

ZOOLOGICAL SOCIETY OF LONDON

MINUTES OF THE ANNUAL GENERAL MEETING

held online at 19:00 on 24 November 2022

Present: Sir Jim Smith (President)
Richard Sykes (Treasurer)
The Council
86 Fellows of the Society

Attending: ZSL's Director General and Executive Committee

1. PRESIDENT'S WELCOME

The President welcomed the Fellows of the Society to the 193rd Annual General Meeting and noted that it was the first hybrid meeting in the Society's history, as well as the first time Fellows had been able to attend the meeting in-person since the 2020 pandemic.

The President introduced the Treasurer, Richard Sykes, and the Chief Financial Officer, Jo Keaney. It was noted that members of the Council and the Executive Committee were in attendance.

The President noted the Society's gratitude to Dominic Jermey, who had stepped down as Director General in September 2022 and introduced Matthew Gould who had joined ZSL as Director General in October 2022. The President also thanked his predecessor Sir John Beddington for his commitment, dedication, and leadership as President for the preceding eight years, including through some of ZSL's most difficult years.

The winners of ZSL's various awards and medals for 2022 were announced and the President confirmed that the meeting was quorate.

2. APOLOGIES

Apologies were received from Fellows who were unable to attend the meeting and had sent their apologies in advance.

3. MINUTES OF THE PREVIOUS MEETING

The minutes of the Annual General Meeting held on 10 November 2021 were approved.

4. THE DIRECTOR GENERAL'S HIGHLIGHTS

The Director General thanked the President for the introduction and for Council's ongoing support of both him and the Executive Team, as well as thanking the Executive team and CFO for her leadership during the interim between Director Generals.

The Director General noted that it was a privilege to join ZSL, and that the Society's purpose and mission was incredibly important. ZSL's people were expert and committed and the organisation had a positive and forward-looking culture. ZSL's science and conservation were having a huge positive impact but this could be increased further by raising ZSL's profile. Despite a fantastic financial result for the year, there was a clear need to raise and diversify ZSL's income to invest into the zoos and address a maintenance backlog, as well as continuing to deliver world class conservation science. The forthcoming year held challenges including increasing cost-of-living and higher energy costs and ZSL business model needed to adapt and change to deliver this.

The Director General summarised highlights from the 2021 to 2022 financial year, including new exhibits at London Zoo with Giant Galapagos tortoises, Dolly Polly and Priscilla, moving into their new home in October 2021, and Tiny Giants opening in May 2021, allowing visitors to see more 'behind the scenes' work of the Zoo, including the Partula snail lab, where critically endangered tree snails were being reared as part of a breeding and reintroduction programme.

Under the Research Excellence Framework assessment, which guided funding allocation for higher education, over half of ZSL's Institute of Zoology (IoZ) science was assessed as 'World Leading' and just over ninety percent of ZSL's impacts were judged as either having outstanding or very considerable impact. As part of the assessment, a series of impact case studies were submitted on everything from developing and applying biodiversity indicators to inform international policy, combating global infectious diseases of threats to amphibian biodiversity, and empowering effective conservation translocations for saving species. During the year ZSL staff and students also authored or co-authored 255 research papers and taught 145 MSc and PhD students

During the year, ZSL also supported 229 community banks in eight countries around the world, helping almost 5,859 members undertake training, improve their livelihoods, and make sustainable choices that will ultimately benefit nature. In Nepal ZSL led the development of a new protected area, a two thousand five-hundred-hectare sanctuary for over three hundred and sixty bird species. Closer to home, the Wild Oysters project, a partnership between ZSL, Blue Marine Foundation and British Marine aimed to restore Britain's seas to health through the restoration of native oysters, which clean coastal waters and create important habitat for other marine animals. Since March 2021 ZSL installed 141 oyster nurseries at three restoration sites. Each nursery contains 27 oysters, producing an estimated nine billion larvae in total by 2023, and combined with our work to restore suitable seabed for oysters, we hope that these oyster larvae will begin to repopulate our oceans and right at the start of the financial year, in May 2021, wildlife vets from ZSL's Disease Risk Analysis and Health Surveillance Team (DRAHS) ran health-checks on thirty captive-bred rare British hazel dormice to make sure that they were healthy and ready to be released in a secret location in the north of England as part of the collaborative Natural England's Species Recovery

Programme. In June 2021 the release of these 30 dormice, bred at London Zoo, brought the total number of UK dormouse reintroductions to 1000.

ZSL's field teams around the world continued to support capacity development to tackle the illegal wildlife trade, for example, training over three hundred rangers in law and law enforcement agents in protected areas across six countries in Africa and Asia.

Finally, the Director General noted two significant events that had happened after the end of the financial year, firstly the birth of three Critically Endangered Sumatran tiger cubs at London Zoo in June, and secondly the opening of the renovated Snowdon Aviary as Monkey Valley. Monkey Valley had more than 800 metres of rope to swing on, 1,347 new plants and trees and a 30ft waterfall, made possible by a £4 million grant from the National Lottery Heritage Fund, as well as support from Lord Paul, and other donors.

The Director General noted that ZSL was facing challenges as an organization but also had enormous strengths and opportunities to draw on, including the extraordinary London and Whipsnade zoos and a base of high-quality science, and conservation, extraordinary staff, and public support.

5. THE ACCOUNTS OF THE SOCIETY AND INDEPENDENT AUDITORS REPORT

TREASURER'S INTRODUCTION

The Treasurer provided an overview of his role as chair of the Audit Finance and Risk Committee which supported Council in its oversight and governance of ZSL's finances.

The Treasurer confirmed that the Council had signed-off the annual report and financial statements for the year ended 31 April 2022. ZSL had received a clean audit report and remained a going concern.

THE ACCOUNTS OF THE SOCIETY

The Chief Financial Officer provided an overview of the accounts.

Summary Operating Performance

After adjustment, ZSL's operating surplus for 2021/22 was £16.8m, however it was important to note that the statutory adjustments included a £8.1m actuarial gain from the ZSL 1988 Pension Scheme. ZSL's operating surplus before adjustment was £8.6m.

Income and Expenditure

Performance in the 2021/22 financial year and been exceptionally positive and demonstrated positive recovery from the 2020/21 financial year, for which the zoos had been closed for just under six months.

ZSL's total income for the 2021/22 financial year was £79.5m, comprised of £30.9m of zoo admissions, £16.2m of trading, £12.5m of grants, £9.6m of zoo memberships, £9.3m of donations and legacies, and £1m of other income including investments.

Visitors to London Zoo remained lower than pre-pandemic levels with 471,000 fewer visitors in 2021/22 compared to the 2019/20 financial year. However, ZSL's membership had grown substantially from 95,000 in 2019/20 to 156,000 in 2021/22.

Donation income (excluding legacies and gifts in kind) had fallen from £8.9m in 2020/21 to £7.8m in 2021/22, however this was not unexpected as ZSL had run a significant emergency fundraising campaign in 2020/21. Other income had also fallen by £2.4m compared to the prior year, as ZSL was no longer receiving furlough income from the government through the Coronavirus Job Retention Scheme.

ZSL's total expenditure for the 2021/22 financial year was £70.9m, comprised of £38.5m on the zoo animal collection, £13.3m of trading costs, £10.3m on conservation programmes, £7.1m on science and research, and £1.7m on fundraising and income generation.

Total expenditure had increased by £12.8m compared to the prior year. Zoo and trading operating costs had increased, which was expected because of the prolonged closure in the prior year, there had been utility cost increases, and ZSL had made additional payments to staff to support them with inflation.

The positive income performance had also provided the opportunity for additional investment into maintenance and visitor experience which had increased expenditure in these areas. During 2021/22 ZSL spent £8.7m on fixed assets (compared to £2.6m in 2020/21), including £2.1m at London, £0.4m at Whipsnade, £0.8m on maintenance, and £5.3m on the Snowdon restoration project.

The budget for 2022/23 would continue to include capital expenditure.

Reserves

Net unrestricted (general) reserves increased from £12m in 2020/21 to £25.2m in 2021/22. Of this total, which included investments, the pension reserve and holiday accrual, free reserves had increase from £7.4m in 2020/21 to £13m in 2021/22. Designated reserves (mostly comprised of fixed assets) increased from £45.3m in 2020/21 to £50.1m in 2021/22. Restricted reserves (mostly comprised of grant and project funding) decreased from £12.6m in 2020/21 to £11.4m in 2021/22.

2022/23 Outlook

So far, market conditions had been challenging for 2022/23. Whilst zoo memberships continued to perform strongly, total admissions had been behind budget. Overseas tourism had not recovered to pre-pandemic levels or even to the budgeted level of 55% of pre-pandemic levels. Inflation and cost of living

increases were continuing to impact the tourism and visitor attraction market as well as ZSL's direct costs. ZSL's annual energy costs had tripled from £1m to £3m since 2020 and continued to increase.

6. MEMBERSHIP OF COUNCIL: RETIREMENTS AND ELECTIONS

The changes to Council following the 2022 Council elections were reported by the President as follows:

i. Retirements

In accordance with Byelaw 22 (d), Maggie Redshaw retired as a member of the Council.

The President noted Council's gratitude to Maggie for her contribution to Council and as Chair of the Animal Welfare Committee and announced that Council member Peter Higgins would take over as Chair, with Maggie remaining as a committee member.

ii. Elections

In accordance with Byelaw 22 (d), May Chiao and Alex Large had been elected to serve on the Council for a period of 4 years.

iii. Selections

In accordance with Byelaw 23, David Jones had been selected by Council to serve on the Council for a period of 4 years.

7. SUBSCRIPTIONS FOR 2023

James Wren, ZSL's Director of Fundraising, Marketing, and Engagement, introduced the proposed subscriptions for 2023 on behalf of Council. James Wren explained that the proposal was to carry forward the 2022 subscriptions into 2023 with no increase. This was in-line with the decision not to increase zoo membership subscriptions in 2022.

The proposed subscriptions were approved by the meeting.

8. FELLOWS' QUESTIONS

In response to a question about subscription increases for Fellows who had joined the Society prior to 2018, James Wren advised that the original intention had been to align the two subscription rates within a couple of years but that this had not happened due to various factors. Subscription increases were considered on an annual basis, considering wider economic factors. The decision not to increase subscriptions at all in 2023, meant that this would be reviewed again for 2024.

In response to a question about storm warnings and steps taken to prevent trees falling, Owen Craft, Chief Operating Officer of Whipsnade Zoo, explained that following the extreme weather in which a tree had fallen into the Brown Bear exhibit at Whipsnade, there had been a thorough investigation resulting

in recommendations to strengthen and improve ZSL's processes, all of which had been actioned. ZSL's tree management framework had been reviewed and changes made to the risk categorisation of trees. The programme of regular surveying had been brought forward and remedial work had been undertaken. The bear enclosure itself had been adapted so that there was internal space for bears during adverse weather. Owen Craft noted that extreme weather events were becoming more frequent, both in the UK and overseas and that this was an ongoing risk to ZSL's operations that the Executive continued to monitor and consider.

In response to a question about a decline in the number of animals at Whipsnade Zoo and what the plans were to address this, Owen Craft advised that as part of ZSL's species planning it was important to balance visitor experience with animal welfare and conservation and science considerations. There had been conscious choices to exit species such as Californian Sea Lions. In terms of bringing new species in, the UK's exit from the European Union (Brexit) had caused significant disruption to international animal moves, with all paperwork relating to moves requiring to be re-produced and a lack of clarity over procedures or requirements. Prior to Brexit there were typically 1400 animal transfers between the EU and the UK per year. Post Brexit, in 2022, there had only been a total of 138 animal moves. OC outlined upcoming additions including new lions anticipated to arrive in Spring 2023, new brown bears and new hunting dogs, Asian Elephant calf, giraffe calf at Whipsnade and a new male Gorilla and Sumatran tiger cubs at London Zoo.

In response to a question about plans for the closed Aquarium at London Zoo, Kathryn England, Chief Operating Officer of London Zoo, advised that whilst the Aquarium was a loss for London, as with many of London's historic listed buildings the building was no longer fit for purpose for animal habitation in terms of proving the modern and best possible standard of care and welfare, but was also a health and safety risk to visitors and staff due to its age and condition. ZSL's critical collection of corals had moved into the tiny giants exhibit at London and the critically endangered and extinct in the wild species of fish had been transferred to the brand-new aquarium at Whipsnade which had been purposefully designed to house and breed them. There were no immediate plans for the building, however the Executive and Council continued to develop the masterplan for both zoo sites.

In response to a question about the original plan to house African Grey Parrots in Monkey Valley, Kathryn England advised that the type of mesh that was required to house the Colobus Monkeys was not suitable to house African Grey Parrots, and the nature of the Snowdon as a grade 2 listed structure had meant that it was unfeasible to provide additional housing suitable for Parrots without significantly impacting the cost and timing of the project. The successful delivery of the project had delivered a great improvement for the colobus.

In response to a question about listed buildings and vacant space at London Zoo, Kathryn England advised that London had eleven grade 2 listed structures and 2 grade one listed structures, and four other buildings of historical interest which presented an enormous challenge to balance history, evolving and improving animal husbandry, regulatory and compliance and planning constraints, and accessibility for people. Heritage England did not believe that there was any other site in the UK that had as many listed buildings in such a small geographical space. Some of London's legacy structures, such as the Lubetkin penguin pool, were not suitable to provide housing for any species. ZSL were engaging with Heritage England so that they understood the challenges ZSL were facing and could support finding solutions.

In response to a suggestion that the Society should consider moving London Zoo to a new site in London and transfer the Regent's Park site to English Heritage or use it for the proposed science and conservation campus, Matthew Gould replied that despite the numerous challenges it presented, thirty six acres (leased from Royal Parks for a nominal amount) of historic site in central London was an extraordinary asset and that whilst he understood the rationale for the suggestion he did not feel that it was something that the Society should consider unless all other options had been exhausted, which was not the case.

In response to a question about ways to diversify ZSL's income, Matthew Gould advised that ideas included leveraging ZSL's expertise, reputation, and practical experience to provide biodiversity advice to companies and government, which was a potential way to grow ZSL's impact as well as income. There were opportunities to grow accommodation offerings at the zoos, licensing opportunities for ZSL's existing merchandise, opportunities for partnerships with other organisations, and alternative fundraising income streams.

In response to a question as to whether the new reptile house currently being constructed at London Zoo meant that the old reptile house would close, Kathryn England advised that it was no longer possible to provide the complex environmental conditions for reptiles and amphibians in the existing building, and therefore the collection would be housed in the purpose-build new reptile house. However, recognising that the site could not have another closed building next to the main entrance other, non-animal, uses for the building were being explored.

In response to a question about plans for the Bicentennial year, Matthew Gould advised that the intention was to have a big celebration, but that there were not yet any firm plans.

In response to a question about plans for the Amur tigers at Whipsnade, Owen Craft advised that ZSL had not received a breeding recommendation for either of the males, and that the facility would require some work in order to expand the group.

In response to a question about the role of fellows, and other ways in which the fellows could contribute to the Society, the President advised that a project was underway with the aim of reviewing these aspects

of the Fellowship in detail. The President noted his ambition to hold more events where Fellows could meet each other, other scientists and conservationists, share ideas, and participate in discussion and debate.

In response to a question about unused areas of London Zoo and about making more efficient use of unlisted space, Kathryn England responded that it was recognized that the site was not being utilized in the most efficient or best way and that this was one of the drivers behind the masterplan, which set out the Society's ambition for the site. In addition to the "what" of the masterplan there were also the financial considerations of the "how". The 2021/22 financial year had been positive and had enabled investment into the sites, however the outlook for 2022/23 and beyond was much more cautious and risks from the current economic and financial constraints on site development.

In response to a question about examples of the difference aspects of the Society, (science, conservation, and the zoos) working together, Andrew Terry, Director of Conservation and Policy, advised that ZSL was strongest when those different parts of the organization worked together. Specifically, ZSL had been working at a landscape scale in West Africa, the Congo Basin, East Africa, and the Philippines to look at how conservation priorities were set, working towards a model whereby science drove innovation and conservation. This model was being tested in the field, with the goal of taking it to scale. Species recovery was a key area for the zoos, working with some of the most threatened species in the world, not just threatened species on the red list but overlooked species that fall off the red list and are now extinct in the wild. Without ZSL these species would disappear. ZSL's science informed captive management practices, but also restoration programs to lead to long term recovery in the wild. Guy Cowlshaw, Acting Director of Science, added that ZSL's conservation plan cut across the whole society, and was being codeveloped by staff in all the different directorates.

9. CLOSING ITEMS

The President reflected on the extraordinary year and noted that ZSL had emerged strongly due to the efforts of staff, the Council, the Fellowship, and ZSL's many other supporters. There being no further business, the President closed the meeting.