove from office such directors.

Related parties

The Charity staff are employees of companies within the Merlin Entertainments Group, but at all times act only in the interests of the Charity. In line with the governing document, any potential conflict of interest in relation to any matters for discussion or decisions of the Trustees' or the Advisory Panel must be declared and if required, the person with the conflict takes no part in the discussion of the matter in question and may not vote on that matter.

Risk Management

The Charity recognises that risk management is an essential part of good business practice and will continue to develop its risk management policy to include all aspects of its work, including processes for strategic and operational planning, performance management, decision making and project management. Risk management is the responsibility of the Trustees supported by the officers of the Charity and the members of the Advisory Panel. The Charity benefits from the broad-ranging professional skills of the directors and officers of the Charity and of the members of the Advisory Panel, who have considerable experience in business and risk management and who apply these skills to ensure that risk exposure to the Charity is both minimised and, where retained, is managed effectively. The major risks to which the Charity is exposed, as identified by the Trustee, have been informally reviewed and systems established to mitigate those risks.

Grant Making

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Trust. Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustee has agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Trust.

Reserves Policy

At the end of 2018, reserves totalled £859,537 of which £777,271 are unrestricted reserves which the Trustees believe are an appropriate level. The restricted funds of £82,266 held at the year-end are funds that are to be spent on activities at the Seal Sanctuary in Gweek.

The Trustees target having unrestricted reserves at a level to be sufficient to cover the notice period and salaries of any staff directly employed by the Trust, any outstanding donation commitments made and the other operating costs of the Cornish Seal Sanctuary and Beluga Whale Sanctuary for a

Trustees' Report (*continued*)

period of 4 months. If reserves fall below this level then the Trustees will consider other sources of fundraising to maintain this level. Reserves above this target level will be considered for investment in line with the investment policy.

Investment Policy

At the present time there are no investments and all funds are held in a current cash account. The Trustees will be looking to establish suitable financial facilities so that an appropriate return is made on any funds not required for short-term operational and grant provision requirements.

Disclosure of information to auditor

The Trustee Directors who held office at the date of approval of this Trustee's report confirms that, so far as they are aware, there is no relevant audit information of which the Charity's auditor is unaware; and the Trustees have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

On behalf of SEA LIFE Trust Limited



James Burleigh, Director

27 September 2019

Registered office:
Link House
25 West Street
Poole
Dorset
BH15 1LD

Statement of trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under charity law, the trustees are responsible for preparing a Trustees' Annual Report and financial statements for each financial year which show a true and fair view of the state of affairs of the group's and the charity's excess of income over expenditure for that period. The trustees have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assess the group and the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Independent auditor's report to the Trustees of the Sea Life Trust Limited

Opinion

We have audited the group and charity financial statements of SEA LIFE Trust Limited ("the charity") for the year ended 29 December 2018 which comprise the Consolidated Statement of Financial Activities, Balance Sheet, Consolidated Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the charity's affairs as at 29 December 2018 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the charity or to cease their operations, and as they have concluded that the group and charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the trustees' conclusions, we considered the inherent risks to the group's business model, including the impact of Brexit, and analysed how those risks might affect the group and charity's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group or the charity will continue in operation.

Other information

The trustees are responsible for the other information, which comprises the Trustees' Report and the What we do section. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 12, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and the charity'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 they either intend to liquidate the group or the charity or to cease operations, or have no realistic alternative but to do so.

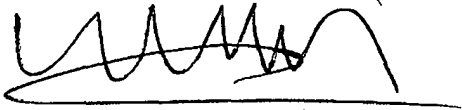
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Harry Mears

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
Gateway House
Tollgate
Chandlers Ford
SO53 3TG

27 September 2019

Consolidated Statement of Financial Activities (Incorporating consolidated income and expenditure account)

Year ended 29 December 2018

		Unrestricted Funds	Restricted Funds	Total Funds
	Notes	2018	2018	2018
Income and endowments from:		£	£	£
Donations and legacies	2	508,780	4,535,049	5,043,829
Charitable activities	2	1,002,546	-	1,002,546
Other trading activities	2	429,660	-	429,660
Interest		-	569	569
Total		1,940,986	4,535,618	6,476,604
Expenditure on:				
Raising Funds	3	531,001	-	531,001
Charitable activities	3,4	960,416	4,414,708	5,375,124
Total		1,491,417	4,414,708	5,906,125
Net income		449,569	120,910	570,479
Net Income		449,569	120,910	570,479
Reconciliation of funds:				
Movement in Funds		38,644	(38,644)	-
Reserves transferred from The Sea Life Trust		289,058	-	289,058
Total funds carried forward		777,271	82,266	859,537

The Statement of Financial Activities includes all gains and losses recognised in the period.

Incoming resources and resulting net movement in funds each period arise from continuing operations.

Balance Sheet

As at 29 December 2018

	Notes	Group 2018 £	Charity 2018 £
Fixed Assets			
Tangible Assets	9	3,883,520	115,053
Investments	10	-	3,574
Current assets			
Stock	11	35,625	35,625
Debtors	12	1,221,281	410,879
Cash at bank and in hand		1,031,049	598,374
Total Current Assets		<u>2,287,955</u>	<u>1,044,878</u>
Liabilities			
Creditors: Amounts falling due within one year	13	<u>(5,311,938)</u>	<u>(283,595)</u>
Total Liabilities		<u>(5,311,938)</u>	<u>(283,595)</u>
Net Current Assets		<u>(3,023,983)</u>	<u>761,283</u>
Total Assets less Current Liabilities		<u>859,537</u>	<u>879,910</u>
Reserves			
Restricted Funds	16	82,266	82,266
Unrestricted Income Funds			
General unrestricted funds	16	<u>777,271</u>	<u>797,644</u>
Total Reserves		<u>859,537</u>	<u>879,910</u>

The full value of restricted funds £82,266 is shown in cash at bank and in hand and the remainder of the cash at bank balance and all other balance sheet items for 2018 form part of the general unrestricted funds.

These Accounts were approved by the Trustee on 27th September 2019 and were signed on its behalf by:


James Burleigh, Director

Consolidated Statement of Cash Flows

Year ended 29 December 2018

	Notes	2018 £
Cash flow from operating activities:		
Net cash provided by operating activities	8	<u>4,939,804</u>
Cash flow from investing activities:		
Dividends, interest and rents from investments		-
Proceeds from the sale of property, plant and equipment		-
Purchase of property, plant and equipment		(3,908,755)
Proceeds from the sale of investment		-
Purchase of investments		-
Net cash used in investing activities		<u>(3,908,755)</u>
Cash flows from financing activities:		
Repayments of borrowing		-
Cash inflows from new borrowing		-
Receipt of endowment		-
Net cash provided by financing activities		<u>-</u>
Change in cash and cash equivalents in the reporting period		1,031,049
Change in cash and cash equivalents brought forward		-
Change in cash and cash equivalents carried forward		1,031,049

Notes to the financial statements

1 Accounting policies

Basis of preparation of accounts

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

The Trust constitutes a public benefit entity as defined by FRS 102.

Given this is the first year of incorporation for the Group and all its subsidiaries, no comparatives are shown throughout the financial statements.

The Trustees consider there are no material uncertainties about the Trust's ability to continue as a going concern. Merlin Entertainments plc have agreed that they should continue to provide such financial and other support to the Charity as is necessary to enable it to continue as a going concern for a period of at least 12 months from the date of signing the Charity's financial statements.

Incoming resources

Recognition of incoming resources

These are included in the Statement of Financial Activities (SoFA) when:

- The charity becomes entitled to the resources;
- It is probable that the Trustee will receive the resources;
- The monetary value can be measured with sufficient reliability.

Where tickets are purchased in advance the income is deferred until the ticket is redeemed. All advanced tickets at the year-end are included within creditors falling due within one year as they are valid for a maximum of 12 months.

Incoming resources with related expenditure

Where incoming resources have related expenditure, the incoming resources and related expenditure are reported gross in the SoFA.

Grants and donations

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

Legacies

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate is finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Notes to the financial statements (*continued*)

Gifts in kind

These are included in the Statement of Financial Activities (SoFA) as follows:

- Gifts in Kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.
- Gifts in Kind for use by the charity are included in the SoFA as incoming resources when receivable.

Donated services and facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Expenditure & liabilities

Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources. Donations and Research Grants are recognised once the Charity has approved the application.

Grants payable and constructive obligations

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Trust. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Trust. A constructive obligation arises where there is a commitment to another party which has been communicated in a sufficiently specific manner to raise a valid expectation on the part of the recipient that the charity will discharge its obligations. Where there is no condition attaching to the communicated grant that enables the charity to realistically avoid the commitment, the liability for the funding is recognised.

Fund accounting

Unrestricted funds are those that can be used in accordance with the charitable objectives at the discretion of the Trustees. All funds received by the SEA LIFE Trust to date have been unrestricted.

Assets and depreciation

Tangible fixed assets for use by the charity are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost.

Depreciation is provided to write off the cost of tangible assets over their estimated useful economic lives and are as follows:

Fixtures, fittings & equipment – 20% straight line per annum

Computer Equipment – 25% straight line per annum

Stock

Stock is included at the lower of cost or net realisable value.

Notes to the financial statements (continued)

Governance costs

Governance costs comprise all costs involved in the public accounting of the charity and in compliance with regulation and good practice. These costs include those related to statutory audit and legal fees and are apportioned on a pro rata basis across resources expended.

2 Analysis of incoming resources

	Unrestricted Funds	Restricted Funds	Total
	2018	2018	2018
<i>Voluntary income</i>	£	£	£
Activities for raising funds			
Donations and legacies	364,212	147,831	512,043
Charitable Activities	1,002,546	-	1,002,546
Other trading activities	429,660	-	429,660
	<u>1,796,418</u>	<u>147,831</u>	<u>1,944,249</u>
Corporate donations			
Donations from subsidiaries of Merlin Entertainments Group	-	4,387,218	4,387,218
Corporate donations from third party	3,900	-	3,900
	<u>3,900</u>	<u>4,387,218</u>	<u>4,391,118</u>
Gift in kind and donated services	140,668	-	140,668
Interest Received	-	569	569
	<u>1,940,986</u>	<u>4,535,618</u>	<u>6,476,604</u>

On behalf of the SEA LIFE Trust, Merlin Entertainments Group continued to support office costs of £17,920, estimated using the cost per employee at Merlin House, Poole (where SLT is accommodated), multiplied by the number of SEA LIFE Trust employees on site during the period. Merlin Entertainments Group also provides various other services such as postage and stationery but as it is difficult to reliably quantify these costs and as the value is considered immaterial they are not included in these accounts.

Total Funds of £6,476,604 were supplemented by the transfer of the reserves from the former charity Sea Life Trust of £289,058 thus generating total funds of £6,765,662 (see note 16).

Notes to the financial statements (continued)

3 Analysis of expenditure

Expenditure	Unrestricted Funds	Restricted Funds	Support Costs	Total 2018
	£	£	£	£
Raising Funds	67,666	-	26,516	94,182
Trading Activities	383,455	-	53,364	436,819
	451,121	-	79,880	531,001
Charitable activities				
Cornish Seal Sanctuary	700,733	-	80,049	780,782
Beluga Whale Sanctuary	-	4,414,708	98,083	4,512,791
Grants & Campaigns	74,413	-	7,138	81,551
	1,226,267	4,414,708	265,150	5,906,125

Allocation of Governance and support costs

	Costs of generating voluntary income	Charitable Activities			Total
		Cornish Seal Sanctuary	Beluga Whale Sanctuary	Grants and Campaigns	
Salaries and Wages	29,755	28,103	49,579	2,760	110,197
Professional Fees	14,455	15,977	7,608	-	38,040
Operational costs	9,684	9,338	13,835	1,729	34,586
Information Technology	7,268	7,009	10,383	1,298	25,958
Travel	3,367	3,247	4,810	601	12,025
Governance	3,640	3,510	5,200	650	13,000
Legal and Accountancy Fees	11,152	12,326	5,869	-	29,347
Bank Charges	559	539	799	100	1,997
	79,880	80,049	98,083	7,138	265,150

Merlin Entertainments Group was reimbursed for the salary costs of the employees of the SEA LIFE Trust for 2018 totalling £88,326.

Office costs are funded by Merlin as donated services.

Notes to the financial statements (continued)

4 Analysis of grants awarded

	Unrestricted Funds 2018 £
Research grants	
Olive Ridley Sea Turtle Projects	10,200
Isabella Clegg	6,000
Campaign support costs	
Team Turtle	480
Donations	
Prodelphinus	10,502
Sea Turtle Conservancy	4,324
Marathon Turtle Hospital	20,000
Green Turtle Project	17,907
Falklands Conservation	5,000
	<u>74,413</u>

The charity undertakes its charitable activities through grant making and awarded several grants in the furtherance of its charitable activities.

5 Trustees expenses

The Trustees did not receive any remuneration or reimbursement of expenses in the period.

6 Staff costs

	2018 £
Staff costs	
Wages & salaries	554,850
Social security costs	42,015
Other pension costs	7,927
	<u>604,792</u>

The average monthly number of employees was 38.

In 2018 Merlin Entertainments Group employed four people who work for the SEA LIFE Trust on a full time basis. In 2018 salary costs totalling £88,326 borne by the Group on behalf of the Trust were deducted from the cash donation by way of reimbursement.

Notes to the financial statements (continued)

No employee was paid over £60,000.

Sea Life Trust considers its key management personnel to be the Trustees and the Head of Sea Life Trust. The total employment benefits, including employer's pension contributions, of the key management personnel was £55,197. The Trustees receive no remuneration.

7 Taxation

The company, which is a registered charity, is not liable to taxation on the net income from its primary activity.

8 Reconciliation of net movement in funds to net cash flow from operating activities

	2018 £
Net Income for the year	859,537
Adjustment for	
Depreciation	25,235
Increase in stock	(35,625)
Increase in debtors	(1,221,281)
Increase in creditors	5,311,938
Net cash used in operating activities	<u>4,939,804</u>

Notes to the financial statements (continued)

9 Tangible Fixed Assets

Group	Construction of Beluga Whale Sanctuary	Long Leasehold Land & Building £	Fixtures, Fittings & Equipment £	Total £
Cost				
Additions	<u>3,768,467</u>	<u>27,815</u>	<u>112,473</u>	<u>3,908,755</u>
At 29 December 2018	<u>3,768,467</u>	<u>27,815</u>	<u>112,473</u>	<u>3,908,755</u>
Depreciation				
Charge for year	<u>-</u>	<u>1,391</u>	<u>23,844</u>	<u>25,235</u>
At 29 December 2018	<u>-</u>	<u>1,391</u>	<u>23,844</u>	<u>25,235</u>
Net Book Value				
At 29 December 2018	<u>3,768,467</u>	<u>26,424</u>	<u>88,629</u>	<u>3,883,520</u>
Charity				
Cost				
Additions		<u>27,815</u>	<u>112,473</u>	<u>140,288</u>
At 29 December 2018		<u>27,815</u>	<u>112,473</u>	<u>140,288</u>
Depreciation				
Charge for year		<u>1,391</u>	<u>23,844</u>	<u>25,235</u>
At 29 December 2018		<u>1,391</u>	<u>23,844</u>	<u>25,235</u>
Net Book Value				
At 29 December 2018		<u>26,424</u>	<u>88,629</u>	<u>115,053</u>

Notes to the financial statements (continued)

10	Fixed Asset Investments	Subsidiary Companies £
	Cost	
	Additions	3,574
	Disposals	-
	At 29 December 2018	<u>3,574</u>

The company has an investment in 3 subsidiary undertakings.

Subsidiary	Country of Incorporation	Proportion of issued ordinary shares held
The Beluga Building Company ehf Ægisgata 2 900 Vestmannaeyjar Company number: 4612171680	Iceland	100%
The Beluga Operating Company ehf Ægisgata 2 900 Vestmannaeyjar Company number: 6202181700	Iceland	100%
SLT Sanctuary Trading Limited Company number: 11160544	England	100%

The Beluga Operating Company ehf and SLT Sanctuary Trading Limited were both dormant during the year.

11 Stock

	Group 2018 £	Charity 2018 £
Retail	30,680	30,680
Food & Beverage	4,244	4,244
Guides Books	701	701
	<u>35,625</u>	<u>35,625</u>

Notes to the financial statements (continued)

12 Debtors and prepayments: amounts falling due within one year

Analysis of debtors	Group 2018 £	Charity 2018 £
Amount owed by group and associated undertaking	349,014	349,014
Trade Debtors	40,658	40,658
Prepayments and accrued income	16,937	16,924
Taxation and social security	811,438	1,174
Other Debtors	3,234	3,109
	<u>1,221,281</u>	<u>410,879</u>

13 Creditors: amounts falling due within one year

Analysis of creditors	Group 2018 £	Charity 2018 £
Amounts owed to group and associated undertakings	85,877	85,877
Trade creditors	778,528	47,548
Accruals and deferred income	4,445,644	148,281
Other creditors	1,889	1,889
	<u>5,311,938</u>	<u>283,595</u>

14 Analysis of governance costs

Unrestricted Funds

	2018 £
Auditor's remuneration	15,000
	<u>15,000</u>

Notes to the financial statements *(continued)*

15 Transactions with related parties

The Charity was set up by Merlin Entertainments Group and the directors and officers of the Trustee Company and the Management of the SEA LIFE Trust are all directors or employees of Merlin Entertainments Group or its subsidiaries.

The Merlin Entertainments Group and SEA LIFE made a cash donation to the charity of £4,387,218 and made gift in kind and donated services donations totalling £140,668.

Notes to the financial statements (continued)

**16 Summary of funds Movements
Group**

	Incoming Resources	Expenditure	Transfer between Funds	As at 29.12.2018
Unrestricted Funds				
General Fund	1,940,986	(1,491,417)	38,644	488,213
Transfer from The Sea Life Trust	289,058	-	-	289,058
	<u>2,230,044</u>	<u>(1,491,417)</u>	<u>38,644</u>	<u>777,271</u>
Restricted Funds				
Beluga Whale Sanctuary	4,388,321	(4,414,708)	26,387	-
Cornish Seal Sanctuary	146,661	-	(64,395)	82,266
Olive Ridley	636	-	(636)	-
	<u>4,535,618</u>	<u>(4,414,708)</u>	<u>(38,644)</u>	<u>82,266</u>
Total Funds	<u><u>6,765,662</u></u>	<u><u>(5,906,125)</u></u>	<u><u>-</u></u>	<u><u>859,537</u></u>
Charity				

	Incoming Resources	Expenditure	Transfer between Funds	As at 29.12.2018
Unrestricted Funds				
General Fund	1,940,986	(1,491,417)	59,017	508,586
Transfer from The Sea Life Trust	289,058	-	-	289,058
	<u>2,230,044</u>	<u>(1,491,417)</u>	<u>59,017</u>	<u>797,644</u>
Restricted Funds				
Beluga Whale Sanctuary	4,387,752	(4,393,766)	6,014	-
Cornish Seal Sanctuary	146,661	-	(64,395)	82,266
Oliver Ridley	636	-	(636)	-
	<u>4,535,049</u>	<u>(4,393,766)</u>	<u>(59,017)</u>	<u>82,266</u>
Total Funds	<u><u>6,765,093</u></u>	<u><u>(5,885,183)</u></u>	<u><u>-</u></u>	<u><u>879,910</u></u>

Notes to the financial statements (continued)

The transfer from restricted funds to unrestricted funds represents legacy money used to improve facilities at the Cornish Seal Sanctuary, and been capitalised on the balance sheet and will be depreciated in accordance with the depreciation policy.

Restricted Funds

Restricted funds can only be expended in accordance with the donor's specific instructions.

Beluga Whale Sanctuary – This represents funds towards the activities and operation of the Beluga Whale Sanctuary in Iceland.

Cornish Seal Sanctuary – This fund relates to donations and legacies towards the activities and operation of the Cornish Seal Sanctuary in England.

Olive Ridley – This represents funds given towards the purchase of an x-ray machine in a sea turtle hospital in the Maldives.