



Pets change lives
We change theirs



Blue Cross annual report 2019

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Who we are

Blue Cross is a charity that has been helping sick, injured, abandoned and homeless pets since 1897. Pets help us in so many ways and they depend entirely on us. That's why at Blue Cross we believe in helping pets because pets help us. We help thousands of pets in need every month, providing veterinary care, expert behavioural help and find them loving homes, as well as advice and education for current or future pet owners and pet bereavement support. We develop lifelong relationships with pets and owners, providing quality care that is accessible and non-judgemental. With your support we can give back to more pets in need.

Pets change lives. We change theirs.

Vision

Every pet will enjoy a healthy life in a happy home.

Mission

To improve the welfare and quality of life for all pets



Welcome from our Chairman and Chief Executive

Sally de la Bedoyere will be retiring as Chief Executive this summer. We are immensely grateful to Sally for the exceptional progress made by Blue Cross over the last five years. A fuller appreciation of Sally's contribution to Blue Cross can be found at the start of the Trustees' report. We are delighted that Chris Burghes who is currently Chief Executive at the Royal Free charity, which is the charitable arm of the Royal Free London NHS Foundation Trust, will succeed Sally and continue the great work she has led.

This year we have decided to issue an impact report which highlights Blue Cross's achievements in 2019 and interventions on behalf of pets. This is structured in line with our Impact Framework which we introduced in 2018 and has received much acclaim. The impact report can be found online at bluecross.org.uk/publications and should be read in conjunction with this annual report. We would be interested to hear the views of our stakeholders on this approach to reporting.

The demand for Blue Cross's services continues to grow. Our animal hospitals and pet care clinics carried out over 90,000 consultations and more than 6,500 operations, and through our veterinary services as a whole 32,732 pets in need were helped, an increase of 4.5 per cent over 2018. We now partner with 200 private practices to provide support through our Emergency Care Fund and we have launched online vet consultations in partnership with PawSquad.

Despite the considerable challenges posed by the increase in the online sale of pets, our rehoming services helped 9,023 pets in 2019, a 2.5 per cent decrease on 2018. We continued our agile approach through our investment in rehoming and advice units and focus on our Home Direct Scheme and national rehoming network. Whilst we paused to develop our education strategy, we still reached over 133,000 people through talks, workshops and partnership activity. 2019 marked the 25th anniversary of our unique Pet Bereavement Support Service and this was marked by a 9.6 per cent increase in the support Blue Cross gives to those who have lost a much loved pet.

Some of the biggest issues facing society today are mental health, isolation and poverty. Our Link in the Chain conference and report in November explored the vital role pets play in tackling these issues and we will continue to work in collaboration with charities and others in these fields as part of our focus on pets as a valued part of society. In Scotland we have continued to work with politicians in bringing forward the Pet Shop Licensing Bill, while in Europe we have worked with our European colleagues in developing pet advertising groups to monitor the social media sale of pets in 10 countries.

The financial results report a £1m deficit on our normal operating activities, principally as a result of the timing of legacy receipts which were £1.9m

lower than in 2018. This was caused by notification delays and slower probate processing by HM Courts and Tribunals Services. However our legacy pipeline remains strong. The legacy decline was partially offset by a £600,000 improvement in fundraising and retail income. Investment performance remained positive with an 11.3 per cent uplift to our investments over the year. The investment gain of £4.9m and the profit on a land sale of £1.2m led to an overall surplus for the year of £5.1m.

Post year end we are having to adapt to deal with the global outbreak of Covid-19. More detail on the challenges and risks this is causing is covered elsewhere in the report but we are very grateful to all our teams, volunteers and supporters for all their continued and additional efforts at this time.

Amy Clarke, Sue Ellis and Vicky Hemming resigned as Trustees during the year owing to changed personal circumstances. We thank them for their important contributions to Blue Cross. Dr Nick Park was co-opted as a Trustee. After the year end Niki Coppard, Joseph Nhan-O'Reilly and Charmion Pears were also co-opted as Trustees respectively bringing HR, public affairs and finance expertise. Lara Dewar and Alison Forrestal who come from philanthropy and business transformation backgrounds also joined the board as Independent Board Members.

Mandy Jones retired in May as Director of Rehoming Services and was succeeded by Kelly Grellier. We thank Mandy for her many years of dedication to Blue Cross and wish her a very happy retirement.

We owe a considerable debt of gratitude to all our supporters who donate so generously to Blue Cross; to our volunteers who give their time and passion so enthusiastically to further our work; and our amazing dedicated teams who consistently go the extra mile to improve the welfare and quality of life for all pets. We are extremely grateful to them all and proud of what they have achieved for Blue Cross in 2019.

Tim Porter FCA
Chairman

Sally de la Bedoyere
Chief Executive



Sally de la Bedoyere

The Trustees wish to record their appreciation of Sally's outstanding leadership of Blue Cross over the last five years. This has been a period of great challenge in the animal welfare sector, but also the wider charity environment in terms of societal change, financial austerity, digital transformation and a changing regulatory climate. Above all, trust in charities remains a major issue. Sally has faced these challenges with calm assurance and cheerful optimism.

Under Sally's direction, Blue Cross has continued to thrive and expand its ambit as a national charity. She has championed efficient working practices which, with our focussed clinical guidelines, has meant that the number of pets in need treated at our hospitals and clinics has grown by 21 per cent over the last five years. Sally has also promoted agile and flexible approaches in our rehoming services through the increased use of our Home Direct model and the establishment of rehoming and advice units in areas of greatest need, so that eight per cent more pets are helped by Blue Cross rehoming services than in 2014. Our education services have grown by 103 per cent and our Pet Bereavement Support Service by 100 per cent since 2014. Sally has actively encouraged our public affairs activities so that Blue Cross has a stronger voice and greater impact, most notably our thought leadership in the reports and conferences on the online sale of pets and the role of pets in society for those in greatest need.

Sally has put our people at the forefront of all we do. She has actively consulted and listened to them. She has encouraged them to take responsibility and allowed them to be more empowered.

More flexible working practices, 100 per cent completion of annual reviews, clearer career progression and a reward structure that recognises performance have been important changes. Sally has recognised work pressures such as compassion fatigue and has focussed strongly on wellness and mental health. She has promoted inclusivity, particularly in the closer integration and development of our volunteers. She has sought to make working for Blue Cross more seamless by quicker decision making and reducing bureaucracy. She has championed open and transparent communication with all our people and all our other stakeholders. Above all Sally has lived Blue Cross's values on a daily basis.

Thanks to Sally, Blue Cross has a clear and focussed strategy for the next three years which is in harmony with our well received Impact Framework; allowing the impact of our interventions to be fully demonstrated. Sally is leaving a strong and confident charity to Chris and a legacy that she should be very proud of. We wish her every success and happiness for the future.

Trustees' report

This year we have decided to produce a separate impact report alongside our Trustees' annual report. The impact report contains more details and case studies of our work and the impact we have made in 2019. Previously we have included this information within the annual report, but this year we have decided to produce two reports, giving a clear focus to each publication. The impact report can be downloaded from bluecross.org.uk/publications.

The annual report includes the strategic report as required by the Companies Act 2006. The strategic report is made up of the following sections: Our achievements and performance, Our plans for the future, The challenges we face, Financial review and outturn, and Risk management.

Public benefit

As laid out in our Memorandum and Articles of Association, our charitable activities aim to ensure that knowledge and understanding of a pet's needs are widespread; that pets are valued for the benefits they bring to society; and that pets (and their owners) have access to help when they need it. The Trustees have given due regard to the charity Commission's guidance on public benefit when exercising relevant powers and duties.

Consideration of Directors' responsibilities

Under Section 172 of the Companies Act 2006 the Board of Trustees, as Company Directors, have a duty to promote the long term success of Blue Cross. They have done that during 2019 by duly considering the impact of the decisions they make on the future of the organisation. They have taken into account the view of different stakeholder groups who will be affected by the decisions and have weighed and considered the different options that were available to the organisation on each occasion. The Board believes they have acted throughout the year in the best interests of the charity and in a manner which will bring about long term success.

The Directors consider the key stakeholder groups for Blue Cross to be its supporters, its clients, its employees and volunteers, its partners and its suppliers. In the Governance section of the annual report on page 16 they have included details on how they look to engage and listen to all these stakeholder groups.

During the year the Board made a number of significant decisions, such as;

- the creation and launch of a new three year strategy
- pausing the refurbishment of its Hertfordshire rehoming centre
- selling (via its trading subsidiary) its closed site in Northiam, East Sussex

- recruiting three new members of the Board and two new independent board members

The creation of the new strategy involved a significant amount of Board involvement, in conjunction with the Executive Team and wider staff and stakeholder groups. This was done through a number of dedicated day long workshops and ongoing cross organisation consultation to allow initial ideas to be refined into the final strategy. The Board considered the changing external environment and the increasing need for online and digital services, while making sure that no one who needs to access our services should be unable to do so. Blue Cross offers a wider range of services for a large number of species and it was discussed and agreed how we must successfully balance our resources between those different species and services to ensure we achieve our charitable objectives.

The Board took the decision to delay the start of the scheme to refurbish the Hertfordshire rehoming centre due to concerns as to the possible financial impact of a no deal Brexit on the charity and also ongoing delays within Her Majesty's Court and Tribunal Service with regard to processing legacies, which had created cash flow issues for the charity. Against this they had to weigh the fact that it would be very disappointing news for the staff and supporters who were keen to see the project get underway but felt that until the financial position was clearer it would have been irresponsible to proceed with such a large financial outlay. There has been close engagement with local staff and supporters who had donated to the project to ensure they understand the reason behind the decision and to answer any questions they might have.

The Northiam site in East Sussex was closed three years ago and since then a range of options for its use and possible sale have been explored. After a considerable amount of work was done to establish what development potential existed at the site and the possible value of the site as a housing development, the decision was taken in 2019 to sell it to Northiam

Parish Council for them to develop and use as a community asset. The Board felt this not only achieved the best possible price for the site at this point in time but also meant the site could continue to benefit the local community, especially as it was originally left to Blue Cross in the will of Mrs Kitty Comport, a member of that community, in the 1950s. The Board has also made sure through the addition of overage provisions that if the site is developed for housing in the near future the charity will benefit further.

At the end of 2019 the Board recruited an additional three Trustees to join the Board and two new independent board members to attend relevant committee meetings. This was done to ensure that the Board and the wider charity had access to the necessary skills and knowledge that it requires to make sure it continues to be a successful and relevant organisation in the future. The Board reviewed their existing skills and experience and considered the charity's future needs and thereby identified a number of areas to focus on in their recruitment. The Board was delighted with the response they received from professionals in those areas. The recruitment brief and process were also specifically designed to encourage broad diversity of applicants and the value of diversity was proactively considered at each stage of the process. The Board are confident that the new Trustees and independent board members will add a great deal to the Board and its sub committees and be key to ensuring the long term success of Blue Cross.

Strategic development

Considerable work was undertaken this year to develop our new strategy which sets out the future for our charity to 2023. We launched our new strategy in November 2019 and it illustrates the steps we are taking to achieve our vision as identified in our Impact Framework: that every pet will enjoy a healthy life in a happy home.

Our new strategic plan has three clear goals that will drive much of our work over the next three years:



Provide...

high quality, accessible and integrated services. To give pets the best chance of living a healthy life in a happy home.

Protect...

more pets through advice and education. To improve the quality of life of more pets.

Promote...

the value of pets to people and society. To bring lasting change to pet welfare.

Our achievements and progress

As noted in our 2018 annual report we will look to report our achievements and performance against the three pillars of our Impact Framework.

Improved knowledge and understanding

2019 has been a record year for our education work with more than 133,000 people reached through our talks and workshops as well as through work with our partners.

People reached:	2019	2018
- through education talks and workshops	118,700	103,937
- through partnership activity	14,304	8,723
Total	133,004	112,660

We attended 15 major shows in 2019, raising the profile of the charity by having nearly 5,000 conversations about our services and giving owners advice on pet issues. In addition, as part of the Appleby Horse Fair multi-agency group and British Horse Society healthcare and equine castration days, we've helped horses in need that haven't had any routine or preventative healthcare.

During 2019 and continuing in 2020, we will be reviewing, measuring and seeking to improve the impact of our education programmes. For example, we're working collaboratively with other animal welfare charities to develop a consistent recognised evaluation method that we hope to implement by the end of 2020.

Responsible pet ownership and safety

We want every family, especially those with young children, to have a happy and safe relationship with their new pet. So we reviewed our dog safety messaging to introduce the concept of choice – allowing a dog to decide if they want you to greet them or not. To support this idea, the 3Cs of canine choice ‘Check, Call and Count’ were developed and this new workshop was rolled out in autumn 2019. The main message for participants to take away from these workshops is to:

- **check** with the owner whether it’s alright to meet the dog
- **call** the dog over with a friendly hello and patting your legs
- if the dog comes, **count** up to three and then leave them to get on with their day

The year also saw an increase in working with external partners to achieve our responsible pet ownership goals. We piloted a new responsible dog ownership course in partnership with West Midlands Police, giving dog owners whose dogs have committed a lesser offence the opportunity to attend our course instead of going to court. And through our work with the Safety Alliance, which specialises in public safety education, 14,300 young people have received our welfare messages.

Supporting pet owners and professionals

2019 marked the 25th anniversary of our Pet Bereavement Support Service and saw Blue Cross continue as a leading charity and authority on pet loss in the UK. Awareness grew across the media, leading to a 9.6 per cent year on year increase in calls and emails to the service (14,209 in 2019 against 12,966 in 2018).

Throughout the year we continued to offer e-learning courses and face to face training to help veterinary professionals improve the way they support bereaved pet owners. We also forged relationships with a number of universities by giving talks and helping with their research. This included delivering a conference paper with Durham University on Pet loss through the Victorian era to date, at Bath University.

Pets are a valued part of society

Our Link in the Chain conference and report, launched in November 2019, aimed to highlight the ways pets can help to tackle some of the biggest issues facing society today: mental health, isolation and poverty.

It is clear to us as an organisation that the companionship of a pet can be incredibly beneficial for people suffering from poor mental health. They are not, however, a panacea and more research is needed to identify when pet ownership is appropriate and when it can in fact make a condition worse. Blue Cross will be looking to work with mental health charities, NHS bodies, housing associations and other relevant organisations to do more research in this area and develop guidance.

The report highlighted growing levels of isolation in both the young and older generations and how contact with pets can alleviate feelings of isolation and loneliness. A number of grassroots organisations were identified for developing programmes to help communities interact with animals. Many of these have already made a real difference to individuals who are feeling isolated. We are committed to seeing how we can work together with these organisations to support their growth and also to learn from them to develop our own projects. We are also committed to working with the housing sector, particularly those providing housing for the elderly, to help them develop workable pet friendly policies.

We already do considerable amounts to support low income pet owners through our veterinary work. The report highlighted that along with a number of other large animal charities we help tens of thousands of owners each year access veterinary care. What the report also showed was that the support provided is not nationwide and that we must work more closely together to try and ensure pet owners can access the support they need when they are struggling. It also showed that Blue Cross is leading the way in developing a user focussed approach to our vet care and that we must continue to develop models of affordable pet care that will enable us to support many more pet owners over the coming years.

The conference and report were the first stage in identifying the benefits of pets to society. We will now move on to advocating for evidence-based policies across a range of issues related to loneliness, poverty and mental health that better protect vulnerable pet owners and enable as many people as possible to reap the rewards of pet ownership or animal interaction. We will also be working to develop projects and partnerships at Blue Cross that enable us to support more pet owners when they need us most.

Help for pets in need

Veterinary care

Our four animal hospitals continue to support owners who cannot afford private veterinary care to keep their pets happy and healthy. We have now partnered with more than 200 private veterinary practices to offer discounted emergency care through our Emergency Care Fund (ECF) – which helped 580 pets across the year who may otherwise have gone without emergency treatment. We also launched online vet consultations in partnership with PawSquad to provide expert pet advice 24 hours a day.

Achievements from our veterinary services

2019	2018
32,732 pets helped overall	31,321
92,204 consultations*	93,339
6,814 operations*	6,685
1,639 hospital PetWise MOTs	2,209
580 ECF grants	352

* excludes Emergency Care Fund treatments

Rehoming services

In 2019 we continued to find happy homes for thousands of pets through our rehoming services. The temporary closure of the Hertfordshire centre for redevelopment contributed to a drop in the number of pets rehomed through our main centres. The Hertfordshire team, however, remained extremely busy, moving to an office in Luton to trial our first ever rehoming service with no kennels, cattery or accommodation for small animals. The trial was extremely successful, helping 312 pets over seven months.

The £3 million redevelopment of our Hertfordshire rehoming centre was planned to start in November 2019. However, given the uncertainty in the UK economy at that time and our ongoing work to review our rehoming strategy and operating models, we delayed the start of these works. We are pleased to report that the development will now be progressing with a target completion date of 2021.

Over the past year we have seen a 25 per cent increase in the number of pets helped through agile means, such as the rehoming and advice units, our Home Direct Scheme and via our national rehoming network. Our Home Direct Scheme enables pets to make the transition to a new home, either directly from one home to the new home or via one of our fantastic foster carers. The scheme is less stressful for the pet and more cost effective for us.

Achievements from our rehoming teams

2019	2018
9,023 total pets helped*	9,253
6,358 pets helped through agile services	5,071
1,318 horse welfare visits	1,399

* this figure includes pets helped through agile services

Behavioural support

Our behaviour team continued to work with pet owners in 2019, providing 1,119 consultations to help owners resolve issues with pets they've rehomed, and to help the pets of clients of our veterinary services (up from 933 in 2018). In addition to delivering 1,243 behaviour interventions for pets in our care (up from 867 in 2018), our expert behaviour team have delivered 14 two-day courses for 130 rehoming animal welfare assistants over the year, increasing our behaviour expertise across our services to ensure our pets are cared for using the latest evidence-based approaches.

Supporting activities

The considerable work noted above contributed towards progress against our goals as outlined in our Impact Framework. We also undertook many vital supporting activities which in turn help us achieve our overall aims. These included:

Our people

Central to our work during 2019 was to create a culture of happy and accountable people and to invest in our amazing teams and volunteers and their development. To that end we have developed and launched a number of new induction and

development programmes, as well as introducing new employee initiatives, including the option to buy and sell holidays, flexible working and home working. We also conducted our first equality, diversity and inclusion (EDI) audit and were delighted by the high response rate from our volunteers, employees and suppliers. In 2020 we plan to work with our people to implement some of the key recommendations from this audit.

We know that to recruit and retain great people, we need to make Blue Cross a great place to work. During 2019 we built a new office building at our Burford site and made modifications to a number of the existing facilities to improve the working environment for our teams. As part of the redevelopment work, we also took steps to improve our environmental impact; adding solar panels to the new building and equipping it with energy efficient lighting and heating.

At our all-team conference held at the beginning of the year, our Blue Cross spirit awards gave us the opportunity to recognise and thank some of our wonderful people.

We presented the following Blue Cross spirit awards:

- Shop volunteer, Ben Atkin, won Ambassador of the Year
- Pete Daniel won Volunteer of the Year
- Employee of the Year was awarded to Diane James, Pet Bereavement Support Service Manager
- The Legacy Administration Team won the Team Award
- The Biggest Impact or Innovation was awarded to Claire Haynes, Animal Behaviourist

In addition to our internal awards, we are delighted that the following people have been recognised or won awards externally for their outstanding work:

- Ben Atkin won the charity Retail Awards Young Volunteer of the Year at the 2019 charity Retail Conference
- Jane Denton, volunteer, was shortlisted for Petplan Volunteer of the Year 2019
- Alison Thomas, joint Head of Veterinary Services, was awarded the 2019 Royal College of Veterinary Surgeons Knowledge Quality Improvement Champion Award

The value of volunteers

Our wonderful volunteers remain an essential part of our charity and in 2019 they gave us an incredible 469,829 hours of their time (over 15,000 up on 2018). This equates to 26 per cent of the total hours worked at Blue Cross. At the beginning of the year our new volunteer strategy was launched, focussing on flexible and innovative ways to maximise the impact volunteers can have on our work. Part of this was to look at how we could attract volunteers with skills in specialist areas, such as design, marketing, IT training, project management and retail merchandising.

We are committed to ensuring that our volunteers feel valued and supported, so we are constantly looking at new ways of recruiting and retaining them. We launched a new innovative careers site to help attract candidates and also introduced Blue Cross employee volunteer development days.

Technology

One of our key areas of focus in 2019 was technology, as we are very aware of the ever increasing importance of being able to easily utilise technology to both deliver our frontline services and also operate in an efficient manner throughout the whole organisation.

In 2019 we recruited a new Chief Information Officer to lead our IT team and help us further shape and deliver our future technology and data strategies to achieve these goals. Our Information Technology Team worked with teams throughout the organisation during the year to roll out Office 365, upgrade our computers to Windows 10, replace our telephone system and also upgrade and move a number of our database systems to cloud hosted, software-as-a-service solutions.

In 2019 Blue Cross implemented the Concentric application in order to support us in complying with GDPR legislation – and to help us better serve our supporters and service users. This software allows us to record in detail how our supporters and service users wish to be communicated with and what topics they want to receive information on. It helps us make sure we do not contact them inappropriately and also produces an audit trail of how, where and when we captured their consent to communication and their preferences. Investing in new technology like this builds trust and confidence with supporters and customers, by ensuring that their data is handled safely and the necessary permissions are gained when contacting them.

Income

Despite a continued challenging external environment, most areas of fundraising increased their income year on year. The exception was legacy income, due primarily to delays in probate processing by Her Majesty's Courts and Tribunals Service (HMCTS). We also piloted and subsequently rolled out a new recruitment mechanism for regular givers, finishing the year with a record number of almost 68,000.

Fundraising for the refurbishment of our Hertfordshire centre entered a new phase in early 2019 and continued throughout the year although, as previously noted, we took the decision to delay the start of the redevelopment work. At year end total income, including legacies, for this capital appeal was £1.8m.

We delivered a number of innovations to our fundraising activities. These included the sale of purple poppies in collaboration with War Horse Memorial to recognise the contribution of animals in war, and interactive donation mechanisms as part of our Christmas fundraising activity.

Increased awareness of Blue Cross

Awareness of Blue Cross amongst the general public increased to 12 per cent by the end of 2019 [up from eight per cent in 2018*]. And within our core target audience of pet owners and animal lovers aged 45-65, our awareness increased from 19 per cent in 2018 to 22 per cent in 2019. In addition, recognition of the Blue Cross logo and key strapline 'Pets change lives. We change theirs', increased by five percentage points each. What these impressive figures clearly indicate is that our message is getting through and more and more people are becoming aware of the difference we make to pets in need.

*We changed the source of our brand tracking mid year from NFP Synergy to YouGov.

Our plans for the future

Moving forward, our new strategy will help us work in smarter ways to put our services within reach of more people, increasing partnership working with like-minded organisations, engaging communities and highlighting the direct benefit of pets on people and society. In order to achieve our priorities and change the lives of as many pets and owners as possible, we will focus on the following areas:

Diversify our income streams

We do not receive any government grants and rely on donations to fund our work, so growing our income is essential. To do this we will develop new, varied and sustainable income streams, which is an integral part of our new three year strategy. One of the ways we will achieve this in 2020 is by implementing a new fundraising strategy, which will include the launch of innovative new fundraising products and campaigns. We are looking to embrace new commercial and social enterprise activities working in partnership with other organisations. And we will also look to boost income by becoming more donor-focussed, user-friendly and accessible.

In addition, we will look at how we can increase income from existing streams, including legacies, fundraising and by opening five new retail shops in 2020. Growing income from our frontline services will also help to ensure we are not overly dependent on fundraising.

Digital capability

Investment in technology is crucial to creating more efficient internal ways of working. Digital technology will also make a difference externally; making it easier for current and future pet owners to access our services and advice. We will expand and improve our online offering, whilst ensuring we do not exclude customers without computers.

It's crucial that we continue to develop and implement our data strategy to ensure that we have excellent data management practices in place. We will also continue to invest in systems, processes and people to make sure that we are collecting the right data, keeping it securely and then using it to further improve our performance and measure the impact we are having.

People and culture

We will ensure we have the tools in place to recruit the best people and retain them by investing in their training, development and wellbeing; providing additional care and support for the many pressures and emotional challenges intrinsic to the work we do. We want Blue Cross to be a flexible, diverse, stimulating and supportive place to work. One of the ways we will be acting on this is by working with our people to implement recommendations from the recent equality, diversity and inclusion audit.

Affordable and accessible vet care

The rising cost of private veterinary services has contributed to an increase in the number of pet owners who struggle to afford everyday veterinary treatment, or the pet insurance necessary to provide that care. Recent surveys show 40 per cent of dog owners and around 70 per cent of cat owners have no pet insurance (see *Link in the Chain* report for references).

This year we will be researching and designing a new affordable service which can be provided in partnership with private veterinary practices in 2021, offering the veterinary services that are most needed and can have the greatest impact. Partnerships with other service providers such as PawSquad, which provides 24/7 veterinary advice, will also extend our reach and improve the welfare of even more pets.

Recognising the importance of pets

Our Public Affairs Team spent a significant part of 2019 investigating the important role pets can play for people living with mental health issues, in poverty or struggling with loneliness. The resulting report, *Link in the chain*, made a number of recommendations of ways that society can recognise the benefits of pets. More work will be done in 2020 to ensure that the positive benefits pets bring to our lives are incorporated into appropriate policy.

Delivering a new rehoming strategy

In 2020 we will begin to implement our new rehoming strategy and related operating models, designed to respond to the needs of people and pets in today's world. We need to ensure we are meeting the expectations of our customers and offering our services in ways that allow them to easily access our services.

In addition, we need to be more dynamic and cost-effective in the way we deliver our rehoming services. The next 12 months will see a shift towards using more agile methods of rehoming and working collaboratively with trusted partners.

In doing all of this we must not lose sight of the importance of animal welfare, which is always at the heart of everything we do. We will be developing species specific welfare strategies in collaboration with external partners and will then share and champion our recommended approaches with the wider animal welfare community.

Developing knowledge and understanding

We will continue to provide high quality, accessible education services to young people and the wider public in new and innovative ways, making use of technology to reach more people.

We are also planning to develop a new advice framework utilising both internal and external resource, in addition to ensuring that we include education as a key element of our species specific strategies.

We will continue to deliver our bereavement services for those who have lost a pet – and train others in pet bereavement, so that more people can access these vital services when they need them. In 2020 we will also be launching a new e-learning course on pet bereavement to make our expertise more accessible. We will continue to offer education talks and PBSS services but will look for new and innovative ways to deliver them, making best use of technology.

Challenges we face

As a charity, we will face challenges in the following key areas over the next few years:

Regulatory

Whilst we welcome positive change such as the licensing of animal sales and GDPR, meeting these regulatory requirements is increasing our workload. It is also a concern that many smaller charities may not be able to cope, which could in turn generate more work for our frontline teams. In response, we are investing to make sure we have the right people and processes in place in order to conform to these regulations with the minimum disruption to our day to day operations.

Income

The unsettled UK economy is creating a tough and highly competitive fundraising environment for charities. We need to operate very smartly moving forward, not just in terms of income, costs and the efficient use of funds, but by also ensuring we have sufficient reserves in the event of a worsening economic climate.

Recruitment

High levels of employment, a shortage of suitably skilled staff and inflated private sector salaries are making it difficult for charities like Blue Cross to recruit the right people in specialist areas, such as vets. To counter this issue, we're introducing apprenticeships at our hospitals to train our own people and also looking to sponsor visas for talented individuals from overseas.

Technology and data

The incredible pace of technological change can be hard for charities to keep up with, but it is creating a huge range of opportunities too. We have to invest in both our people and systems to ensure we can deliver our future technology and data strategies, which will be essential for our long term survival.

How people want to access our services

Society has changed dramatically in the last few years with increasing numbers of people looking to access the kind of services we offer digitally. The challenge for us is to ensure we can deliver our services effectively online, or risk losing supporters. That's why we are looking at major investment to ensure we have user-centric services that people can easily access via their preferred channels.

Tackling the unregulated pet market

As the unregulated pet market continues to grow, more people are unwittingly buying unsuitable, ill or poorly bred pets. Many of these pets end up needing to be rehomed or being treated at our animal hospitals, adding to our workload and costs.

Environmental impact

We know that running a national charity has an environmental impact and, along with everyone else, we must take steps to minimise that impact. That's why we are reviewing the environmental implications of our activities and looking at ways to make more use of renewable and clean energy technology for our buildings and vehicle fleet. We will also encourage our people to take whatever steps they can to recycle and use energy efficiently.

Covid-19 outbreak

The worldwide outbreak of Covid-19 post year end has the potential to create considerable challenges for the charity, both in terms of its financial impact and its impact on our services. It has already had a significant negative impact on the value of our investment portfolio and will undoubtedly affect the level of income we receive in 2020. It also has the potential to increase demand for our services and affect how we can deliver them. We are committed to ensuring that we can help as many pets and people during this difficult time and are putting in place a range of contingency measures to ensure that the charity can continue to deliver on its charitable objectives, both during the Covid-19 outbreak and beyond.

Financial review and outturn

Financial outturn

The overall result for the year was a surplus of £5.1m after investment gains of £4.9m. Our normal operating activities made a loss of £1m but this was offset by the sale of our former rehoming centre in Northiam, which was sold for a gain of £1.2m on its net book value.

The loss on our normal operations has primarily been driven by us receiving a lower than expected level of legacy income, caused by issues within Her Majesty's Courts and Tribunals Service (HMCTS), which has led to significant delays in the granting of probates. We believe that the decline in legacy income from 2018 is primarily a timing issue, which should reverse in future years when HMCTS clears its current backlog of cases. This issue has affected the legacy income of many charities around the UK.

Our other income streams performed well overall, being in excess of 2018. Our overall costs increased from £38.1m to £39.9m. This was mainly due to increases in staff costs.

Income

We receive no direct government funding, so continue to depend on donations for everything we do. On behalf of every animal helped we would like to thank every one of our supporters for their generosity. We'd also like to thank our corporate partners, trusts and foundations, and individuals, mentioned on page 43. Pets change lives and it is only with your support that together we can change theirs.

At £20.3m (2018 £22.2m), legacy income was disappointing but we understand the reason for this and feel we have a strong pipeline of legacies that will come through in 2020, as the problems with the granting of probates at HMCTS are resolved.

Fundraising income was at £9.7m (2018 £9.1m) which was a pleasing increase primarily driven by increases in individual giving through products such as lottery and also increases in donations from trusts and philanthropic individuals, and community and events activities.

It was another good year for our charity shops in tough high street conditions. We opened four new stores and like-for-like sales grew three per cent and overall sales grew eight per cent. We expanded our e-commerce offering and intend to grow this area further.

Service delivery income was up 4 per cent on 2018 to £2.5m, which we are very pleased with and further reflects the hard work put in by our frontline teams. At the end of 2019 we sold property and land in Northiam, East Sussex, via our subsidiary Blue Cross Trading Company Ltd. The property had previously been used as a rehoming centre and we were pleased to sell it back to the local parish council for use as a community asset. This generated income of £1.3m and a profit of £1.2m on its net book value.

Expenditure

Our salary costs increased to £21.4m (2018 - £20.4m). This is due to us filling a number of positions that were vacant during 2018 and also as we increased our overall staff salaries by £0.5m, through increases to the minimum wage and performance-related pay rises that were awarded in early 2019. Operational costs and overheads increased to £18.5m (2018 £17.7m). There were increases in areas such as an increasing number of pets helped through our clinical activities, a new rehoming site in Manchester, technology investment and energy costs.

During the year, Blue Cross spent £28.1m (2018 £26.1m) on charitable activities, which represents 70 per cent of total expenditure in the year (2018 68 per cent).

For every £1 invested in raising funds, we received £5.38 back (2018 £5.15).

Balance sheet

Our balance sheet comprises net assets of £69.7m (2018 £64.6m). The legacy debtor increased to £16m (2018 - £14.8m). The legacy debtor has grown as legacy income has grown over the last few years but this new high would seem to be related to the slow receipt of funds post probate being granted, possibly due to a slower UK housing market leading to estates with properties in particular taking longer to be fully resolved and funds released by executors.

We made a significant addition to our fixed assets in 2019 with the development of a new office building and a number of other changes at our Burford site. The total value of these additions was £991K in 2019, with another £269k committed to be spent in early 2020 to complete this development.

Our cash holdings decreased to £2.3m (2018 £6m) as we repaid £500,000 of our loan from Barclays, funded the cashflow shortfall caused by the delays in legacy processing and the legacy debtor growth and also carried out the building work on our Burford site, which we believe will bring significant benefits to the charity in the future and improve our operational efficiency considerably.

Investment policy and performance

The performance of the portfolio within the agreed risk profile was good in the surprisingly healthy market conditions of 2019. The portfolio made a combined realised and unrealised gain of £4.9m (15 per cent) from the end of 2018, though post year end the impact of Covid-19 on global stock markets has reversed these gains. The investment portfolio is managed on a discretionary basis, subject to appropriate policies and limits established by the Trustees.

We approved and have published on our website our new investment policy. This policy guides our investment decisions and makes sure we are considering the nature of our investments, to ensure that they reflect our values and principles, as well as driving a financial return for the organisation. At the year end 82 per cent of our investments were held in companies demonstrating strong social and environmental management and corporate governance with clear positive ethical and sustainability attributes. The balance of the portfolio was predominantly invested in government bonds and cash. We will continue to work closely with Rathbones Greenbank to ensure that our portfolio is supporting the changes we believe are necessary in the world today. The investment policy is reviewed annually by the Trustees in conjunction with our investment advisors.

The charity holds cash as part of its liquid reserves and ensures an appropriate balance between minimising risk of loss of cash holdings with maximising the return on those holdings.

Accounting policies

There have been no changes of accounting policies during the year.

The 2019 annual report and financial statements have been prepared in accordance with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and reporting by Charities SORP (FRS102 2nd edition – October 2019).

Planned expenditure

Our capital expenditure plans are shown in Note 20 to the accounts.

Reserves policy

The charity holds general reserves to support the organisation in countering short term financial risks, while recognising the interaction between reserves and long term strategic objectives and capital plans. The Board's policy is to maintain sufficient unrestricted liquid reserves to counter the most significant short term financial risk to the organisation, which has been identified as a sudden fall in income. Liquid, unrestricted reserves is defined as the total balance of cash, debtors, investments and creditors that the charity holds, minus the balance of any restricted funds.

The appropriate benchmark has been determined as the ratio of liquid, unrestricted reserves to the amount required to cover the following expenditure:

- Six months' future budgeted expenditure which has been determined as being a sufficient timeframe to manage material cost reductions or fund emergency appeals while minimising the impact on our service delivery and core organisational capabilities
- All contracted capital expenditure
- All expenditure committed under leases through to their expiry

The Board reviews this measure annually and has decided that the minimum target ratio is 0.5, subject to a minimum liquid, unrestricted reserves of £15m. At 31 December 2019 the charity was operating at a ratio of 1.0 (2018 0.9) with a liquid, unrestricted reserve of £28.2m (2018 £24.2m).

The Board have considered the reserves policy in light of the ongoing Covid-19 pandemic and feel it is still appropriate at this time.

Risk management

The responsibility for identifying and assessing risks and opportunities for the organisation and deciding how best to deal with them sits with the Trustees. This includes assessing whether they are manageable or worth taking and where exposure is too great to continue with operations. They are supported in this by the Executive Team, who manage those identified risks on a day-to-day basis. The Audit Committee reviews the effectiveness of assurance processes, disclosure documents and management of key risks, including undertaking detailed reviews of key risks to assure themselves that risks have been correctly identified and mitigations are appropriate and effective.

Throughout 2019 management assurance reviews took place on all the strategic risks during the year by the designated Executive Team member responsible for each risk. Work has been undertaken to review and improve the organisation's assurance map, which is a comprehensive summary for the Board of the sources and quality of assurance the strategic risk owners use when forming their opinions of how risks are being managed.

Staff continue to be trained on risk identification and management as appropriate. Work has been undertaken to restructure the risk registers to allow for more effective interrogation and reporting. An operational risk register exists for each department, with responsibility for maintaining it and ensuring risks are appropriately mitigated passed to relevant managers in those departments. At the same time all major projects have their own risk registers, tracking the issues which may impact on project delivery or the wider organisation. These risk registers are used to drive the audit plan for the year, to ensure independent assurance can be provided over high risk areas. The Audit Committee has also begun to focus on those risks with a low probability of occurring, but which if they did would have a serious impact on our ability to operate.

Principal risks and uncertainties

The following are the principal strategic risks that were considered to be present at the end of 2019:

- Adverse publicity leading to reputational damage
- Failure to respond to changes in the external environment, demography and/or service user needs
- Lack of financial sustainability
- Failure to recruit or retain the right people
- Weak, inadequate or failure of corporate governance
- Inability to respond to significant organisational disruption

- Failure of IT systems (including website) due to internal errors or external attacks from hostile third parties

For each of these risks there is an assigned owner on the Executive Team and a detailed plan of controls to protect the organisation, either by reducing the likelihood of them occurring or reducing their impact if they do occur.

We will build on the work undertaken in 2019 to further improve our risk management processes. As well as continuing to embed a risk management culture across the organisation we will be working to bring together the work of all our assurance providers to improve the accuracy of our control evaluations. This, combined with ongoing data cleansing work, will improve the clarity and usefulness of our risk management data to provide decision makers with a more effective resource.

Post year end we have also identified the Covid-19 outbreak as a new strategic risk. The outbreak of this disease will affect us financially in the next year, as it has caused our investment portfolio to decrease in value and will affect our income streams. It is also affecting how we can deliver our services. We are responding to this risk by both putting in place previously developed contingency plans and also ensuring we are adapting on a daily basis to respond to the latest government and scientific advice. We can reduce our cost base to minimise the financial impact and also will utilise some of our reserves to see us through this period of disruption. We are committed to managing the ongoing risk with the aim of keeping our people safe, helping as many pets and people during this difficult time and making sure the charity overall stays in a strong financial position.

Governance

Blue Cross was founded in 1897 under our former name, Our Dumb Friends League. The organisation is a charitable company limited by guarantee, incorporated on 11 September 1940 and registered as a charity on 8 February 1965.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. These Articles were reviewed in 2012 and updated in line with current legislation and the amended Articles were approved at an Extraordinary General Meeting on 14 November 2012.

The charity is registered in Scotland with the OSCR (registration number: SC040154). The primary focus of its work in Scotland is the delivery of educational talks and working with the Scottish government on a range of animal welfare measures, to try and improve the lives of pets in Scotland.

Governance and management structure

Trustees

Blue Cross is governed by a Board of Trustees, all of whom are Members of the charity and are volunteers. Trustees meet a minimum of four times per year. The Articles of Association require a minimum of five Trustees and a maximum of 15.

During the year the actual number of Trustees varied between 12 and 15 at any one time, as shown on page 42.

In appointing Trustees, the Board is mindful of the need to ensure diversity and that a wide range of skills and experiences appropriate to the charity's activities are represented. Recruitment of Trustees is delegated to a committee of Trustees under the Chairman's leadership, which makes recommendations to the Board. In its recent recruitment, the Board has sought to achieve greater gender balance and to lower the average age of Trustees. No more than one third of Trustees at any time can serve beyond nine years where their skills and experience are desirable to be retained. The ongoing contribution of such Trustees is reviewed annually by the Board.

The Chairman is subject to an annual appraisal process by a senior Trustee based on feedback from each Trustee. The Chairman discusses on an annual basis with each Trustee their current and future contribution and any development needs.

Trustees attend an annual development day as part of their continuing professional development.

In 2019, Trustees received an external briefing on digital transformation, this being a key enabler to the delivery of the charity's strategy for the next three years. Trustees also considered possible measures of future success, particularly mindful of the impact the charity wants to have around societal change over the lifetime of the strategy.

The Trustees regularly review governance best practice and pay particular attention to the charity Code of Governance, using it as a benchmark to guide their activities as Trustees and ensure that they are giving sufficient time and attention to the seven principles contained within it. In 2018 they specifically identified the actions that the Board and sub committees should take during the year to ensure they are adhering to the principles of good governance. During 2019 this assessment was updated by the Trustees based on actions taken in the year. Following this updated assessment the Trustees identified that further work was required in a limited number of areas set out within the charity Code of Governance 3rd edition (2017), whilst recognising that good progress was being made in all areas. The areas of focus for 2020 will be to further embed the risk management process within Blue Cross and also to follow up on the outcomes of the EDI survey to ensure we are a diverse organisation.

Independent Board Members

In 2018 the Board appointed two Independent Board Members who attended board meetings as observers and provided specific expertise to committees. They have now been co-opted as Trustees as vacancies on the Board arose.

Related Parties and subsidiary charities

The charity has two subsidiary undertakings, Blue Cross Trading Company Limited and Blue Cross D&B Limited. The results of these subsidiaries are included in the charity's consolidated financial statements. Further information on these subsidiaries can be found in Notes 17 and 18 of the financial statements.

There are also a number of other related parties and subsidiary charities. Full details of these can be found in note 19 of the financial statements.

Committees

In addition to the main Board there are five committees which operate under the delegated authority of the full Board and advise or make recommendations.

These committees are:

Audit Committee (Audit): satisfies itself on behalf of the Board that adequate and effective systems of control and risk management are in place across the organisation.

Commercial and Retail Committee (Comco): considers all matters relating to the commercial, marketing, communications and income generating activities of the charity.

Finance and Support Committee (Fisco): supports the implementation of the charity's strategic plan and oversees financial and operational effectiveness against agreed business plans and the annual budget.

Remuneration Committee (Remco): considers the remuneration of the Chief Executive and Executive Team (see page 18) and overall pay policy of the charity.

Service Delivery Committee (Sedco): monitors the strategic and operational performance of the service delivery activities of Blue Cross, against the agreed business delivery plan, and encourages innovation and continuous improvement.

The Investment Subcommittee (ISC) is a subcommittee that reports direct to Fisco and meets quarterly with our investment managers to review investment performance and ensure investments are held in accordance with Blue Cross's ethical investment policy.

Membership of these committees and sub-committee at 31 December 2019 is shown below:

Zair Berry FCA: Comco, ISC, Sedco

Catherine Brown: Fisco (Chairman), ISC (Chairman), Remco

Professor Stuart Carmichael BVMS, MVM, DSAO, MRCVS: Audit, Sedco

Clive Everest MA, FCA: Audit (Chairman), Fisco

Caroline Gosling: Comco, Fisco

Nico Lutkins: Comco, Fisco

Chris Martin BSc: Comco, Fisco

Dr Nick Park BVetMed: Audit, Sedco

Tim Porter FCA: Chairman of the Board

The Hon Henrietta Roper-Curzon: Comco, Fisco, Remco

Dr Jeremy Stewart BVetMed CertVR MRCVS: Comco, Sedco (Chairman)

Stephen Swift: Comco (Chairman), Fisco, ISC, Remco (Chairman)

As Chairman of the Board of Trustees, Tim Porter is an ex-officio Member of all committees. Dr Jeremy Stewart is the Trustee overseeing safeguarding. Dr Tim Hutton attends Sedco and will step down from this committee on 30 June 2020. Any expenses reclaimed from the charity by Trustees are set out in note 6 to the accounts.

Membership

On 31 December 2019 there were 67 Members of Blue Cross entitled to vote at the AGM. Admission to Membership requires approval of the Trustees.

Executive Team

The Trustees delegate responsibility for the day to day management of the charity to the Chief Executive and the Executive Team who also attend Board and Committee meetings as required. The Executive Team reports to the Board on the performance of their respective directorates against the strategic plan set out by the Trustees and on financial and operational trends measured against the annually approved budget. Key performance indicators are in place to facilitate this process.

Members of the Executive Team at 31 December 2019 were as follows:

Chief Executive: Sally de la Bedoyere

Chief Operating Officer and Deputy Chief Executive: Steve Goody

Director of Clinical Services: David Catlow

Director of Finance and Resources: Iain Heaton

Director of Fundraising, Marketing and Communications: Julia McKechnie-Burke

Director of People and Development: Beth Verrechia

Director of Rehoming Services: Kelly Grellier

Remuneration Committee report

Composition and role

The remuneration committee met twice in 2019. Its members are the Chairman and three Trustees and it is attended by the Chief Executive and the Director of People and Development, who are not present when their performance and remuneration are discussed. No other executives attend the committee.

The objectives of the committee are to:

- review and recommend the remuneration of the Executive Team
- review and approve Blue Cross's overall pay policy
- conduct the Chief Executive's annual review and set their objectives for the forthcoming year
- review and approve any proposed settlement payment proposals to be made

All recommendations made by the committee must then be approved by the Board.

Remuneration policy

Blue Cross is committed to ensuring that our employees are paid fairly and in a way that attracts and recruits people with the right skills to have the greatest impact in delivering our charitable objectives.

In assessing remuneration levels the committee considers the following factors:

- Inflation – keeping pay levels in line with movements in the cost of living
- Market forces – making sure pay levels are set so that they are compatible with the recruitment and retention objectives applicable to the role under consideration
- Merit increases – benchmarking such increases in terms of amount and justification ie performance and achievement and delivery against agreed objectives
- Increased responsibility – accommodating real changes in responsibility
- Affordability – ensuring Blue Cross has the financial resources to afford the proposed remuneration

The objective of this policy is to ensure that all Blue Cross employees are provided with appropriate remuneration to encourage optimum performance and are rewarded in a fair and responsible manner for their individual contributions to the overall success of the charity. Each year all Blue Cross employees participate in performance appraisals.

The remuneration of the Executive Team is reviewed annually based on sector Xpert HR data. Blue Cross aims to pay the voluntary sector median salary for its senior executives. In 2019 the total Executive Team remuneration (£752,961) represented 97.6 per cent (2018 98.3 per cent) of the voluntary sector median for their specific roles.

The ratio of remuneration of the highest paid employee (£129,832 pa) to the average remuneration of employees (£25,903 pa) was 5.01 times (2018 5.03 to 1).

In 2019 the committee approved total settlement payments of £8701.58 to two individuals; in addition redundancy and payment in lieu of notice (PILON) payments totalling £50,379.09 were made to 12 individuals.

In framing the remuneration policy the committee has fully considered the recommendations of the annual survey of the Association of Chief Executives of Voluntary Organisations (ACEVO) and the National Council of Voluntary Organisations (NCVO) report of April 2014 into charity senior executive pay and guidance for Trustees in setting remuneration.

Remuneration of Executive Team

Remuneration of the Executive Team comprises annual salary, car allowance, life assurance, pension contribution and continuity of salary in the event of long term illness. Salary reflects individual performance and experience.

Life assurance, pension and salary protection for long term illness are available to all Blue Cross employees.

Fundraising standards

Continuing to rebuild public trust in charity fundraising is vital and it is extremely important to us that we demonstrate our transparency and impact as much as possible. Standards we apply to our fundraising include:

Open and accountable fundraising

We tell our supporters how they can easily change their preferences and we give them the ability to decide exactly what they want to receive. In 2019 we provided this opportunity in every mailing we sent. We regularly ask supporters if they are happy with what they receive from us at the end of every phone call.

Communicating with our supporters

We regularly update our supporters through our supporter magazine, letters and emails about how we spend their valuable donations to help pets in need.

Complying with laws, regulation and standards

We are a member of the Institute of Fundraising and comply with the Fundraising Regulator code of practice. We also work with other charities to share and learn best practice across the sector. In 2019 we were part of the Compliance Forum, alongside other charities.

Protecting vulnerable people

We train our teams to be aware of the needs of vulnerable people and plan to undertake further training in 2020 to create better understanding of people with mental health problems and how to communicate better with them. You can see our approach to vulnerable people on our website.

Complaints and negative feedback

We treat all complaints seriously and respond quickly and fairly. We use the feedback that we get from our supporters and customers to improve the way we do things.

Working with partner agencies

We continue to work with trusted suppliers and, where we need to identify new suppliers, we use a comprehensive procurement process wherever possible. Through this process we aim to ensure we deliver the best in terms of supporter care, value for money and are fully compliant with UK laws, regulations and standards. They are also monitored throughout the year.

During 2019 we undertook internal audits of our Supporter Charter and the new Code of Fundraising Practice 2019 to ensure our compliance and understand where we can improve further.

Our full supporter charter, complaints procedure and fundraising policies can be read on our website: bluecross.org.uk/supportercharter

We undertake a range of fundraising activities to encourage the donations that are so vital to funding our work, both through our own internal teams and by employing external fundraising agencies. In 2019 we partnered with Capll to provide our door to door fundraising. Each external company we work with on fundraising is carefully selected through an agreed process and monitored as they conduct work as ambassadors of Blue Cross. In 2019 we received 201 complaints about our fundraising (2018 375). The number differs from that submitted to the Fundraising Regulator (a total of 305 complaints year ending April 2019) as we are now required to report in line with the financial year.

We are also proud to have committed teams of volunteer fundraisers based around our Blue Cross rehoming centre and animal hospital sites who engage in raising funds within the local community, and provide a valuable contribution to generating income for our charity.

Engagement with employees

We know that to be successful we need a happy and engaged workforce. We always look to engage and consult with our employees when making decisions regarding the operations and the future of the charity and to get their input to ensure we make decisions that reflect the reality of what they are seeing every day in their roles. This engagement is done through a number of formal channels, such as staff forums, conferences and surveys, as well as more informally through conversations between members of staff and the Trustees. The Executive Team will also act as a conduit for the views of staff; conversations between the Executive Team and staff members take place throughout the year to get their input and what they feel the crucial areas are that the charity needs to focus on to ensure it continues to deliver on its charitable objectives.

Business relationships

In order to ensure that Blue Cross continues to thrive we look to establish strong working relationships with our suppliers, customers and any other stakeholders, such as our partner vet practices. Most of the direct engagement with these groups is delegated by the Board of Trustees to the Executive Team, who then ensure that supplier, customer and many other major relationships are well looked after throughout the organisation by ensuring the correct practices and policies are in place.

Major supplier agreements and relationships such as those with our partner vet practices will be subject to regular communication and review meetings to ensure that both sides are comfortable with the relationship and any points of concern can be addressed quickly. These will be carried out by the relevant team or person within Blue Cross who owns the relationship with the supplier in question. We also engage with our suppliers on areas such as the Modern Slavery Act 2015 to help ensure that their standards and practices are in line with our own.

Our customers constitute a wider body of people and other organisations, including customers in our shops, members of the public adopting pets in our rehoming centres, clients seeking veterinary care in our hospitals and the many thousands of donors who support our work every year. Indeed some people will be in a number of these groups of customers.

We look to engage with all these groups through a variety of communication means, such as face to face conversations, emails and supporter magazines. We always welcome feedback and our Supporter Care Team capture any complaints or compliments that are raised with them and then pass this information on to the relevant teams within the organisations so it can be considered as part of constantly reviewing working practices.

Major donor relationships, be they individuals or in areas such as trusts, will have regular ongoing engagement, through meetings and other communication means to ensure that the donors are fully aware of how their generous gifts are being utilised. We communicate regularly to all our donors via mail and email, though making sure we take into account their communication preferences and consent in line with GDPR regulations.

Equality, diversity and inclusion (EDI) statement

We are a values-led organisation. We aim to ensure that these values, encompassing equality and diversity, are at the heart of all we do in both the services we provide and as an employer.

We recognise that people who provide and use our services come from diverse backgrounds, with varying experiences and needs.

We believe in equality for all, and that every person has the right to be treated fairly and with dignity and respect regardless of sexuality, gender, disability, ethnicity, religion and belief, gender reassignment, age, pregnancy or maternity, marriage and civil partnerships, or socio-economic background.

We embrace the different skills and experiences our employees and volunteers bring to work, and we will treat people without prejudice based on their individual merit.

We work towards four broad objectives that we consider to encompass best practice:

- To develop and deliver our services and ways of working to ensure they are inclusive and accessible to the people they're intended for

- To ensure equality, diversity and inclusion is embedded within the values of Blue Cross and viewed by all as integral to what we do
- To commit to a zero tolerance approach to discrimination and/or harassment
- To equip our people to deliver services that are focussed on the user and that provide social value

In 2019 we have progressed our EDI agenda by carrying out our first EDI survey of employees and volunteers, with over 900 of our team participating. The findings from this will inform an action plan to make Blue Cross even more welcoming to people whatever their background. This action plan will be launched in 2020, along with our short and long term EDI strategy.

Safeguarding

What does safeguarding mean for us?

As an organisation we regularly come into contact with children, young people and adults who could be at risk of harm. We have a responsibility to make sure anyone working for or using Blue Cross services are safe from harm. We take this responsibility very seriously.

We are committed to ensuring that:

1. Anyone who works for Blue Cross or who uses our services are safe
2. People can rely on us to be aware of what's going on and to take the appropriate action to protect them
3. People know who they can talk to or where to get help

We have a number of measures in place to help us fulfil our responsibilities:

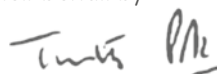
- A dedicated support phone line and email, which is open seven days a week 24 hours a day
- Robust policies, procedures and code of conduct
- Posters and information detailing how to report a concern

- An intranet site containing a wealth of information and resources relating to safeguarding
- On-line safeguarding training for everyone, which is compulsory for managers and Trustees
- Appointment of designated safeguarding leads and a Trustee responsible for safeguarding
- A safeguarding board which meets every six weeks to review cases and implement best practice initiatives
- A robust reporting and monitoring system
- Frequent reporting to the Executive Team and Trustees

Auditors

BDO LLP acted as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

The Trustees' report and strategic report were approved by the Trustees in their capacity as Directors of the company on 1 May 2020 and are signed on their behalf by



Tim Porter FCA - Chairman

Independent auditors' report

Opinion

We have audited the financial statements of Blue Cross ('the Parent Charitable Company') and its subsidiaries ('the Group') for the year ended 31 December 2019 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial reporting Standard 102 The Financial reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 December 2019 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

Basis for opinion

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

Conclusions related to going concern

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The other information comprises: Welcome from our Chairman and Chief Executive, Trustees' Report and Thank you. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the strategic report prepared for the

purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report which is included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the strategic report or the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- 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.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

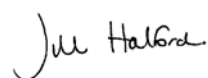
We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's (FRC's) website at: frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's Trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jill Halford
Senior Statutory Auditor
for and on behalf of BDO LLP, Statutory Auditor,
London, United Kingdom
Date: 1 May 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated statement of financial activities

for the year ended 31 December 2019

	Note	Unrestricted Funds £'000	Restricted Funds £'000	2019 Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	2018 Total £'000
Income and endowments from:							
Donations and legacies		24,225	5,824	30,049	25,835	5,434	31,269
Charitable activities		2,506	-	2,506	2,429	-	2,429
Other trading activities		5,163	-	5,163	4,885	-	4,885
Investment income		1,025	-	1,025	869	-	869
Net profit on sale of land		1,181	-	1,181	-	-	-
Total income	3	34,100	5,824	39,924	34,018	5,434	39,452
Expenditure on:							
Charitable activities:							
Clinical		(7,941)	(3,353)	(11,294)	(9,697)	(1,243)	(10,940)
Rehoming		(8,823)	(2,704)	(11,527)	(7,610)	(2,826)	(10,436)
Raising awareness		(4,072)	-	(4,072)	(3,554)	-	(3,554)
Advice and support		(1,177)	-	(1,177)	(1,125)	-	(1,125)
Raising funds		(5,589)	-	(5,589)	(6,069)	-	(6,069)
Other trading activities		(6,108)	-	(6,108)	(6,021)	-	(6,021)
Total Expenditure	4	(33,710)	(6,057)	(39,767)	(34,076)	(4,069)	(38,145)
Net income/(expenditure)		390	(233)	157	(58)	1,365	1,307
Net gains/(losses) on investments	9	4,920	-	4,920	(2,273)	-	(2,273)
Net movement in funds		5,310	(233)	5,077	(2,331)	1,365	(966)
Reconciliation of funds							
Total funds brought forward at 1 January		61,834	2,804	64,638	64,165	1,439	65,604
Total funds carried forward at 31 December	15	67,144	2,571	69,715	61,834	2,804	64,638

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

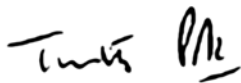
Consolidated statement of financial position

for the year ended 31 December 2019

	Note	As at 31 December 2019		As at 31 December 2018	
		Group £'000	Charity £'000	Group £'000	Charity £'000
Fixed assets					
Tangible assets	8	22,661	22,661	22,476	22,476
Investments	9	37,413	37,413	31,335	31,335
		60,074	60,074	53,811	53,811
Current assets					
Stocks	10	329	155	399	135
Debtors	11	19,254	19,673	16,474	17,537
Cash and cash equivalents		2,301	1,880	5,995	5,861
		21,884	21,708	22,868	23,533
Liabilities					
Creditors: Amounts falling due within one year	12	(6,243)	(6,067)	(3,941)	(3,810)
		15,641	15,641	18,927	19,723
Creditors: Amounts falling due after more than one year	13	(6,000)	(6,000)	(8,100)	(8,100)
		69,715	69,715	64,638	65,434
The Funds					
Restricted funds	16	2,571	2,571	2,804	2,804
Unrestricted funds		67,144	67,144	61,834	62,630
		69,715	69,715	64,638	65,434

The notes 1 to 23 form part of these financial statements.

Approved by the Trustees on 1 May 2020 and signed on their behalf by



Tim Porter FCA
Chairman



Stephen Swift
Vice Chairman

Company number 363197

Consolidated statement of cash flows

for the year ended 31 December 2019

	2019 £'000	2018 £'000	
Net cash provided by operating activities	(1,190)	(1,055)	Table A
Cash flows from Investing activities.			
Dividends, interest and rents from investments	1,025	860	
Purchase of property, plant and equipment	(1,871)	(991)	
Purchase of investments	(7,838)	(20,218)	
Proceeds from sale of investments	6,680	22,384	
Net cash used in investing activities	(2,004)	2,035	
Cash flows from financing activities			
Repayment of borrowing	(500)	-	
Cash inflow from new borrowing	-	2,000	
Net cash (used in)/provided by financing activities	(500)	2,000	
Change in cash and cash equivalents in the year	(3,694)	2,980	
Cash and cash equivalents at beginning of year	5,995	3,015	
Cash and cash equivalents at end of year	2,301	5,995	Table B
Table A			
Net income/(expenditure) for the year	157	1,307	
Depreciation of fixed assets	1,686	1,716	
Dividends, interest and rents from investments	(1,025)	(869)	
	818	2,154	
Working capital movements			
Decrease/ (increase) in stocks	70	(24)	
(Increase) in debtors	(2,780)	(3,628)	
Increase in creditors	702	443	
Net cash provided by operating activities	(1,190)	(1,055)	
Table B			
Cash at bank and in hand	2,301	5,995	
Total cash and cash equivalents	2,301	5,995	

Notes to the financial statements

for the year ended 31 December 2019

1. Company status

Blue Cross is a registered charity constituted as a company limited by guarantee, and does not have share capital. The liability of each member is limited to £1.

2. Accounting policies

A summary of principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below:

a) Basis of Accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (FRS 102) 2nd edition October 2019, applicable accounting standards, the Companies Act 2006, and the Charities and Trustee Investment (Scotland) Act 2005.

The financial statements consolidate the results of the Charity and its wholly-owned subsidiaries Blue Cross Trading Company Limited and Blue Cross (D&B) Company Limited on a line by line basis. Transactions and balances between the Charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the organisations are disclosed in the notes. Detailed profit and loss accounts of Blue Cross Trading Company Limited and Blue Cross (D&B) Company Limited are disclosed in notes 17 and 18.

A separate Statement of Financial Activities, or income and expenditure account, and Statement of cash flows for the Charity itself is not presented because the Charity has taken advantage of the exemptions afforded in FRS102.

b) Going Concern

The directors are of the opinion that the company has adequate resources to continue to operate for the foreseeable future, being not less than one year from the date of approval of the financial statements. They have formed this opinion after reviewing future forecasts and cash flows that take into account the impact of Covid-19 on the organisation. Covid-19 has caused a decrease in the value of the investment portfolio and is also likely to impact on a number of income streams in 2020. However, the organisation is able to adapt its cost base to cope with this lower level of income and this change, combined with the fact that it goes into this period of disruption with a healthy level of reserves, means it will have sufficient resources to continue as a going concern through the disruption caused by Covid-19. For this reason, the directors believe it is appropriate to prepare the financial statements on a going concern basis.

c) Critical Accounting judgements and estimates

In the process of applying its accounting policies, Blue Cross is required to make certain estimates, judgements and assumptions that it believes are reasonable, based on the information available. These estimates, judgements and assumptions affect the amounts of assets and liabilities at the date of the accounts and the amounts of income and expenditure recognised during the reporting period.

On an ongoing basis, estimates are evaluated using historical experience, consultation with experts and other methods considered reasonable in the particular circumstances. Actual results may differ significantly from the estimates, the effect of which is recognised in the period in which the facts that give rise to the revision become known.

The following paragraphs detail the certain estimates, judgements and assumptions Blue Cross believes to have the most significant impact on the annual results under the Charities SORP (FRS 102).

i. Income recognition – Blue Cross recognises income on a receivable basis where the amount is reliably measurable and there is adequate probability of receipt. Income recognition policies are detailed in the accounting policy for income. When it is considered that the key criteria of entitlement, probability and measurement for income recognition are not fulfilled for a transaction, income recognition is delayed until these

Notes to the financial statements *(cont'd)*

for the year ended 31 December 2018

have been judged to have been met. Payments received in advance of income recognition are recorded as deferred income.

ii. Tangible fixed assets - the charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life. Increasing an asset's expected life would result in a reduced depreciation charge. The useful lives of Blue Cross' assets are determined at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology. Depreciation policy is detailed in the accounting policy for depreciation.

iii. Accruals, provisions and contingencies - Expenditure incurred in the reporting period where there is uncertainty as to the final amount to be paid is accounted for on the basis of an estimated value where this treatment is viewed as appropriate. An accrual is recognised when it is probable that an obligation exists for which a reliable estimate can be made. The amount may change in the future due to new developments or as additional information becomes available. Matters that either are possible obligations or do not meet the recognition criteria for a provision are disclosed as contingent liabilities, unless the possibility of transferring economic benefits is remote, in which case no reference is made.

iv. Classification of leased assets - leases held are analysed in order to determine where the risk and reward of the ownership of the asset lies and subsequently classified as either operating or finance leases. The accounting policy for leases has been applied to these arrangements and additional assets are recognised within tangible fixed assets.

d) Income

All income is recognised when the Charity is entitled to the income, it is probable that income will be received and the amount can be measured reliably. Specific policies for certain types of income are as follows:

- i. Raffle income is recognised when the cash is received and sponsorship income is accounted for when receivable
- ii. Income from Blue Cross Shops includes the sale of donated goods through shops and the income is recognised when the goods are sold and the payment received
- iii. Income from trading subsidiaries is represented by the commission receivable and on goods sold during the year, excluding VAT
- iv. Investment income is accounted for when receivable
- v. Clinical, Rehoming and Rehabilitation income is accounted for when receivable and includes any associated donations
- vi. Gifts in kind are valued at cost where material and quantifiable
- vii. The policy for legacy income is shown in note 2d below

e) Legacies

Incoming resources are included gross in the Statement of Financial Activities when the charity is entitled to the income at the date of probate, provided that sufficient information has been received to value the charity's entitlement. Pecuniary legacies are recognised as receivable once probate has been granted and notification has been received. Residuary legacies are recognised as receivable once probate has been granted and they can be valued with reasonable certainty. Legacies are included at 95 per cent (2018: 95 per cent) of the estimated value to reflect the inherent uncertainty that exists where a substantial proportion of the estimated income is represented by property and other investments whose value is subject to market fluctuations until realised. This rate is based on historical rates of actual receipts.

Blue Cross is also entitled to receive income from approximately another 133 legacies (2018: 142), which are subject to life tenancies and trust funds and which mainly comprise shares in properties and investments. As Blue Cross' interest is reversionary, income from these legacies is not recognised at this stage. Blue Cross maintains a legacy pipeline system, which in addition to including the above includes further estimated legacy values that do not meet the recognition criteria, and which therefore have not been included in these accounts. See note 3.

f) Tangible Fixed Assets

Tangible fixed assets represent freehold land and buildings, motor vehicles and equipment. All fixed assets with an expected life of more than one year are included at cost and depreciated on the basis outlined below. Freehold land and buildings are stated at cost.

g) Intangible Fixed Assets

Intangible fixed assets represent licences and warranties in respect of purchased software and hardware. These are stated at cost less accumulated amortisation. The cost includes cost of asset purchases and other directly attributable costs.

h) Depreciation

The depreciation is charged from the date of acquisition or practical completion of works. The Board has set depreciation rates that are prudent and realistic and use the following rates, all on a straight line basis, to reduce by annual instalments the cost of the tangible assets over their estimated useful lives:

Freehold properties - hospitals and administration	50 years
Freehold properties - rehoming centres	25 years
Leasehold improvements	5 years
Equipment	4 years
Motor vehicles	3 years
PC and other IT equipment	4 years
Software Warranties and Licenses	4 years

The land element of properties is not depreciated but is tested for impairment.

All additions to fixed assets purchased for more than £5,000 (PC and other IT equipment for more than £500) are depreciated on the basis outlined above. Those that cost less than £5,000 (PC and other IT equipment that cost less than £500) are written off in the year of acquisition.

i) Investments

Investments held as fixed assets are revalued at bid price at the balance sheet date, except for investments in subsidiaries which are valued at cost. The gain or loss for the period is taken to the Statement of Financial Activities.

j) Stocks

Stocks are valued at the lower of cost and net realisable value. Full provision is made for slow moving and obsolete items. The cost comprises raw materials, direct labour and other direct costs but excludes borrowing costs.

Stocks also include property under development for future sale.

k) Expenditure

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all costs relating to that category. Where costs cannot be directly attributed to an activity or function they have been allocated on a basis of head count, along with a fair proportion of overhead costs.

Costs of generating funds relate to those costs incurred in seeking voluntary donations or as incurred in publicising or marketing the charity. All investment management charges and the costs associated with the trading company, Blue Cross Trading Company Limited, are also included. Charitable activities are all costs incurred in meeting the core objectives of the charity. Dilapidations have been calculated on properties where the lease has or is about to expire. Dilapidations are based on contractors' quotes or estimated costs to return the building to the condition that it was in when first leased. Irrecoverable VAT is included in relevant expense categories.

Governance costs are the costs associated with the governance arrangements of the charity.

This includes internal and external audit fees and other costs that have arisen from constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Notes to the financial statements *(cont'd)*

for the year ended 31 December 2019

The support cost of management and administration of the charity (including governance costs), comprising the salary and overhead costs of the central function, is apportioned to charitable activities on the basis of an estimate of staff time attributable to each activity as follows:

	2019 %	2018 %
Cost of generating funds	8.62	8.17
Service Delivery:		
Clinical	28.77	29.22
Rehoming	37.84	38.40
Raising awareness	4.92	4.40
Blue Cross shops	16.62	16.60
Advice and support	2.92	2.80
Governance Costs	0.31	0.41
	100.00	100.00

The number of hours contributed to the charity from volunteers is not included in value terms as in-kind direct labour services contribution.

l) Operating Leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line basis over the minimum lease term.

m) Pensions

The Charity contributes to a defined contribution pension scheme for salaried employees. Payments made to the scheme and charged in the accounts comprise current contributions. Pension contributions are charged to the Statement of Financial Activities as incurred. The pension cost charge represents contributions payable under the terms of the employees' contracts. The Charity has no pension liabilities other than for the payment of those contributions.

n) Funds

Restricted funds represent funds which are to be used in accordance with the specific restrictions imposed by the donors or which have been raised for particular purposes. The aim and use of each restricted fund is set out in notes to the financial statements.

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

o) Financial Instruments

Blue Cross only holds basic financial instruments. Investments are measured at fair value and shown in note 9 to the accounts. Financial instruments held within current assets and current liabilities are measured at the cash expected to be paid or received which is considered to be amortised cost and is shown in notes 11 and 12. The bank loan (note 13) is measured at the value drawn and any associated costs have been taken to the Statement of Financial Activities.

p) Volunteers time

The Charity does not attempt to put a financial value on the hours of work that it receives for free each year from its thousands of volunteers. Therefore, the accounts do not include any income or costs with respect to this time.

3. Total Income

	2019 £'000	2018 £'000
Donations and legacies		
Donations and gifts	8,637	8,314
Legacies receivable	20,304	22,190
Events, raffle and sponsorship	1,108	765
	30,049	31,269
Charitable activities		
Clinical	1,542	1,381
Rehoming	910	964
Advice and support	54	84
	2,506	2,429
Other trading activities		
Income from Blue Cross shops	4,407	4,190
Income from trading subsidiaries	756	695
	5,163	4,885
Investment income		
Investment income received & receivable	1,014	860
Interest received & receivable	11	9
	1,025	869
Net profit on sale of land	1,181	-
Total income	39,924	39,452

The profit on sale of land in 2019 has arisen from the disposal of the former rehoming site at Northiam, East Sussex. This property was sold by the Charity to its trading subsidiary, Blue Cross Trading Company Limited, in 2018 and now has been disposed of outside the Group.

At the year-end the charity was aware that it was a beneficiary of an estimated 239 (2018: 252) legacies which do not yet meet the recognition criteria detailed in the accounting policies under note 2(d). This is generally because either probate has not been granted and so it was not certain that the legacy would be received, or the value could not be reliably measured. The current estimate of the total amount concerned is £3.19m (2018: £3.48m).

Total gross income for the parent entity during the year was £37.99m (2018 £39.97m).

Notes to the financial statements (cont'd)

for the year ended 31 December 2019

4. Total Expenditure

	Raising funds	Other trading activities	Clinical	Rehoming	Raising awareness	Advice and support	Governance	Support costs	Group 2019 Total £'000	Group 2018 Total £'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
Staff costs (note 6)	(1,852)	(2,238)	(6,575)	(5,542)	(1,067)	(796)	(58)	(3,333)	(21,461)	(20,438)
Other staff related costs	(71)	(38)	(106)	(68)	(23)	(11)	(12)	(293)	(622)	(567)
Service delivery	-	-	(1,845)	(1,052)	-	-	-	-	(2,897)	(2,662)
PR and marketing	(2,557)	(27)	(18)	(4)	(2,519)	(72)	-	(17)	(5,214)	(5,454)
Trading costs	-	(265)	-	-	-	-	-	-	(265)	(262)
Property	(7)	(1,994)	(389)	(802)	(23)	(19)	-	(465)	(3,699)	(3,221)
Equipment and IT	(155)	(99)	(203)	(233)	(68)	(7)	(8)	(651)	(1,424)	(1,576)
Depreciation	(5)	(109)	(214)	(1,081)	(23)	(1)	-	(254)	(1,687)	(1,716)
Transportation costs	(64)	(129)	(89)	(350)	(36)	(56)	(1)	(122)	(847)	(825)
Other operating costs	(348)	(163)	(34)	(64)	(16)	(38)	(22)	(978)	(1,663)	(1,393)
Grants	-	-	12	-	-	-	-	-	12	(31)
Total	(5,059)	(5,062)	(9,461)	(9,196)	(3,775)	(1,000)	(101)	(6,113)	(39,767)	(38,145)
Governance reallocation	(8)	(17)	(30)	(38)	(5)	(3)	101	-	-	-
Support costs reallocation	(522)	(1,029)	(1,803)	(2,293)	(292)	(174)	-	6,113	-	-
Total 2019	(5,589)	(6,108)	(11,294)	(11,527)	(4,072)	(1,177)	-	-	(39,767)	38,145
Total 2018	(6,069)	(6,021)	(10,940)	(10,436)	(3,554)	(1,125)	-	-		(38,145)

Governance costs and support costs are allocated on a full time equivalent headcount basis-see Accounting Policy (2).

5. Net Income from the Financial year is stated after charging

	Group 2019 £'000	Group 2018 £'000
Depreciation of fixed assets	1,686	1,716
Operating lease rentals:		
Buildings	1,528	1,454
Vehicles	189	245
Office Equipment	2	3
Auditor's Remuneration (incl. expenses, excl. VAT):		
Fees for the audit of the financial statements	39	38
Fees for other services	11	8

6. Employees

	Group 2019 £'000	Group 2018 £'000
Wages and salaries	(18,038)	(17,218)
Social security costs	(1,730)	(1,596)
Pension contributions	(995)	(1,132)
	(20,763)	(19,946)
Other staff costs	(698)	(492)
	(21,461)	(20,438)

In 2019 the remuneration committee approved total settlement payments of £4,654 to one individual (2018: £36,176 made to 2 individuals); in addition, redundancy and PILON payments totalling £21,113 were made to 11 individuals (2018: £38,029 made to 10 individuals). The amount approved by the remuneration committee but not settled at year end were £4,048 of settlement payments, £17,124 of redundancy and £12,143 of PILON.

The average weekly number of employees engaged in the activities of the Group during the year, shown as number of employees and full-time equivalents, was:

Group	2019 Average	2019 FTE	2018 Average	2018 FTE
Generating voluntary income	64	56	59	52
Raising awareness	34	32	30	28
Blue Cross shops	151	108	159	105
Clinical	220	187	221	186
Rehoming	282	246	276	244
Advice and support	21	19	21	18
Governance	2	2	3	3
	774	650	769	636

The Executive team, as defined in the Trustee Report, received total remuneration including pension contributions and employers National Insurance of £844,496 (2018: £862,899).

The number of employees whose emoluments (including taxable benefits in kind) were in excess of £60,000 for the year were:

Group	2019 Number	2018 Number
£60,001 - £70,000	9	9
£70,001 - £80,000	1	1
£80,001 - £90,000	2	4
£90,001 - £100,000	2	-
£100,001 - £110,000	1	1
£120,001 - £130,000	-	1*
£130,001 - £140,000	1*	-

*Denotes Chief Executive.

Contributions made in the year for the provision of defined contribution pension schemes totalled £69,656 for those sixteen employees (2018: £80,752 for sixteen employees).

In accordance with the Memorandum of Association of Blue Cross, the Trustees received no remuneration for their services during the year.

Travelling and subsistence expenses were reimbursed to nine Trustees and amounted to £8,615 (2018: eight Trustees £6,385).

Trustee Indemnity Insurance was provided in the year at a total cost of £6,000 to the Charity (2018: £2,681).

Notes to the financial statements (cont'd)

for the year ended 31 December 2019

7. Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Blue Cross Trading Company Limited makes qualifying donations of taxable profits to Blue Cross. No corporation tax liability arose in the year.

8. Tangible fixed assets

Group and Charity	As at 31 December 2019						As at 31 December 2018	
	Freehold land and buildings £'000	Leasehold improvement £'000	Equipment £'000	Motor Vehicles £'000	Computers £'000	Assets under construction £'000	Total £'000	Total £'000
Cost								
At 1 January	36,167	1,413	1,614	178	2,153	270	41,795	41,066
Additions	44	191	182	25	300	1,129	1,871	1,092
Disposals	-	-	-	-	-	-	-	(363)
Transfers	-	188	-	-	-	(188)	-	-
At 31 December	36,211	1,792	1,796	203	2,453	1,211	43,666	41,795
Depreciation								
At 1 January	(14,953)	(1,282)	(1,110)	(159)	(1,813)	(2)	(19,319)	(17,858)
Charge for the year	(1,110)	(119)	(205)	(15)	(237)	-	(1,686)	(1,716)
Disposals	-	(2)	-	-	-	2	-	255
At 31 December	(16,063)	(1,403)	(1,315)	(174)	(2,050)	-	(21,005)	(19,319)
Net Book Value								
At 31 December	20,148	389	481	29	403	1,211	22,661	22,476
Net Book Value								
At 1 January	21,214	131	504	19	340	268	22,476	23,208

Assets under course of construction relate to the build project at Burford, Kimpton, Merton and Hammersmith (2018: Manchester, Sheffield, Kimpton and Burford). The transfer in 2019 related to Sheffield and Manchester building completion.

Tangible fixed assets (cont'd)

	As at 31 December 2019		As at 31 December 2018	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Net receipts on sale				
Building and land	-	-	-	904
Less:				
Cost of Sales	-	-	-	(108)
Administration and Fees	-	-	-	(11)
Profit on Sale of Asset	-	-	-	785

9. Investments

Group and Charity		As at 31 December 2019	As at 31 December 2018	
Market value at 1 January		28,895	35,781	
Investment cash at 1 January		2,440	78	
		31,335	35,859	
Disposals at brought forward market value		(4,483)	(25,002)	
Acquisitions at cost		7,848	20,218	
Cash (utilised)/realised		(2,207)	2,533	
Unrealised gain/(loss) on revaluation		4,236	(2,102)	
Realised gain/ (loss) on disposal		684	(171)	
Market value at 31 December		37,413	31,335	
The above investments consist of:				
	UK	Non-UK	As at 31 December 2019	As at 31 December 2018
Fixed Interest securities	7,006	550	7,556	2,907
Other listed shares and securities	16,877	12,062	28,939	25,988
Cash			918	2,440
	23,883	12,612	37,413	31,335
Historical cost as at 31 December			33,605	30,826

10. Stocks

	As at 31 December 2019		As at 31 December 2018	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Net receipts on sale				
Veterinary drugs for charitable purposes	155	155	135	135
Goods for resale	174	-	156	-
Property held for resale	-	-	108	-
	329	155	399	135

The 2018 Group balance for property held for resale for £108k refers to the former rehoming centre at Northiam, East Sussex, which was sold this year by Blue Cross Trading Company Limited.

11. Debtors

	As at 31 December 2019		As at 31 December 2018	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Due within one year				
Income Tax Recoverable	576	576	350	350
Trade debtors	1,375	42	32	7
Amounts owed by group undertakings	-	1,755	-	208
Legacy debtors	15,986	15,986	14,805	14,805
Other debtors	333	333	322	298
Prepayments and accrued income	984	981	965	965
	19,254	19,673	16,474	16,633
Due after more than one year				
Loan to Blue Cross Trading Company Ltd	-	-	-	904
Total Debtors	19,254	19,673	16,474	17,537

Trade Debtors for the Group in 2019 includes £1.3 million related to the sale of the former rehoming centre at Northiam, East Sussex by Blue Cross Trading Company Limited.

During 2018 a long-term loan of £904,350 was given to Charity's subsidiary - Blue Cross Trading Company Limited, secured on the Northiam Property at the published base rate of Barclays Bank Plc +3%. This is repayable 2 years from the date of the grant of the loan or earlier on demand by the Charity. Blue Cross Trading Company Limited may repay early the whole or any part of the loan at any time. The interest is due to be paid at the loan's repayment date.

12. Creditors: Amounts falling due within one year

	As at 31 December 2019		As at 31 December 2018	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Note				
Trade creditors	(1,160)	(1,130)	(1,114)	(1,058)
Social security and other taxes	(517)	(407)	(465)	(394)
Other creditors	(41)	(41)	(1)	(1)
Accruals and deferred income	(2,025)	(1,989)	(1,461)	(1,457)
Bank Loan	13 (2,500)	(2,500)	(900)	(900)
	(6,243)	(6,067)	(3,941)	(3,810)

The deferred income balance at 1st January 2019 was £19,648, the amount released to income in the year was £48,894 and the amount deferred in the year was £50,426.

The deferred income relates to Pet Bereavement Support Service (PBSS) telephone line and London Marathon Sponsorship.

13. Creditors: Amounts falling due after more than one year

	As at 31 December 2019		As at 31 December 2018	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Bank Loan	(6,000)	(6,000)	(8,100)	(8,100)
	(6,000)	(6,000)	(8,100)	(8,100)

During 2016 a long-term loan of £10m was taken out secured on the Victoria Property (Sheppard House, 1-5 Hugh Street, SW1V 1QQ) at LIBOR +1.25%. This is repayable over 3 years, with loan repayments of £1m due in 2019, £3m in 2020 with the remaining £6m in 2021.

The balance at the start of 2019 was £9m due to early repayments. During 2019 an early repayment of £500k was made, leaving a balance of £8.5m at 31st December 2019.

14. Analysis of changes in net debt

	As at 31 January 2019 £'000	Cash flows £'000	Non-cash changes £'000	As at 31 December 2019 £'000
Cash and cash equivalents				
Cash at bank and in hand	5,995	(3,694)	-	2,301
	5,995	(3,694)	-	2,301
Borrowings				
Debt due within one year	(900)	500	(2,100)	(2,500)
Debt due after more than one year	(8,100)	-	2,100	(6,000)
	(9,000)	500	-	(8,500)
Total	(3,005)	(3,194)	-	(6,199)

15. Analysis of net assets between funds

	As at 31 December 2019			As at 31 December 2018		
	Restricted £'000	Unrestricted £'000	Total funds £'000	Restricted £'000	Unrestricted £'000	Total funds £'000
Tangible fixed assets	-	22,661	22,661	-	22,476	22,476
Investments	-	37,413	37,413	-	31,335	31,335
Net current assets	2,571	7,070	9,641	2,804	8,023	10,827
Net assets at the end of the year	2,571	67,144	69,715	2,804	61,834	64,638

16. Movement in funds

	At 1 January 2019 £'000	Income £'000	Expenditure £'000	Gains/(losses) on investments £'000	At 31 December 2019 £'000
Restricted funds:					
<i>With totals for site above £250k:</i>					
Burford	-	1,710	(1,400)	-	310
Cambridge	273	326	(408)	-	191
Hertfordshire	593	659	(143)	-	1,109
Victoria	1,059	1,265	(2,324)	-	-
Hammersmith	-	275	(17)	-	258
Other Restricted Funds	879	1,589	(1,765)	-	703
Total restricted funds	2,804	5,824	(6,057)	-	2,571
Unrestricted funds	61,834	34,100	(33,710)	4,920	67,144
Total funds	64,638	39,924	(39,767)	4,920	69,715

	At 1 January 2018 £'000	Income £'000	Expenditure £'000	Gains/(losses) on investments £'000	At 31 December 2018 £'000
Restricted funds:					
<i>With totals for site above £250k:</i>					
Cambridge	344	336	(407)	-	273
Suffolk	52	273	(325)	-	-
Hertfordshire	117	476	-	-	593
Victoria	-	2,302	(1,243)	-	1,059
Other Restricted Funds	926	2,047	(2,094)	-	879
Total restricted funds	1,439	5,434	(4,069)	-	2,804
Unrestricted funds	64,165	34,018	(34,076)	(2,273)	61,834
Total funds	65,604	39,452	(38,145)	(2,273)	64,638

17. Blue Cross (D&B) Company Limited

Blue Cross (D&B) Company Limited (Company number 4879277, registered address Shilton Road, Burford, Oxfordshire OX18 4PF) is a wholly owned subsidiary whose main activity is to undertake the design and building of the charity's hospitals and rehoming centres in the most cost effective manner for the benefit of the charity. Its turnover is derived from invoicing the charity at cost for each major capital project as the costs are incurred. Any net profits would be transferred to Blue Cross by way of charitable donation. Blue Cross (D&B) Company Ltd. was dormant during 2019 and 2018.

18. Blue Cross Trading Company Limited

Blue Cross Trading Company Limited (Company number: 2203092, registered address Shilton Road, Burford, Oxfordshire OX18 4PF) is a wholly owned subsidiary whose primary purpose is to generate income for the Charity. The trading activities are primarily sale of new goods through Blue Cross shops and commission and licensing agreements. Net taxable profits are transferred to Blue Cross by way of a charitable donation.

In 2018 Blue Cross Trading Company Limited purchased from Blue Cross the site of the Charity's former Northiam rehoming centre for £904,000. This was being held in stock and was sold by the company in 2019. A summary of the trading result for 2019 is shown opposite:

Income Statement	2019 £'000	2018 £'000
Turnover	2,056	695
Cost of Sales:		
Stock brought forward	1,061	174
Purchases	297	1,148
Stock carried forward	(175)	(1,061)
	(1,183)	(261)
Gross profit	873	434
Administrative Expenses	(80)	(4)
Management charge from Blue Cross	(38)	(36)
Profit on ordinary activities before taxation	755	394
Taxation	-	-
Profit on ordinary activities after taxation	755	394
Qualifying charitable deduction	(755)	(394)
Retained profit for the financial year	-	-
Statement of Financial Position		
Total Assets	1,932	1,244
Total Liabilities	(1,932)	(1,244)
Net Assets	-	-
Total Funds	-	-

19. Related parties and subsidiary charities

The Irish Blue Cross	2019 £'000	2018 £'000
Grant in the year	-	20

The Irish Blue Cross provides veterinary care in the city of Dublin and an equine welfare service for race meetings and other events throughout the island of Ireland.

On 1 April 2019, The Irish Blue Cross formed a new Company Limited by Guarantee in Ireland with no share capital (Co. Reg. 637671), with its own new Constitution and Board of Trustees. The new company is a registered Charity in Ireland (RCN 20203128) and is recognised under the same name, The Irish Blue Cross. Changes to the legal structure of The Irish Blue Cross was carried out in full co-operation with Blue Cross and its Trustee Board. There continues to be a very close working relationship between the two charities on a range of matters and there are some board members in common.

The following Trustees of Blue Cross were also Trustees of the Irish Blue Cross during the year to 31 December 2019:

Zair Berry FCA
The Hon Henrietta Roper-Curzon
Stephen Swift (resigned 31 March 2019)

Other than the transactions with its subsidiaries, which are disclosed in note 17 and 18, and the above transactions with the Irish Blue Cross there have been no other related party transactions.

Subsidiary Charities

The following dormant charities are classified as subsidiary charities on the Charity Commission's Register. Their reserves from the point they became dormant are included in the Blue Cross charity accounts and are now managed through the restricted reserves. In accordance with the provisions of the Charities Acts regarding small charities, the Charity aims to utilise any small funds held by its subsidiary charities.

The War Horses Fund

Annie Gordon Fund

London Institute Mrs Morgan's Fund

Bertie Copinger Prichard Fund (Captive and Performing Animals Fund)

Mary Margaret Baroness Seaforth of Brahan (Sister Mabel's Free Dispensary for Sick Animals)

Edith Alice Bromley-Bourne Fund

Rosie May Hare Winton Fund

Amy Alice Baldwin Fund

Louisa Snow Fund

Lucy Anne Fraser Oldfield Fund

M I S Hounsell Fund

Blue Cross is a member of Together for Animals (charity number 1102985) which is a registered charity incorporated as a company limited by guarantee and not having a share capital. Blue Cross's liability as a member is restricted to £10. Together for Animals co-ordinates and promotes payroll giving to benefit the work of five animal charities, including Blue Cross, on a scale that would not be economic for the charities to carry out on an individual basis

20. Leases and other commitments

	31 December 2019 £'000	31 December 2018 £'000
Leases for land and buildings:		
Expiring within one year	1,375	1,368
Expiring between one and five years	3,343	3,674
Expiring thereafter	1,404	988
Leases for vehicles:		
Expiring within one year	206	153
Expiring between one and five years	432	251
Leases for equipment:		
Expiring within one year	2	2
Expiring between one and five years	4	6
Total	6,766	6,442

Details of commitments at the accounting date are as follows:

	2019 £'000	2018 £'000
Contracted for but not provided for:		
Lewknor	-	(18)
Manchester Rehoming and Advice Unit (RAU)	-	(15)
Hertfordshire	(1)	(77)
Hammersmith	(2)	-
Burford	(269)	(3)
	(272)	(113)

The commitments contracted for but not provided represent the contract values, less payments made for building projects in progress.

Expenditure planned over next 5 years but not contracted for:

	2019 £'000	2018 £'000
Clinical	(3,711)	(3,950)
Rehoming	(4,160)	(4,573)
Blue Cross shops	(1,701)	(1,401)
Infrastructure	(2,660)	(4,767)
Total planned expenditure	(12,232)	(14,691)

21. Pensions

The Charity contributes to a defined contribution and private pension scheme for salaried employees. Payments made to the scheme and charged in the accounts comprise current contributions. These contributions payable by the Charity amounted to £994,774 (2018: to £1,131,534). All contributions were paid in the year. The decrease in pension costs in 2019 is as a result of the benefits review that was carried out in late 2018. This resulted in a change from a tiered system of employer's contribution of up to 12% to a flat rate of 6% for all employees. This was done to ensure long term sustainability for the charity. The previous higher levels of employer's contribution was only being paid to a relatively small number of staff and so the majority of employees either experienced an increase in their employer's contribution or saw no change.

22. Contingent liabilities

Blue Cross, on occasion, is required to give indemnities to the Executors of estates where Blue Cross is a beneficiary. The charity does not expect these indemnities to crystallise before expiry and aims to ensure that such indemnities are limited to the value of Blue Cross's share of the legacy, have the earliest possible expiry date, and are not given on a joint and several basis. The total value of indemnities given, but not provided in the accounts, outstanding as at 31st December 2019 is £359k (2018: £432k).

23. Post balance sheet events

The global outbreak of Covid-19 is having, and will continue to have, a significant effect on the financial position of the Group. The Group has seen a significant decrease in its investment portfolio value post year end and there is likely to be a negative effect on its income levels in 2020.

Post year end the Investment Portfolio has seen downwards fluctuations of between 10% and 20% in value. It is also likely to impact the Group's budgeted income in 2020 by between £8 million and £15 million and though there are automatically some related cost savings, overall it could decrease the budgeted result from our normal operations by up to £12 million, if no further action was taken to mitigate these effects. However, Blue Cross intends to investigate and apply for government support where possible and also will make additional cost savings from its 2020 budget to further offset this decrease in income. The current expectation is that the effect can be reduced to between £4 million to £7 million and the effect this has on working capital can then be managed by drawing down funds from our investment portfolio, deferring the repayments of borrowings or seeking additional borrowings. These options are already being discussed with the Group's bankers.

The directors do not believe the outbreak has had a material effect on any of the carry value of assets and liabilities at the balance sheet date, nor do they believe it affects the Group's ability to continue as a going concern, given that the Group held a good level of reserves at the end of the year. No additional provisions or contingent liabilities have been recognised in these accounts as a result of the Covid-19 outbreak.

Reference and administrative details

For the year ended 31 December 2019

Company number: 363197

Charity number in England and Wales: 224392

Charity number in Scotland: SC040154

Registered office and operational address:

Shilton Road
Burford
Oxfordshire
OX18 4PF

Honorary Members

The Rt Hon Earl Cadogan DL
The Lord Kirkham CVO
Mr and Mrs A Langton
WJB Sneath
Sir John Spurling KCVO OBE
RT Vyner CBE

Ambassadors

Amy Clarke
Pam Ferris
Mary King MBE
Chris Packham CBE
Colonel Neil Smith (resigned 20 June 2019)
Lord Trees

Trustees

Trustees, who are also directors under company law and who served during the year and up to the date of this report were as follows:

Tim Porter FCA (Chairman)
Zair Berry FCA
Catherine Brown
Professor Stuart Carmichael BVMS, MVM, DSAO, MRCVS
Amy Clarke (resigned 26 September 2019)
Sue Ellis (resigned 26 September 2019)
Clive Everest MA, FCA
Caroline Gosling
Vicky Hemming (resigned 26 September 2019)
Dr Tim Hutton MSc VetMB MRCVS (retired 20 June 2019)
Nico Lutkins
Chris Martin BSc
Dr Nick Park (appointed 20 June 2019)
The Hon Henrietta Roper-Curzon (Vice-Chairman)
Dr Jeremy Stewart BVetMed CertVR MRCVS
Stephen Swift (Vice-Chairman)

Independent Board Members

Dr Nick Park BVetMed (resigned 20 June 2019)

Chief Executive

Sally de la Bedoyere

Secretary

Iain Heaton

Bankers

Barclays Bank plc
Wytham Court
11 East Way
Oxford
OX2 0JB

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Wilson Solicitors LLP
4 Lincoln's Inn Fields
London
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External auditors

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W1U 7EU

Investment managers

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8 Finsbury Circus
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EC2M 7AZ

Thank you

We would like to pay particular acknowledgement and thanks to the following trusts, companies and individuals for their generous support during 2019.

Corporate Partners

Advent of Change
AmazonSmile
Burgess
Ceva
Dodson & Horrell
Higher Nature
NVS
PayPal Giving Fund
Petplan
Pets at Home
TikTok

Trusts and Foundations

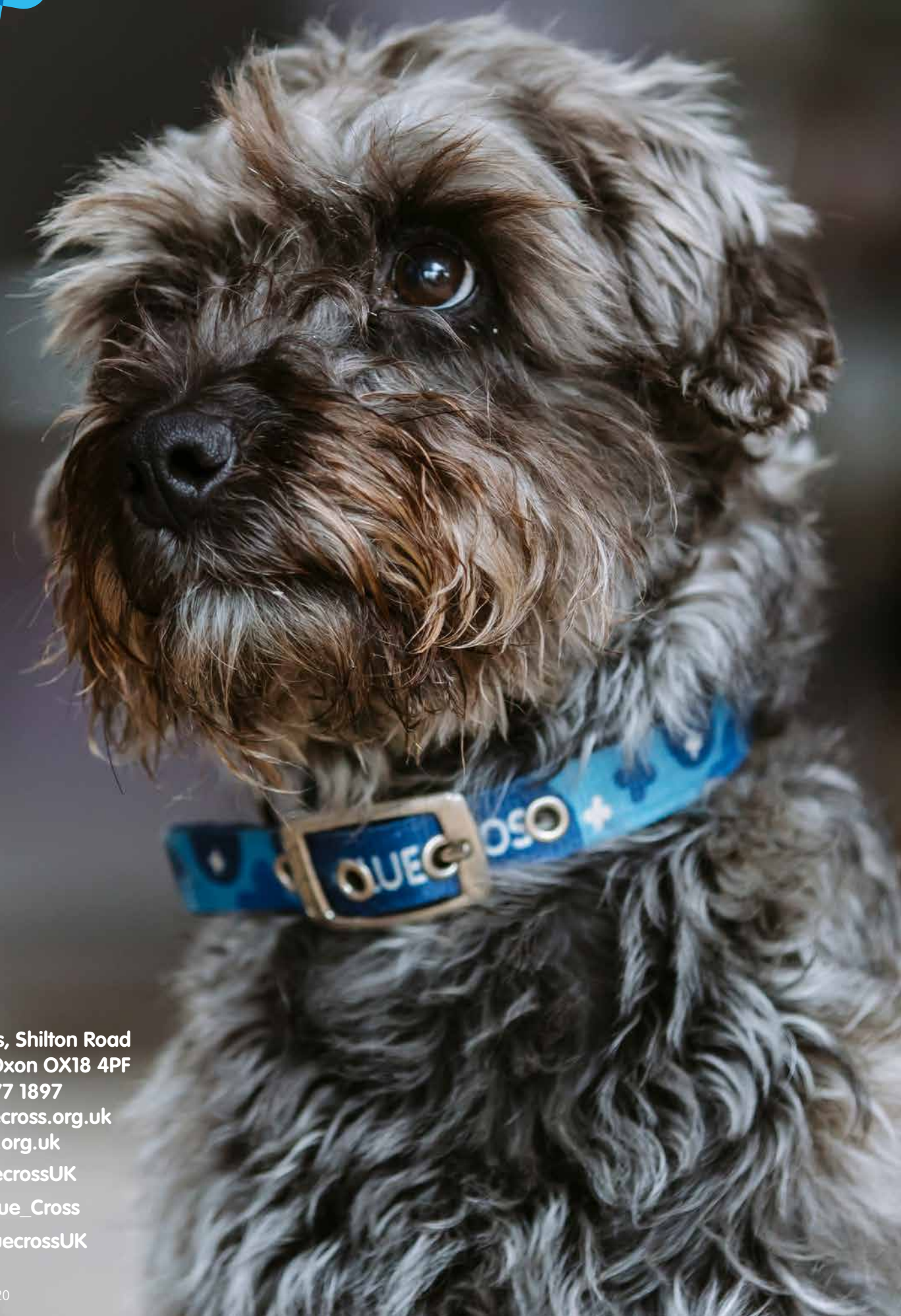
The Belforte Trust
The Cadogan Charity
The Dr Sheila Millar-Danks Charitable Trust
The Rose Animal Welfare Trust
The Sir Peter O'Sullivan Charitable Trust
The Sylvia & Stanley Moss Trust

We would also like to thank our partners across the animal charity sector with whom we have worked closely throughout 2019 to share resources and knowledge, and as such make a positive impact on the lives of pets and their owners.





Pets change lives
We change theirs



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