

# Little Pickles

Annual report and consolidated financial statements

For the year ended 31 December 2024

Registered charity number 001122

Registered company number 44332211



# Directory

## Company information

### Little Pickles

Registered charity number 001122

Registered company number 44332211

## Registered office and principal address

### The Pickle House

Vinegar lane  
London  
SW1 1XY

## Principal professional advisors

### Solicitors

#### Condiments & Co.

Ketchup Avenue  
London  
SW2 3ZP

### Auditors

#### Grant Thornton UK LLP

30 Finsbury Square  
London  
EC2A 1AG

### Bankers

#### The Bank

Cash Lane  
London  
EC4B 2ZO

### Investment advisers

#### Investing Bros.

Deposit Street  
London  
SW4 5PQ

## Trustees

### Chair

Mike Salter

### Deputy Chair

Chris Sauce

### Honorary Treasurer

Matthew Chutney

Tarryn Mayo

Georgia Dressing

Sara Relish

Oliver Brown

Simon Ketchup

Emer Dip

Harriet French

Greg Ranch

Cormac Jam

## Senior Leadership Team

### CEO

Alex Pickleton

### CFO

Karen Mustard

### COO

Janet Pepper

# Foreword by Grant Thornton

Welcome to the Grant Thornton illustrative accounts for the charity sector prepared under Financial Reporting Standard 102 – ‘The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland’ (‘FRS 102’) and the Charities SORP (2019 edition). These are applicable for charities with year ends from 31 December 2024 onwards. 31 December 2024 is the year end modelled in these accounts. As such, these accounts do not reflect the Periodic Review 2024 amendments to FRS 102.

This is the first edition of charity illustrative accounts produced by Grant Thornton. Whilst illustrative accounts exist for commercial entities reporting under IFRS and FRS 102, and some illustrative accounts exist for smaller charities, there are limited illustrative disclosures for a larger charity or charitable company.



These illustrative financial statements are based on a fictitious, large charitable company, Little Pickles (LP), which is the parent charity of a wholly-owned trading subsidiary (which operates charity shops) and 75% owner of a charitable subsidiary. The parent also holds 50% of a joint venture. The charitable company is incorporated in England and Wales, and as such these illustrative accounts do not include any of the specific requirements set out in Scottish or Northern Irish charity law, or by the Office of the Scottish Charity Regulator (OSCR), or by the Charity Commission for Northern Ireland (CCNI).

We have endeavoured to reflect some of the most commonly applicable disclosure requirements in these illustrative accounts.

Grant Thornton have also produced [FRS 102 illustrative accounts](#) for the year ended 31 December 2024 which we encourage you to consider in tandem with these charity illustrative accounts. The FRS 102 accounts follow UK GAAP principles and provide detailed disclosures which may be an additional source of support for those preparing charitable company accounts.

The sector faces significant pressures from continued rising costs and increased demand, which may have accounting and reporting ramifications. The last 18 months has brought challenges in the form of high demand on services; skilled staff shortages and high staff costs; decarbonisation projects and increasingly higher cost bases from rising inflation and interest rates, to name a few.

These macroeconomic pressures and sector challenges will affect the financial and narrative reporting, including any significant judgments and estimates disclosures to varying degrees.

As charities prepare for their 2024 annual accounts in an uncertain economic landscape, it is essential to be transparent in financial reporting and provide disclosures as specific to the organisation as possible. Early and effective planning will help address the fact that preparation of the annual accounts may, yet again, take longer this year especially where key judgments are involved and where additional consideration is required for climate-related matters or risk reporting.

This year’s illustrative accounts include guidance on narrative and financial reporting and incorporate some of the key messages from the Financial Reporting Council where we consider these to be relevant to the charity sector. We hope you find the information included in our illustrative accounts useful as you prepare for this year’s reporting season.

## Editor

**Harriet Taylor-Raine**

Not-for-Profit Technical Manager

## Contributors

Nicholas Burton, Stephen Dean, Sophie Hamlet, Alexandra Marijanovic, Nicola Peck, Kayleigh Aldridge, Julia Loveland, Maria Martinez

# Guidance when using this document

These illustrative accounts are intended as a guide for charitable companies preparing financial statements in accordance with:

- FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (January 2022),
- the Statement of Recommended Practice (SORP) for charities 2019; and
- the Companies Act 2006.

Their preparation involved striking a balance between helpful guidance and burdensome detail. The disclosures illustrated therefore, do not include all possible disclosures, as this would clearly make any guidance too unwieldy to be of wide, practical use. For this reason, they should not be used as a substitute for completing a disclosure checklist.



We have assumed in these illustrative accounts that Little Pickles (LP) does not have any listed debt and does not apply hedge accounting. Organisations with such instruments should consult directly with their advisors prior to preparing their financial statements.

Whilst every care has been taken in their preparation, users are advised to use these financial statements as a guide, in conjunction with the actual text of the standard, SORP and implementation guidance issued, together with relevant legislation, and to consult their professional advisers before concluding on accounting treatments and disclosures based on their own transactions and circumstances.

Source references for the illustrative disclosures are included in red text throughout the financial statements. Examples of source references used are:

## Abbreviations

### Example description

#### Applicable to large charities and large charitable companies:

FRS 102 29.27(d)

Refers to section number and paragraph number from Financial Reporting Standard 102 (January 2022)

SORP 15.9

Refers to section number and paragraph number from Charities SORP 2019

#### Applicable only to charitable companies (under Companies Act 2006)

Sch 1 formats (para 5)

Refers to schedule number and paragraph number (or section, where applicable) from SI 2008/410 The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008

Sch 1 formats

Sch 1.55(2)(a)

S414C(1)

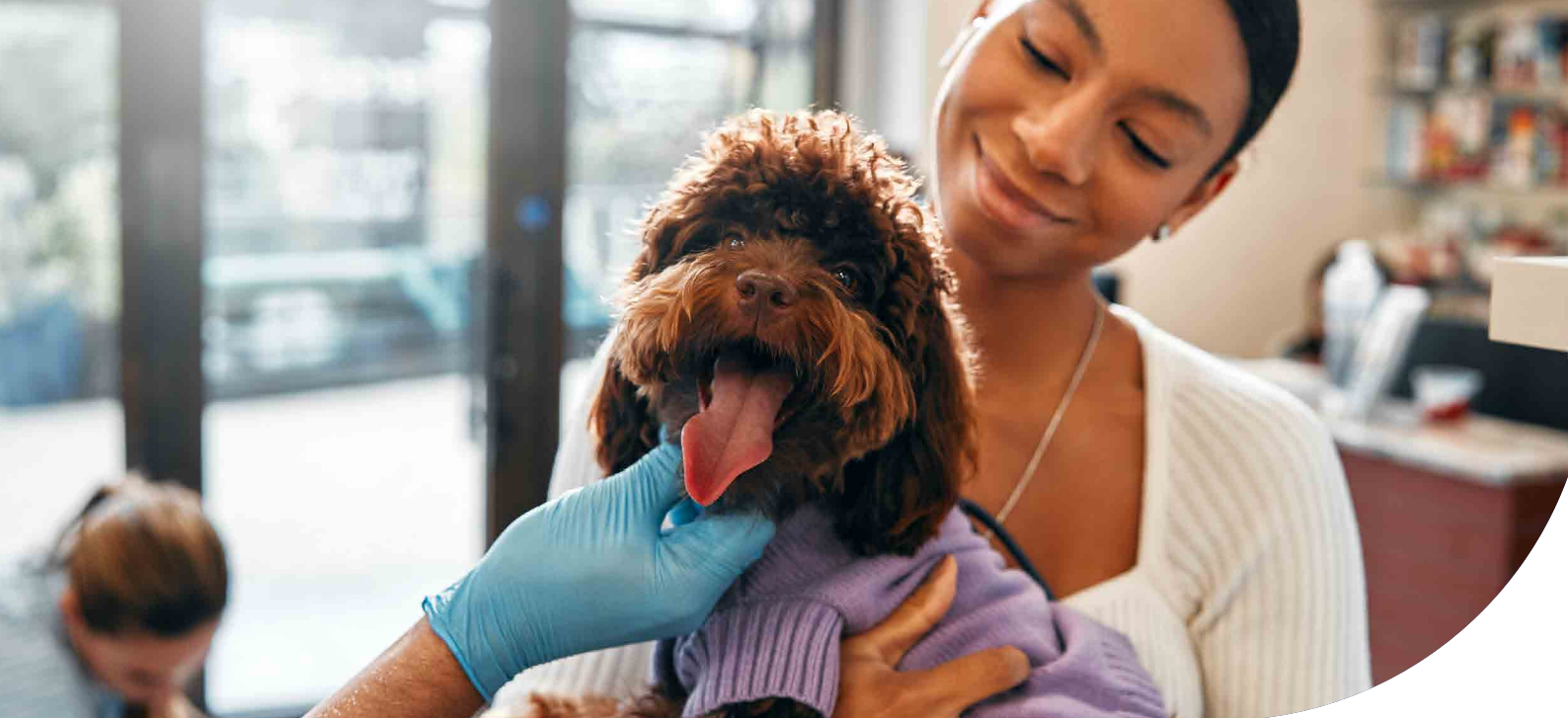
Refers to section number from Companies Act 2006

SI 2008/489

Refers to The Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008

Tech 01/22 FRF

Refers to ICAEW Financial Reporting Faculty 'Disclosure of auditor remuneration'



The disclosures in this set of illustrative accounts are appropriate for a large charitable company. We note however that other charities may refer to these financial statements. For charities registered only under Charities Act 2011, only the disclosures made in reference to FRS 102 and the SORP apply. Smaller charities may benefit from some disclosure exemptions and reduced reporting under the SORP.

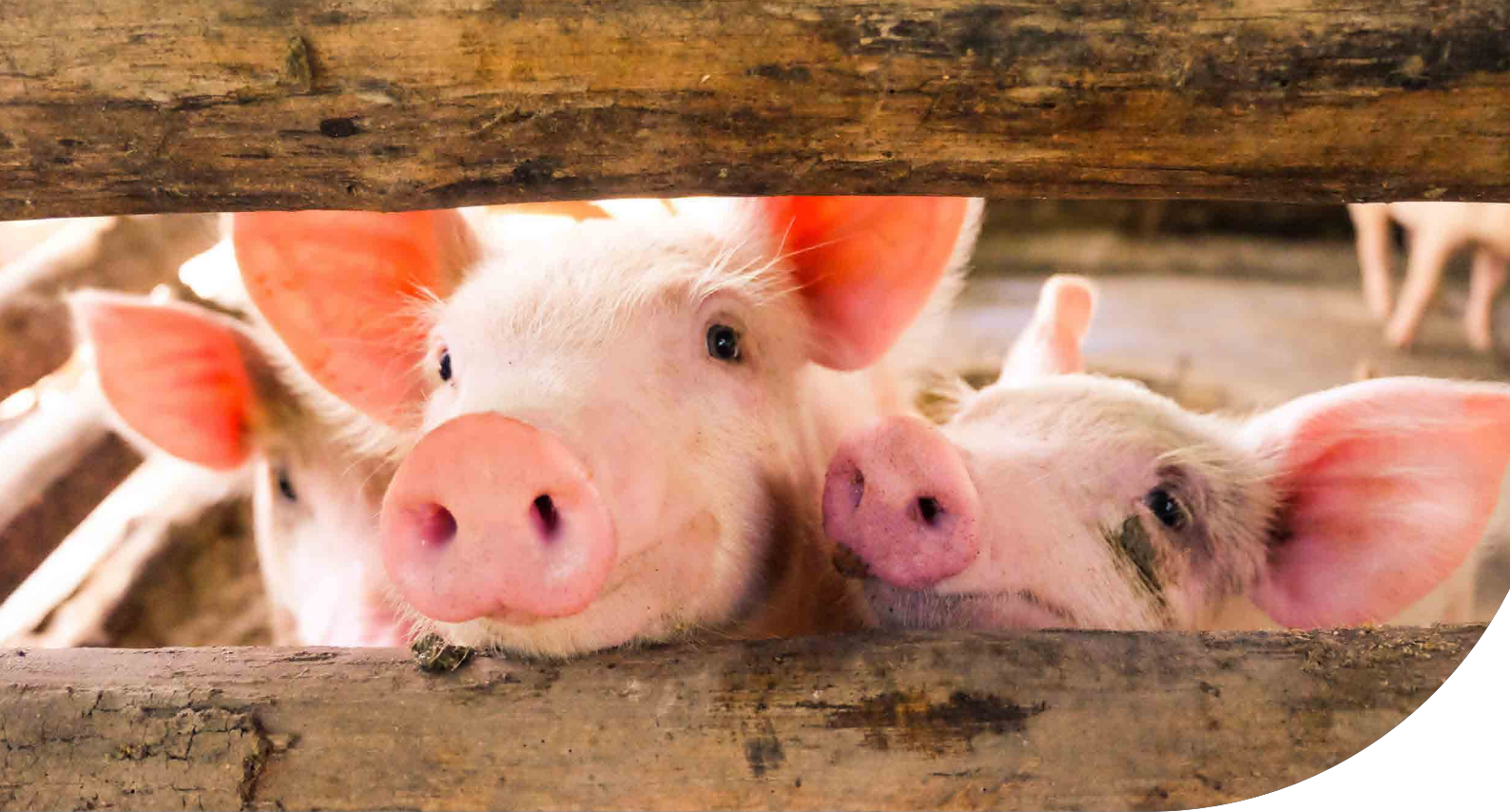
Preparers of charity accounts should be mindful of their legal and regulatory reporting requirements and seek advice where needed.



The example Strategic Report in this publication reflects the type and size (including number of employees) of this fictitious company. Hence, the publication does not illustrate all of the potential content requirements, which vary depending on the size and type of entity. Entities entitled to the small companies exemption are not required to present a strategic report as stated in s414A(2) of the Companies Act 2006.

The illustrative financial statements include examples of disclosures that apply more widely in practice and therefore do not address every possible disclosure that might be required for a real entity. Specifically, the illustrative financial statements do not cover the following areas:

- discontinued operations and disposal groups
- complex financial instruments (for example, hedging, convertible loans)
- construction contracts
- hyperinflation
- specialised activities.



# Contents

Annual report	<b>7</b>
Independent auditor's report	<b>27</b>
Consolidated statement of financial activities	<b>32</b>
Group and parent charitable company balance sheets	<b>33</b>
Consolidated cash flow statement	<b>35</b>
Notes to the financial statements	<b>36</b>

# Annual report



Charities often include case studies of their projects in the year, ‘good news’ stories and examples that really make their charitable work come to life. We have not included any such case studies in these illustrative accounts but have focussed on the regulatory requirements only. Any such additional information should not be at the expense of the requirements of the SORP, Companies Act or other legal and regulatory frameworks. Charities should be mindful of SORP 1.40 which requires a ‘balanced view of successes and failures.’

Charitable companies are required to provide information which covers the strategic report and the directors report requirements. Whilst many charities tend to include all these requirements under a single ‘annual report’ heading, as allowed under section 15.6 of the Charities SORP, charities should make it clear which parts of the report relates to the strategic report, and which parts relate to the directors’ report.

The strategic report should be presented as a separate distinct section of the annual report.

Charitable companies should ensure that the combined annual report makes it clear that it also contains a directors’ report as required by company law.



## Key note

Note that small companies (as defined in the Companies Act), and therefore small charitable companies, are not required to produce a strategic report as per s414A.2. Charitable companies should be aware of the changes to the size thresholds, effective from 6 April 2025. Further detail on the changes can be found at our [insights hub](#).

The trustees present the strategic report for the year ended 31 December 2024. The strategic report comprises our achievements and performance; financial review and plans for future periods.

The annual report also includes the directors’ report required by company law.

Little Pickles is a charitable company limited by guarantee, without share capital. The charity is governed by its Articles of Association dated 29 October 1992, subsequently amended on 1 January 2014.

## Strategic report

### Objectives and activities

Our governing document sets out our key charitable objectives (our aims) which are:

- to promote kindness to, and protection of, animals
- to rescue, treat and rehabilitate animals
- to promote responsible animal ownership
- to improve animal health and welfare.

We want to live in a world where no animal is mistreated and where care can be given for any animal in need.

To achieve our objectives, the charity is organised into 3 main strategic areas of activity:

- 1 Inspiration** we want to inspire everyone to understand how animals should be loved and cared for. We want to share how important animals can be in our lives.
- 2 Care** once animals in distress are rescued from dangerous environments, we ensure fast and effective care is provided. We do our utmost to reduce animal suffering and improve animal health and welfare.
- 3 Responsibility** we encourage a sense of responsibility to look after animals, offering advice and support for people including pet owners, livestock farmers and those who enjoy wildlife.

These three strategic areas drive our activities (detailed on the next page) which in turn feed our long- and short-term objectives. The protection of animals is an ongoing cause and one that we will continue to champion for years to come. Whilst we hope that no animal will ever be in distress, we anticipate that our objectives will always be relevant, and our activities will support animal welfare for many years. In the medium-term, we will continue to establish adoption centres and animal hospitals in key locations across the UK so that we have the best chance of support animals in need. Having now established clear processes to create these venues, we can fundraising specifically for these projects over the next 5 years.

In the short and immediate term, however, we plan to open new animal hospitals and collaborate more with community stakeholders (please see [page 11](#) for further details). We will open the Gateshead hospital in 2025/6 and aim to open a further 3 hospitals in the period up to December 2028. In the longer term, we hold a mixed motive investment in the Global Fauna Fund, which invests in a portfolio of cutting-edge veterinary science, technology and design companies, working towards improving the welfare and health of animals worldwide. Note 17e includes more details on this fund.

Our achievements are down to the fantastic staff and volunteers who support Little Pickles and drive our aims. [Page 9](#) details the activities we have undertaken to meet our strategic aims, and how these activities have enabled us to meet our aims and objectives. In terms of resources, we use every available resource at our disposal to meet our objectives. The location and availability of hospitals, adoption centres, and staff and volunteers to run them are essential. Details of our spending to achieve these objectives can be found in notes 8 and 9 of the financial statements.

## Achievements and performance

We undertake numerous activities across the UK to achieve our stated objectives. Under our three strategic areas, our main activities and achievements for the year are:



### Inspiration

To meet our strategic aim of inspiring people to understand and love animals, we collaborate closely with key stakeholders including farmers unions, national and local veterinary practices, and animal breeders to share best practice for animal care, nutritional advice and offer pet safety and training tips. We also work with schools, helping children to understand the benefits of caring for pets and wildlife. We have invested more into the education strategy this year, with total expenditure on education for the year at £9m (2023: £8m). We have increased our education staff by seven compared to the prior year.

- We visited 300 schools in the year to 31 December 2024, reaching more than 30,000 children. Our staff and volunteers shared advice on how best to protect animals and wildlife, including information on the Countryside Code, how to approach animals, and how to gain the trust of a new pet. We set ourselves a specific objective for 2024 to reach at least 25,000 children, so we are thrilled with our efforts in exceeding this target.
- We regularly attend local and national farming and agricultural shows, promoting good livestock welfare and working in partnership with animal feed nutritionists and animal monitoring specialists to demonstrate effective care methods. This year we attended 20 agricultural shows in the summer months. We work closely with 95% of all veterinary practices across the UK, helping vets to identify signs of animal distress and empowering them to report issues to us.
- Our relationship with numerous colleges and universities across the UK has increased our donated service income for the year to £210k (2023: £195k). The students providing these services benefit from exposure to real life animal emergencies, helping them to learn and develop.
- The Board set a target in 2023 to launch a specialist Little Pickles accreditation which shows that a breeder operates within approved-by-us measures. This year we succeeded in achieving this aim and we have started to accredit animal breeders with a Little Pickle Professional award, to highlight a breeder's commitment to good animal care and responsible breeding.



### Care

We run sixteen animal hospitals across the UK. These are run by specialist veterinarians who provide emergency care for those animals most in need, 24/7. This is the main way in which we meet our strategic aim of 'care' and make ourselves available to help animals in distress. Our total expenditure on hospital costs for the year was £15.5m (2023: £18.6m) and much of the reduction has come from streamlining our services across the multiple sites. We have increased our animal care staff by 21 compared to the prior year.

- We successfully opened our Grimsby animal hospital in the year. This was our main objective for 2024.
- We have treated almost 58,000 animals in our animal hospitals this year, an increase of more than 4,000 on last year, mainly because of opening our new Grimsby hospital partway through the year. We have treated domestic pets including cats, dogs, and rodents, but we have seen an increase in wildlife being brought to our hospitals, including hedgehogs, foxes and on a couple of occasions, owls!
- We have started a pioneering specialism to help repair bone breakages in cats, dogs, and other larger animals. This means that rehabilitation time can be reduced by 50%, further alleviating the pain that some animals might be in post-surgery. This remains an ongoing objective for us, and we are satisfied with the progress we have made this year, especially in relation to the £10m grant we have secured (see [page 45](#) and note 3 for more detail on this).

## Responsibility

Once animals have been rehabilitated, we care for them in one of our ten specialist adoption centres, run by our army of amazing volunteers. We look for suitable people to adopt our animals and ensure applicants are well-matched to animals in their care. This is part of our 'responsibility' strategic aim. Our total expenditure on adoption costs for the year was £10.4m (2023: £6.3m) and much of the increase has come from significant increases in the costs of key supplies such as food.

- We have rehomed 39,500 animals in the last year. This is slightly down from 41,000 in the prior year.
- Our volunteers have contributed more than 100,000 hours this year to supporting our adoption centres.

Additionally, we are pleased to present the following achievements and performance:

- We have raised £38.5m in donations (from individuals and corporations) this year (2023: £49.8m), exceeding our target of £35m. This has been driven by our fundraising team piloting a number of new events and attracting new corporate donors this year. Whilst this is an overall decrease of more than £10m on the previous year, we know that donation income can be volatile, and we had anticipated a decrease for this year due to pressures arising from the cost of living crisis, and the prior year impact of the highly celebrated two part TV documentary "A Little Pickle" which followed the journey of Pickle, one of the rescue dogs at our Cardiff centre, which aired in the UK in early 2023, the publicity from which we credit with the record breaking donations achieved in 2023.
- We have secured legacy income of £31.6m (2023: £28.2m) and remain grateful to our supporters who choose to remember us in their wills and estates.

We measure successes in financial terms (detailed on [page 12](#)), how many animals we have successfully helped (through rehoming or rehabilitation), and veterinary staff numbers ([page 14](#)). We are satisfied with our performance this financial year, and look ahead to building on these successes, increasing our income, staff levels and the number of animals we reach.

Over the year, Little Pickles has benefited from positive effects in the macroeconomic environment including the continued recovery of investments and interest rates. Internally, our processes for attracting corporate donations have performed well and we have a number of significant corporate partners. Our volunteers are also reporting that they have seen improvements in internal processes, making it easier for them to give their time and reduce the administrative burden. However, other factors such as the cost-of-living crisis and high gas and electricity bills have meant that our cost base has not reduced as much as we had anticipated in our forecasts.

Little Pickles Trading Limited, the charity shop trading subsidiary, has seen an increase in the sale of new goods by £478k, despite an overall decrease in total trading revenue. We have attributed the decrease in revenue by £1.1m compared to last year, to an overall decrease in demand from charity shops, following a couple of 'bumper' years during the pandemic, now returning to a normal level of sales. The majority of charity shop revenue stems from the sale of donated goods, for which we remain very grateful to our donors. More than 20,000 volunteer hours in our stores have been recorded this year, and we are considering pursuing online shopping options in the future. Going forward, we will work hard to improve our website and ensure we have suitable IT infrastructure for generating online revenues, which we anticipate will contribute to increasing revenues back to 2023 levels.

Little Pickles was awarded a £10m grant in the year (which is detailed further on [page 45](#), note 3 and note 26). Little Pickles Sciences, the charitable subsidiary of which Little Pickles hold 75%, continues to make progress in its innovative scientific procedures and going forward we anticipate that the sale of this technology will increase revenues across the group. Little Pickles Sciences will use some of the science grant to further these technological advances.



Happy Hedges Limited is our joint venture (see details on at and notes 7 and 17c). The joint venture is continuing to grow and support wildlife conservation. Our share of the results from Happy Hedges for the year was £296k (2023: £65k).

Little Pickles is reliant on donations from generous members of the public, corporate donors, and other donors. As such, macro-economic factors outside of our control (such as inflation) can have an enormous impact on our income and expenditure. We are yet to see the full effects of the new Budget but anticipate that our employee expenditure costs will increase significantly. We retain a strong level of reserves to allow us to continue to meet our charitable objectives and mitigate against external factors.

We have helped thousands of animals again this year, providing care, protection, and safety for those in need. Almost 40,000 animals have found loving new homes in the year thanks to our ongoing work. Our activities have supported the achievement of our aims for another year, but we recognise that there is still much to do.

SORP 1.49-1.50

Sch 7.7(1)(a)-(b)

## Plans for future periods

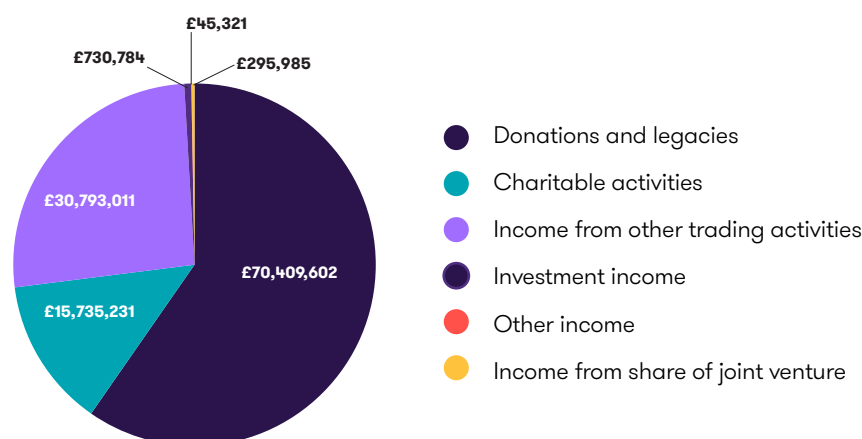
Throughout 2025 and beyond, we will continue with our strategic areas of activity of inspiration, care, and responsibility. We will maintain the progress we have made in 2024 and expand the following projects:

- partnering with additional universities to encourage students to volunteer in our adoption centres;
- engage with new and emerging stakeholders to champion our campaign work;
- open four further animal hospitals by 2028, including a new site in Gateshead on which we have entered into an agreement to purchase post year end. See note 28 for further detail.

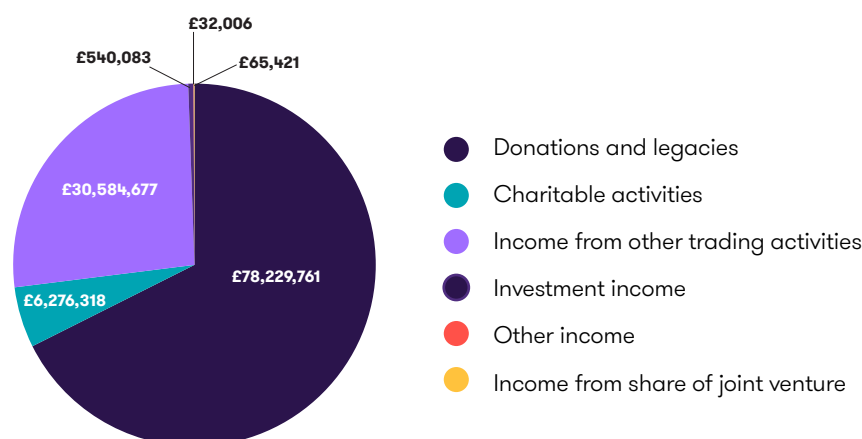
We have learned how to conduct successful projects and find our current methods to be efficient, enabling us to open new centres within a short timeframe. We continue to learn from our new corporate donors and look for new and creative ways to engage with sponsors and donors alike. This is an area we will continue to build on and learn from in the future.

## Financial review

### Total income 2024



### Total income 2023



Our consolidated performance for the year highlights a clear recovery post-pandemic, with higher income and stable funds balances. We note that the cost-of-living crisis has had an impact on our bottom line as we have made strategic decisions to increase staff pay in line with inflation, to ensure we are appropriately rewarding our people for the brilliant work they do. We recognise that donations income (from regular giving and Gift Aid) is down by £13.4m on the prior year. We anticipated that the challenges around the cost of living crisis would impact how much our supporters are able to give. We have increased legacy income however by £3.4m this year as a result of timely probate permissions. Total donation and legacy income for the year was £70.4m (2023: ££78.2m). Income from fundraising events was £24.0m (2023: ££22.7m) as a result of several fundraising activities in the year (see [page 19](#) for details).

We opened our new animal hospital in Grimsby part way through the year which had some impact on our finances. The cost to open the facility was over £2m but this was mainly financed through our reserves and legacy donations.

We have seen elevated levels of total income this year at £118.0m, up more than £2.3m on last year's total income of £115.7m. Charitable activity income has performed particularly well due to the £10m grant that Little Pickles secured from the Society of Vets (£7m income recognised in the year). Corporate donations have increased by £2.1m up to £14.9m (2023: £12.7m) and we are grateful to our new donors.

Expenditure has increased by £578k to £102.2m (2023: £101.6m). We are pleased with this minor increase and attribute this to our careful spending and efficiencies made throughout the year. We had a substantial increase in charitable activity expense of £1.7m to £94.2m (2023: £92.5m) which is mostly attributable to staff cost rises. However, we saved £936k on raising funds compared to last year as we invested more expense in the prior year to generate donations and legacies, which have come into fruition in 2024.



Our investment return continues to improve as we move into a more stable economic environment. Net gains on investments for the year was £2.5m (2023: £893k). We have also seen a small actuarial gain in the Defined Benefit (DB) pension scheme at £291k, which is significantly lower than the prior year gain of £36m.

We also have a strong financial position as at 31 December 2024. Group fixed assets have increased to £63.1m (2023: £60.6m) due to a strong investment result and increase in tangible assets to £43.2m (2023: £36.8m) because of our additions relating to the Grimsby site. A debtors balance of £27.8m (2023: £21.5m) has arisen due to an increase in Gift Aid receipts and amounts due from our corporate donors. Our cash balance remains healthy at £19.3m (2023: £10.2m).

Short-term creditors have also increased to £24.5m (2023: £22.5m) due to a larger trade creditor balance of £9.5m compared to £6.7m in the prior year. This has arisen from an increase in medical supplies purchased for our new Grimsby hospital and we took advantage of some advance bulk purchasing with a longer than usual repayment period. Our longer-term creditor balance has increased to £4.2m (2023: £2.7m) due to higher trade creditor position and a higher other creditor balance arising new medical equipment purchased in the year, which has favourable payment terms over 15 months. Our provision position has decreased by £1.2m, having released a larger portion of our legal provision in the year, and our pension liability has increased by £809k in the year.

Our principal income sources are as follows:

- **Donations:** we are fortunate to have a considerable number of donors who support our charitable objectives. Following a difficult period during Covid, we are now able to host larger events and open days at our adoption centres and hospitals which have contributed to a strong level of donations this year. We note however that donations from regular giving and corresponding gift aid are reduced in comparison to the prior year and we are working with our fundraising team to increase this income going forward.
- **Legacies:** many donors choose to remember us in their wills. We have recognised £31.6m of legacy income for the year to 31 December 2024 (2023: £28.2m). Legacy income varies from year to year, because of uncertainty in timing and amount, and whether donors choose to remember us. We note this year that the increase in housing property prices has meant that the amounts received from residuary gifts have increased.
- **Grants:** working in partnership with our animal hospital veterinarians, we secured grant funding to work on our pioneering project in repairing bone breakages in larger animals. This £10m grant, from the Society of Vets, has increased our grant income significantly this year. Refer to note 3 for further explanation of this grant.



S414C (4) (a) & (b)

## Key performance indicators

The table below presents our main performance indicators, one of which is non-financial. The trustees use these indicators to assess the performance of the Group.

Group	2023	2024
Total donation and legacy income	£70.4m	£78.2m
Free reserves*	£24.4	£19.1m
Total number of veterinary staff	305	284

\*Our free reserves balance is calculated as total unrestricted reserves less tangible and intangible fixed assets, investment property, and stock. See our reserves policy on [page 18](#) for a reconciliation of free reserves.

We are pleased with our year-on-year performance in these areas, despite seeing a decrease of just over £7.8m in total donation and legacy income. However, we recorded a very strong improvement in our free reserves of £5.3m. We have also increased our permanent veterinary staff significantly.

SORP 1.47

Little Pickles (LP) belongs to the Local Government Pension Scheme (LGPS). The Picklington County Council Pension Fund (PCCPF) is a multi-employer, defined benefit scheme, administered by Picklington County Council. Further details of the scheme and performance for the year can be found at note 25.

SORP 1.47

The FRS 102 valuation position as at 31 December 2024 shows that the scheme liabilities are in excess of the scheme assets by £7.1m (2023: £6.3m), with a small increase in the liability of £810k compared to the prior year. The increase is mostly due to the elevated levels of inflation we have seen over the period, however the return on plan assets is improved.

## Risks and uncertainties

Little Pickles faces a number of risks and uncertainties. Our Board is responsible for a risk register which is reviewed on a quarterly basis. Whilst the risk register covers high, medium, and low risks, we include below those areas deemed to be of particular significance.

Risk	Mitigations
<b>Financial instability</b> Macroeconomic factors could negatively impact our financial stability by significantly increasing costs or reducing our income. This includes (but is not limited to) inflation rises, government decisions regarding grants, or future pandemics.	<ul style="list-style-type: none"> <li>• Realistic targets and strong reserves policies in place to ensure demands can continue to be met</li> <li>• Review of central services aligned to the organisation to make efficiency savings</li> <li>• Strategic review of our funding in place for the next 6 months, using a third party to help identify areas for improvement</li> </ul>
<b>Little Pickles Trading is unable to meet sales targets</b> Changes to shopper behaviour could reduce the levels of income seen through our charity stores, causing lower than expected sales.	<ul style="list-style-type: none"> <li>• Additional training provided to staff to identify quality donated goods</li> <li>• Reduced our new items sale offering, focussing on animal treatment products and animal essentials</li> <li>• Future plans to improve our website to allow visibility of all new goods and some higher value donated goods</li> </ul>
<b>Cyber attacks</b> Malicious cyber attacks from external third parties could significantly disrupt our services and be costly to rectify.	<ul style="list-style-type: none"> <li>• We have introduced multi-factor authentication across all devices</li> <li>• Provided trustees and volunteers with specific cyber awareness training</li> <li>• Engaged an external provider to perform periodic penetration testing, phishing reviews and give comfort over the overall IT environment</li> </ul>
<b>Quality and retention of professional staff</b> Our ability to deliver high-quality care to animals depends on our employees. Where we cannot attract and retain the best staff, our service delivery will be disrupted.	<ul style="list-style-type: none"> <li>• Higher than inflation pay rises given to all veterinary staff</li> <li>• Professional development opportunities available including new training, relocation, and research opportunities</li> <li>• Working with universities and colleges to attract new graduates specialising in veterinary medicine and providing work experience to veterinary students from our partner universities, in order to build links with future potential employees</li> </ul>

Many organisations and individuals were heavily impacted by the Covid-19 pandemic. A clear risk to LP is another major global or national event that impacts public ability to interact with us at charity shops, events, or hospitals, and therefore has a significant impact on our donation income. Uniquely, during the pandemic, there was a huge increase in pet ownership, and it is now post-pandemic that we are starting to see increases in animals needing new homes, or those suffering because owners can no longer provide suitable care. Our reserve position remains strong, so we can continue to operate in the event of any future major events, but we note that the recovery period from the pandemic was significant.

## S172 statement



Companies, including charitable companies, which are large (as assessed under S465-467)<sup>1</sup>, must include a section 172 statement.

As a charitable company, LP is required to report under the Companies Act 2006. The trustees present the S172 statement for the year.

The trustees, who, for the purposes of company law, are also the directors of the charitable company, act in good faith to promote the success of LP. The trustees are mindful of their decision making and how decisions may affect the course of the organisation in the long-term. This is particularly relevant when making decisions about new projects or staffing. The long term objectives of the charitable company (see [page 8](#)) are taken into account in decision making.

LP owes much of its success to our dedicated employees, from veterinary specialists to finance professionals and cleaning and hygiene staff, as well as to our volunteers. We formally engage with all our employees at least quarterly, seeking their views on a variety of areas including facilities, reward, and wellbeing.

We had a 3% increase in our volunteer numbers year on year, and we are proud to have received a 99% recommendation rating from our volunteer survey which was introduced this year.

Outside of our employees and volunteers, we engage with other stakeholders including our suppliers. We have built good relationships with our suppliers. Our facilities, veterinary equipment, animal food and medical equipment are carefully selected, meaning that our suppliers are evaluated in accordance with our guidelines on animal welfare, the environment and quality. We value the support of our customers through Little Pickles Trading and the purchases that they make which continue to support our charitable objectives.

We also work closely with our bankers and investment managers to deliver the best financial returns so that we can deliver results for the animals in our care. We continue to support our mixed motive investment in the Global Fauna Fund. This is a fund set up by a conglomerate of international animal charities and organisations. The fund invests in a portfolio of cutting edge veterinary science, technology and design companies, working towards improving the welfare and health of animals worldwide.

As described in our SECR section of the annual report on [page 21](#), we understand the importance of a safe, cohesive, and green environment. We are working to reduce our carbon footprint through energy efficiency methods and look forward to our solar panel installations in the following reporting period (following feasibility assessments), which will reduce our footprint substantially. We work hard to ensure that our animal hospitals and adoption centres are integrated into the wider community and welcome local people to our open days. Many local residents volunteer at our shelters and we are grateful for local insight and support.

As a charitable company, it is important that we uphold high standards of conduct. This applies to the way we run the charity, the way our staff and volunteers present themselves, and how we interact with the public and other stakeholders. Animals are entrusted into our care and our need to therefore behave with professionalism and compassion is important and present in everything we do.

A copy of our S172 statement is available at our website [www.littlepicklescharity.org.uk/governance](http://www.littlepicklescharity.org.uk/governance).

<sup>1</sup> From 6 April 2025, The Companies (Accounts and Reports) (Amendment and Transitional Provision) Regulations 2024 applies, increasing the monetary size thresholds for micro, small and medium-sized entities for periods commencing on or after 6 April 2025. Our [insights article](#) details these changes.

# Annual report

## SORP 1.18

### Public benefit disclosures

Little Pickles is a public benefit entity, as described by the Charities Act 2011. The trustees review the aims, strategy, and activities on an annual basis to ensure that they remain focused on our charitable objectives. In this review, we have due regard to the Charity Commission's published guidance on public benefit and we are confident that our work to protect and care for animals provides public benefit to all our communities in the UK.

## SORP 1.47

### Investments

We hold fixed and current asset investments to support our cash flow and generate investment income. Our Finance and Investment Committee meet regularly with our external investment managers to ensure we are maximising the return, with a risk level that we deem to be acceptable. All our investments in funds are held with Investing Bros. These investments are held in a range of asset classes including equities, fixed income, real estate and cash and cash equivalents. We have adopted an ethical investment approach which means our investment manager will take all reasonable steps to ensure that our investments are aligned with our animal welfare objectives, and favour investments that promote societal good.

We maintain investments to support our charitable objectives and generate additional income that we can use to protect and care for animals. Whilst we intend to maintain the investments for the long term, we use the investment income to fund our work in the year. Our investment objectives are to achieve a reasonable level of return based on the balances held. We take advice from Investment Bros. as to the level of return expected, with appropriate consideration of risk. This year, investment income reached over £730k (2023: £540k), which is £190k more than last year, because of the improved economic outlook post-Covid. This result is in line with our expectations; however, we expect to see improved returns in the next financial year as the economy continues to recover.

We hold a mixed motive social investment in the Global Fauna Fund. This is a fund set up by a conglomerate of international animal charities and organisations. The fund invests in a portfolio of cutting edge veterinary science, technology and design companies, working towards improving the welfare and health of animals worldwide. This investment is considered to be a mixed motive investment, as it is intended to both generate a financial return and to further Little Pickles' charitable purpose. The investment was made in 2019 at £2.5m and has now increased to £3.2m (2023: £3m).

Our group investment balances at the year end, and comparative figures are:

	2024	2023
Investments in funds	11,260,027	15,194,903
Investment property	865,775	865,775
Investment in joint venture	2,007,154	2,007,154
Mixed motive investment	3,198,625	2,981,651
	<b>17,331,581</b>	<b>21,049,483</b>

## Reserves

As at 31 December 2024 our total reserves balance was £84.5m (2023: £66.0m). This is made up of £75.4m (2023: £62.9m) of unrestricted reserves, £8.8m (2023: £2.6m) of restricted reserves and £455k (2023: £449k) of permanent endowment reserves. At the year end, we do not have any designated funds. None of our funds are realised by the disposal of fixed assets or investments. Our free reserves balance is £21.2m (2023: £16.1m) (which is calculated as total unrestricted reserves less tangible and intangible fixed assets, investment property, and stock)

Group free reserves reconciliation	Note	2024	2023
Unrestricted reserves	26	75,351,936	62,897,231
Less			
Tangible fixed assets	15	43,187,821	36,783,293
Intangible assets	14	1,287,532	1,454,232
Investment property	17b	865,775	865,775
Mixed motive investment	17e	3,198,625	2,981,651
Stock	18	5,562,173	4,671,833
		<b>21,250,010</b>	<b>16,140,447</b>

The trustees review the reserves policy on at least an annual basis to ensure that the policy is consistent with the requirements and forward-looking direction of the charity. As a result, the current level of free reserves required is between £20m-£25m based on the following principles:

- LP should be resilient due to the nature of the variability of our key sources of income (being donations and legacy income). We saw during the pandemic how quickly income and cash could be affected and so we maintain a strong level of reserves to ensure we can keep providing animal care in challenging times.
- We are often required to provide expensive, emergency funding at short notice. Strong levels of reserves means that we can always help animals who need us.

Our free reserves level for the year end is consistent with our policy. We aim to maintain a strong level of reserves to allow us to continue to meet our charitable objectives and mitigate against external factors.

## Fundraising

Fundraising is a significant part of our activity and a key driver of our donation levels. We had the following objectives and achievements for fundraising for the year to 31 December 2024:

Objective	Achievement
To host at least one open day at each of our ten adoption centres, encouraging supporters to visit, sign up for adoption updates and donate to the ongoing care and support of our animals.	We held nine open days this year. Unfortunately, we were forced to cancel our Swindon open day due to issues with the electrical supply on the day, which was out of our control. Our nine open days were highly successful, generating just under £5m in total in on-the-day donations, and pledges from those who subsequently became regular donors.
To increase our corporate donors	Over the last 3 years we have worked with a number of corporate donors to encourage staff giving (for example, through their payslips or through specific events). We have secured 111 new sponsors this year, including banks, financial professional services firms, and media companies. This has bolstered our corporate donations to more than £14.9m for this year (2023: £12.7m).
To sponsor large events that increases our visibility and generates donations	We have sponsored 3 large agricultural shows this year and open days at several universities. Whilst in the short term, this does create an expense (through the admission / stand costs), we recover the balance, and more, through the donations we later receive. We generated an estimated £7m in donations from these events in 2024, from on-the-day donations and those subsequently who became regular donors.

### Section 13 of the Charities (Protection and Social Investment) Act 2016

**This disclosure is required by any charity or charitable company which earns more than £1m of income (from any source)**

In line with our responsibilities under section 13 of the Charities (Protection and Social Investment) Act 2016, we make the following disclosures in respect of our fundraising activities:

- We are registered with the Fundraising Regulator and adhere to the Code of Fundraising practice. We have a specific internal fundraising policy and standards to which all of our fundraising team adheres. We are not aware of any failures to comply with either the Fundraising Regulator's standards, or our own policies.
- Our fundraising work includes legacy and event fundraising, as well as face-to-face individual fundraising.
- We do not recruit or rely on third party fundraisers. All of our fundraising team are in-house and support our charitable objectives. We have not incurred material expense in our fundraising activities.
- We received 32 complaints in the year to 31 December 2024 (2023: 45) regarding our fundraising activities, and all these complaints were in respect of face-to-face fundraising. We take all these complaints as opportunities to improve our methods and for our team to learn. Suitable additional training is made available to teams following complaints.
- We provide our fundraising teams with specific training to help identify and support vulnerable people. This training is provided by several specialist organisations including Older People UK and The Mental Health Charity. We do not accept donations from people who we identify as vulnerable.

## Financial risk management<sup>2</sup>

Little Pickles is exposed to various risks in relation to financial instruments. The main areas of risk are liquidity risk and cash flow risk. Little Pickles' risk management is coordinated in close cooperation with the Board of trustees and focuses on actively securing the charity's short to medium-term cash flows by minimising the exposure to financial risk.

**Liquidity risk:** the objective of Little Pickles in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The Group expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the Group has (undrawn) credit facilities available.

Given the cash and liquid investment balance at 31 December 2024, Little Pickles is in a position to meet its commitments and obligations as they come due.

**Cash flow risk:** the cash flow risk is detailed on below as part of the trustees' analysis of going concern.

## Going concern

The trustees have reviewed medium- and long-term financial planning forecasts which cover a range of scenarios with varying levels of likelihood and impact, including a combined severe but plausible scenario. The scenarios focus on income and liquidity headroom (including cash less restricted funds – liquid investments are available but not included in headroom as the intention is to retain these) and consider a mix of internal risks and macro-economic issues such as the cost-of-living crisis or projections based on the impact of the increase in national insurance contributions and the national minimum wage.

We have applied reverse-stress testing to our going concern assessment to demonstrate that our cash flow projections can withstand any plausible downturn in voluntary income. We have identified that our key risk areas are:

- levels of voluntary income (public and corporate donations) and;
- costs (specifically care costs for our animals and staff costs).

Our reverse stress test showed that, even with a cost increase of 9%, it would take a reduction in donations of 20% from base case to have a significant impact on our ability to remain a going concern. We consider such a shortfall implausible, as it would represent a return to levels of donations that we have not seen in the last five years. In the event of any significant changes to expected cash flow projections, mitigations would be taken, such as disposing of quoted investments or seeking cost-saving opportunities (such as delaying animal hospital acquisitions).

Having considered all these factors, the trustees have concluded that Little Pickles Group can meet its liabilities as they fall due, for the period to 30 June 2026, being more than 12 months from the signing of these financial statements, and that it is therefore appropriate to prepare the group financial statements on a going concern basis.



This charity does not hold debt and so the critical factor for reverse stress testing is liquidity. For charities with debt with covenants, the breaching of covenants would be the breaking point of the model, and reverse stress testing should focus on what whether a covenant could breach in a plausible scenario.

<sup>2</sup> From 6 April 2025, The Companies (Accounts and Reports) (Amendment and Transitional Provision) Regulations 2024 applies, removing these requirements for large and medium-sized entities for periods commencing on or after 6 April 2025. Our [insights article](#) details these changes.

## Streamlined Energy and Carbon Reporting

As a large charitable company, LP is required to make disclosures in line with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. We report under the Streamlined Energy and Carbon Reporting framework. All of Little Pickles' operations are based in the UK, and the figures below represent the operations of the group.

### Greenhouse Gas (GHG) emissions

	Units	2024	2023
<b>Energy consumption used to calculate the below emissions</b>	<b>KWh</b>	<b>5,867,081</b>	<b>5,651,096</b>
Emissions from gas consumption (scope 1)	tCO <sub>2</sub> e	235	199
Emissions from fuel consumption for transport (scope 1) *	tCO <sub>2</sub> e	108	100
Emissions from electricity consumption (scope 2)	tCO <sub>2</sub> e	792	712
Emissions from employee owned vehicles and rental vehicles (scope 3) **	tCO <sub>2</sub> e	71	64
<b>Total gross emissions</b>	<b>tCO<sub>2</sub>e</b>	<b>1,206</b>	<b>1,075</b>
Intensity ratio	tCO <sub>2</sub> e/£'000 income	1.02	0.93

\* The transport fuel consumption balance includes fuel for our fleet of emergency animal ambulances and transport for animals to and from the animal hospitals and adoption centres. LP does not have any company cars or other transportation methods.

\*\* All scope 3 emissions relate to those produced by employee-owned vehicles and rental vehicles. Disclosure of other scope 3 emissions is voluntary.

The intensity ratio has been calculated from the value of total income and includes all the energy usage and emissions stated within the values reported above and in accordance with the methodology applied.

The HM Government Environmental Reporting Guidelines including Streamlined Energy and Carbon Reporting guidance published in March 2019 has been followed. Carbon emissions have been calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard using the DEFRA emissions factors.

The Little Pickles Group continues to focus on reducing energy consumption and carbon emissions. Examples of our main measures to achieve this were replacing inefficient assets with energy efficient equipment (such as LED lighting) and sensors to ensure lights are turned off when not in use. In our newer animal hospitals, we have used underfloor heating from heat pumps to regulate temperatures for animals in our care, and our adoption centres are in the process of undertaking assessments for solar panels to decrease our fossil fuel reliance. In the prior year we undertook a survey of our estate with a third party to identify areas where we could make energy efficiencies, and began to implement those changes at the end of 2023, starting with improving our recycling capability, including greener disposal of surgical waste.

We understand the importance of environmental sustainability and how this can impact on animals, particularly wildlife. We take steps to recycle and reuse as much as possible and we are investigating how our waste can be disposed of in a more sustainable manner.

## Engagement with employees<sup>3</sup>

As well as the engagement outlined in our S172 statement, we provide weekly news reports emailed to all staff and volunteers advising them of events, adoption opportunities and 'good news' stories from our animal hospitals. We also use these emails to advise of training opportunities, and changes to policies and procedures.

In the last 2 years we have taken important decisions in respect to employee salaries. Whilst it has been a tough time financially for LP, and for the charity sector as a whole, we have taken the decision to increase staff pay beyond inflation, to recognise how valued our staff are.

We consulted with our employees when deciding to open new hospitals in the coming year, and we consistently request and receive feedback from our staff with suggestions for efficiencies, or improvements.

## Employment policy

The Group has a recruitment policy to ensure that all applications for employment, including those made by disabled persons, are given full and fair consideration in light of the applicants' aptitudes and abilities. There is also an equal opportunities policy to ensure that all employees are treated equally in terms of employment, training, career development and promotion. Where employees develop a disability during their employment, every effort is made to continue their employment and arrange for appropriate training as far as is reasonably practicable.

## Statement on engagement with suppliers, customers, and others<sup>4</sup>

Details on how the Group has fostered relationships with suppliers, customers and others can be found within the Section 172 statement in the Strategic Report.

## Volunteers

We work with around 2,000 volunteers who dedicate time to our charity shops and adoption centres. Simply put, we would not be able to care for as many animals, or achieve our charitable objectives, without them. Our adoption centres and shops offer a variety of volunteering opportunities including sales, animal care and dog-walking, and social media. Our shop managers and adoption centre supervisors ensure that volunteers have access to opportunities, proper training, and guidance in their roles. In the year to 31 December 2024, our volunteers contributed a significant amount of time to LP:

- 65,000 hours in our adoption centres: this includes walking dogs, rehabilitating animals who have had surgery, building social interactions so animals are ready to be rehomed, feeding and cleaning cages and kennels.
- 35,000 hours in our charity shops: this includes sorting new stock, window displays, sales, and social media activity.

We are incredibly grateful to our volunteers and the time they give. If you want to join us, please visit our website [www.littlepicklescharity.org.uk/opportunities](http://www.littlepicklescharity.org.uk/opportunities).

<sup>3</sup> Requirements currently apply to companies with more than 250 employees (See Sch 7.11A for full details of qualifying conditions). From 6 April 2025, The Companies (Accounts and Reports) (Amendment and Transitional Provision) Regulations 2024 applies, removing these requirements for large and medium-sized entities for periods commencing on or after 6 April 2025. Our [insights article](#) details these changes.

<sup>4</sup> Requirements currently only apply to charitable companies exceeding large size thresholds. From 6 April 2025, The Companies (Accounts and Reports) (Amendment and Transitional Provision) Regulations 2024 apply, removing these requirements for periods commencing on or after 6 April 2025. Our [insights article](#) details these changes.

SORP 1.38

Grant making

In the year to 31 December 2024, LP spent £1.2m on grants to local animal rescue centres across the UK (2023: £0.9m). We acknowledge that whilst we may not be able to help every animal, local emergency care organisations can. The grants we make are at an average of £8,000 which makes a significant difference to grass-roots organisations. We work with these organisations to achieve our charitable objectives of keeping animals safe and protected.

Organisations are able to apply for a grant on our website at [www.littlepicklescharity.org.uk/grants](http://www.littlepicklescharity.org.uk/grants). We appraise each submission and ensure the project or funding request is in line with our charitable values. We issue grant agreements for all our grants, regardless of size. Most grant arrangements are awarded 50% upfront, with the following 50% awarded after six months, on receipt of a progress update.

SORP 1.25,1.51

Structure, governance and management

Little Pickles is a registered charity and a company limited by guarantee in England and Wales. Our charity and company numbers, and our principal address can be found on [page 2](#).

Being a company limited by guarantee, LP does not have share capital. In the event that the organisation is wound up, each member of the company agrees to contribute an amount not exceeding £1 towards costs of the dissolution, and liabilities of the company.

Our charitable objectives, as set out in our memorandum and Articles of Association are, “to promote kindness to, and protection of, animals; to rescue, treat and rehabilitate animals, to improve animal health and welfare and to promote responsible animal ownership.”

Sch 4.1, Sch 4.16, Sch 4.17

Subsidiaries

Little Pickles has the following subsidiary undertakings:

Name	Ownership	Company number	Purpose
Little Pickles Trading Limited	100%	5544332211	LPT is the trading arm of the group and manages the charity shops, donated goods, and new goods, sold through our website and through the stores.
Little Pickle Sciences	75%	1122334455 Charity number: 112112	LPS a charity subsidiary and is responsible for the innovative technology that our veterinary practices use to enhance the rehabilitation and recovery of injured and poorly animals.

Both subsidiaries are included in these consolidated financial statements, and their year ends are coterminous with Little Pickles Charity. The results for the year for each subsidiary can be found at note 17d.

### Joint venture

Happy Hedges Limited (HHL) is a joint venture set up by Little Pickles and The Wildlife Protection Agency (TWPA). HHL is jointly controlled by LP and TWPA and each entity has 50% control of the joint venture. HHL was set up as a charity to specifically support wildlife conservation and the protection of UK animals, with a particular focus on hedgehogs and native birds. Our interest in the joint venture charity is treated as a restricted fund in these consolidated accounts and more details can be found at note 17c.

### Trustees

Little Pickles is governed by a board of trustees ('the Board') who are also directors of LP under company law. The details of trustees who served in the year can be found on [page 2](#).

Our governing document requires we have at least eight trustees, equipped with relevant and appropriate skills and interests. All trustees are appointed following open advertising through appropriate channels, and a thorough interview process. Once appointed, all trustees have a thorough induction which includes details of our history, governance, charitable objectives, and responsibilities of trustees. Trustees have ongoing training from either our internal team on areas such as new policies and procedures or refreshers on areas such as related parties or externally provided training such as cyber training. In the year to December 2024, our trustees received cyber and IT input, as well as strategy-setting training from external partners. We draw on information and guidance from the Charity Commission to help our trustees understand their role and duties. Trustees are volunteers and serve an initial term of three years and can be appointed for a further three years. Trustees may only serve for longer than six years in exceptional circumstances. None of the trustees have served for longer than seven years.

LP is committed to maintaining a diverse board to reflect the world we live in. The board comprises seven men and five women. Three of the board identify as people of colour and one trustee identifies as a member of the LGBTQ+ community.

The board commits to meet at least quarterly, and in the year to 31 December 2024, the board met five times. There was also a board away day for strategy review, and ad-hoc meetings were held online when required. Minutes of the board meetings can be found on the website at [www.littlepicklescharity.org.uk/meetings](http://www.littlepicklescharity.org.uk/meetings).

## Committee

Each board member is required to serve on a committee for the duration of their membership. The committees are chaired by a trustee and include specialists from across our organisation. Each committee reports to the board on a quarterly basis. We have four committees which are as follows:

- **Finance, investment and risk committee** oversees our financial performance, investment performance and determines the associated risk we are willing to take on investments. The committee also has responsibility for the overall control environment, and this committee maintains the risk register for the group.
- **Welfare committee** considers the overall environment in which we keep our animals and is strategically responsible for ensuring high quality care.
- **Remuneration committee** reviews and recommends to the board appropriate remuneration packages for the senior leadership team. They also oversee reward for all staff.
  - The remuneration committee sets the pay for the key management personnel of the charity. We seek to attract individuals who champion Little Pickles' cause and have the requisite skills to manage the charity and its subsidiaries. As such, we seek to remunerate and reward our staff suitably to attract and retain the best teams. We look to charitable companies of a comparable size and benchmark our pay scales against others in the sector. We are satisfied that our staff are appropriately remunerated.
- **Adoption committee** is responsible for overseeing our adoption centres and ensuring the right animals are put into the right homes. The committee also has oversight of our volunteer programme.

Our committees work to empower the board to make the right decisions for the future of Little Pickles. Whilst the board of trustees is ultimately responsible for the charity, delegated decision making is given to our senior leadership team (the CEO, CFO and COO) to enable the day-to-day running of the charity.

## Governance code

The Board has adopted the UK Charity Governance Code for larger charities (2020). We apply the seven principles of the code, which are embedded in our policies and procedures and our charitable aims. Our finance, investment and risk committee will be undertaking a comprehensive review of our adherence to the code next year, as part of our cyclical review timetable. Our review of this year found that we are compliant with all areas of the Code.

This annual report, which also comprises the strategic report and directors' report, was approved by the board of trustees on 28th April 2025 and signed on its behalf by



**Mike Salter**

Chair

Little Pickles Board of Trustees

## Statement of Trustees' responsibilities

The trustees (who are also directors of Little Pickles for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

S418(2)

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

S419(1)

Signed on behalf of the Little Pickles Board on 28th April 2025



**Mike Salter**

Chair

Little Pickles Board of Trustees



**Matthew Chutney**

Honorary Treasurer

## Independent Auditor's Report to the members of Little Pickles

### Opinion

We have audited the financial statements of Little Pickles (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2024, which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, 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 parent charitable company's affairs as at 31 December 2024 and of the group's and the parent charitable company's incoming resources and application of resources including, the group's and the parent income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice: Accounting and Reporting by Charities, 2019 Edition; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the trustees' (who are also the members and the directors of the charitable company for the purposes of company law) use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the group's and parent charitable company's business model including effects arising from macro-economic uncertainties such as the cost-of living crisis, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the group's and parent charitable company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **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 trustees are responsible for the other information contained within the Annual Report. 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.

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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the strategic report and the directors' report, prepared for the purposes of company law, included in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the strategic report and the directors' report included in the Annual Report have been prepared in accordance with applicable legal requirements.

### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Annual Report.

### **Matters on which we are required to report by exception**

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

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

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on [page 26](#), 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 determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group through our general not for profit and charity sector experience and discussions with management. We determined that the following laws and regulations were most significant: Charities SORP 2019, FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', Charities Act 2011, Companies Act 2006.
- We enquired of management concerning the group's and parent charitable company's policies and procedures relating to:
  - the identification, evaluation, and compliance with laws and regulations;
  - the detection and response to the risks of fraud; and
  - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management and the Finance, Investment and Risk Committee, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud. We corroborated the results of our enquiries to relevant supporting documentation.
- We assessed the susceptibility of the group's and parent charitable company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to:
  - journal entries that increased revenues or that reclassified costs from the statement of financial activities to the balance sheet
  - potential management bias in determining accounting estimates
- Our audit procedures involved:
  - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
  - challenging assumptions and judgements made by management in its significant accounting estimates, such as the indefinite useful life of heritage assets and the estimations used in the defined benefit pension liability valuation;
  - identifying and testing journal entries, in particular manual journal entries;
- In addition, we completed audit procedures to conclude on the compliance of disclosures in the Annual Report and Consolidated Financial Statements with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;

- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - knowledge of the industry in which the client operates
  - understanding of the legal and regulatory requirements specific to the entity including:
    - the provisions of the applicable legislation
    - the regulators rules and related guidance, including guidance issued by relevant authorities that interprets those rules
- Engagement team communications in respect of potential non-compliance with laws and regulations and fraud including the potential for fraud in revenue recognition, remaining alert to any indications of improper use of charitable funds and other potential serious incidents necessitating a serious incident report to the Charity Commission in the period;

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

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



#### **Norton Grant**

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

30 April 2025

# Financial statements



# Consolidated statement of financial activities

(including the income and expenditure account)

		Unrestricted funds (£)	Restricted funds (£)	Endowment funds (£)	Total funds 2024 (£)	Total funds 2023 (£)
<b>Income and endowments from</b>	<b>Note</b>					
Donations and legacies	2	67,938,302	2,471,300	-	70,409,602	78,229,761
Charitable activities	3	7,784,131	7,951,100	-	15,735,231	6,276,318
Income from other trading activities	4	30,793,011	-	-	30,793,011	30,584,677
Investment income	5	650,987	-	79,797	730,784	540,083
Other income	6	45,321	-	-	45,321	32,006
Share of net income of joint venture	7	-	295,985	-	295,985	65,421
		<b>107,211,752</b>	<b>10,718,385</b>	<b>79,797</b>	<b>118,009,934</b>	<b>115,728,266</b>
<b>Expenditure on</b>						
Raising funds	8	7,812,344	-	12,097	7,824,441	8,761,245
Charitable activities	9a	89,651,234	4,614,233	-	94,265,467	92,511,004
Other expenditure	10	163,016	-	-	163,016	401,921
		<b>97,626,594</b>	<b>4,614,233</b>	<b>12,097</b>	<b>102,252,924</b>	<b>101,674,170</b>
Net gains/(losses) on investments	17, 26	2,498,851	(6,200)	18,297	2,510,948	1,085,134
<b>Net income</b>		<b>12,084,009</b>	<b>6,097,952</b>	<b>85,997</b>	<b>18,267,958</b>	<b>15,139,230</b>
Transfers between funds	26	79,797		(79,797)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	25	290,899	-	-	290,899	36,555,355
<b>Net movement in funds</b>		<b>12,454,705</b>	<b>6,097,952</b>	<b>6,200</b>	<b>18,558,857</b>	<b>51,694,585</b>
<b>Reconciliation of funds</b>	<b>26</b>					
Total funds b/f		62,897,231	2,638,231	449,576	65,985,038	14,290,453
Total funds c/f		<b>75,351,936</b>	<b>8,736,183</b>	<b>455,776</b>	<b>84,543,895</b>	<b>65,985,038</b>

# Group and parent charitable company balance sheets

		2024 (£)		2023 (£)	
		Group	Charity	Group	Charity
<b>Fixed assets</b>	<b>Note</b>				
Intangible assets	14	1,287,532	1,287,532	1,454,232	1,454,232
Tangible assets	15	43,187,821	41,218,977	36,783,293	35,005,672
Heritage assets	16	1,267,280	1,267,280	1,267,280	1,267,280
Investments	17	17,331,581	19,569,394	21,049,483	22,903,285
		<b>63,074,214</b>	<b>63,343,183</b>	<b>60,554,288</b>	<b>60,630,469</b>
<b>Current assets</b>					
Inventories	18	5,562,173	931,002	4,671,833	278,329
Debtors	19	27,890,321	31,289,314	21,463,182	24,783,920
Investments	20	11,175,369	11,175,369	8,472,471	8,472,471
Cash	21	19,294,484	17,863,476	10,222,851	8,223,446
		<b>63,922,347</b>	<b>61,259,161</b>	<b>44,830,337</b>	<b>41,758,166</b>
<b>Liabilities</b>					
Creditors: amounts falling due within 1 year	22	24,513,738	23,996,293	22,519,092	20,876,822
<b>Net current assets</b>		<b>39,408,609</b>	<b>37,262,868</b>	<b>22,311,245</b>	<b>20,881,344</b>
<b>Total assets less current liabilities</b>		<b>102,482,823</b>	<b>100,606,051</b>	<b>82,865,533</b>	<b>81,511,813</b>
Creditors: amounts falling due after 1 year	23	4,231,022	4,231,022	2,738,213	2,738,213
Provisions for liabilities	24	6,612,322	6,592,322	7,856,362	8,067,321
<b>Net assets excluding pension liability</b>		<b>91,639,479</b>	<b>89,782,707</b>	<b>72,270,958</b>	<b>70,706,279</b>
Defined benefit pension liability	25	7,095,584	7,095,584	6,285,920	6,285,920
<b>Total net assets</b>		<b>84,543,895</b>	<b>82,687,123</b>	<b>65,985,038</b>	<b>64,420,359</b>
<b>Funds</b>	<b>26</b>				
Endowment funds		455,776	455,776	449,576	449,576
Restricted funds		8,736,183	8,736,183	2,638,231	2,638,231
<b>Unrestricted funds:</b>					
General reserves		80,590,748	80,590,748	67,618,472	67,618,472
LP Trading		1,856,772	-	1,564,679	-
Pension reserve		(7,095,584)	(7,095,584)	(6,285,920)	(6,285,920)
		<b>84,543,895</b>	<b>82,687,123</b>	<b>65,985,038</b>	<b>64,420,359</b>

Little Pickles uses the exemption in s408 of the Companies Act 2006 from presenting a separate income and expenditure account for Little Pickles as a separate entity. The net income for Little Pickles alone for the year to 31 December 2024 was £17,975,865 (2023: net expenditure £14,494,826) and the total funds movement in the year was £18,266,764 (2023: £22,060,529).

The notes on pages 36 to 77 form part of these financial statements.

FRS 102 32.9, S414

The financial statements were approved by the Board on 28th April 2025 and signed on the Board's behalf by:

*Mr. Salter*

**Mike Salter**

Chair

Little Pickles Board of Trustees



# Consolidated cash flow statement

	2024 (£)	2023 (£)
<b>Cash flows from operating activities</b>		
Net cash provided by operating activities (Note 30)	<b>15,518,505</b>	<b>(19,285,389 )</b>
<b>Cash flows from investing activities</b>		
Dividends and interests from investments	650,987	488,689
Purchase of property, plant, and equipment	(10,908,485 )	(2,492,311 )
Proceeds from sale of investments	10,513,506	3,789,321
Purchase of investments	(6,782,677)	(16,591,546)
	<b>(6,526,669)</b>	<b>(14,805,847)</b>
<b>Cash flows from financing activities</b>		
Receipt of endowment	79,797	51,394
	<b>79,797</b>	<b>51,394</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>9,071,633</b>	<b>(34,039,842)</b>
Cash and cash equivalents at the beginning of the reporting period	10,222,851	44,262,693
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>19,294,484</b>	<b>10,222,851</b>

SORP 3.1-3.49, 3.23(a)8(c)

SORP 8.2(a)

SORP 3.24(a)

FRS 102

FRS 102 3.3

FRS 102 3.23(b)

FRS 102 3.23(d), 30.26

FRS 102 1.11(c)(i), 1.12, 9.27(a)

FRS 102 9.23(a)

# Notes to the financial statements

## 1a. Charity status

Little Pickles is a charitable company limited by guarantee, without share capital. The charity is governed by its Articles of Association dated 29 October 1992, subsequently amended on 1 January 2014. The charity was registered with the Charity Commission on 18 October 1992 with the registered charity number 001122 and the registered company number 44332211. The principal address and registered office of Little Pickles is The Pickle House, Vinegar Lane, London, SW1 1XY. Little Pickles is a public benefit entity.

## 1b. Basis of preparation and consolidation

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (Charities SORP 2019), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities Act 2011 and the Companies Act 2006. The consolidated and separate financial statements have been prepared on the historical cost basis except as specified in the following accounting policies.

The Group's functional and presentational currency is Sterling (£). All values are rounded to the nearest £1.

In preparing the individual financial statements of Little Pickles, advantage has been taken of the following disclosure exemptions available in FRS 102 and the Charities SORP:

- the requirement to present a statement of cash flows and the related notes;
- financial instrument disclosures including categories of financial instruments; items of income, expenses, gains, or losses relating to financial instruments; and exposure to and management of financial risks on the basis that the information is included in the consolidated financial statements.

Little Pickles also uses the exemption conferred by section 408 of the Companies Act 2006 in not presenting a separate income and expenditure account for Little Pickles as a separate entity. The net movement in funds for Little Pickles as an entity was £18.3m for the year to 31 December 2024 (2023: £22.1m).

The consolidated financial statements incorporate the financial statements of the charitable company and entities controlled by the Group (its subsidiaries). Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Accounting policies consistent with those of the parent charitable company are used and all intra-group transactions, balances, income and expenses are eliminated in full on consolidation. The subsidiaries consolidated into these financial statements have produced their financial statements to 31 December 2024. Details of the subsidiaries can be found in note 17d.

## 1c. Going concern

The trustees have reviewed medium- and long-term financial planning forecasts which cover a range of scenarios with varying levels of likelihood and impact, including a combined severe but plausible scenario. The scenarios focus on income and liquidity headroom (including cash less restricted funds – liquid investments are available but not included in headroom as the intention is to retain these) and consider a mix of internal risks and macro-economic issues such as the cost-of-living crisis or projections based on the impact of the increase in national insurance contributions and the national minimum wage. We have applied reverse-stress testing to our going concern assessment to demonstrate that our cash flow projections can withstand any plausible downturn in voluntary income. We have identified that our key risk areas are:

- Levels of voluntary income (public and corporate donations) and;
- Costs (specifically care costs for our animals, and staff costs)

Our reverse stress test showed that, even with a cost increase of 9%, it would take a reduction in donations of 20% from base case to have a significant impact on our ability to remain a going concern. We consider such a shortfall implausible, as it would represent a return to levels of donations that we have not seen in the last five years. In the event of any significant changes to expected cash flow projections, mitigations would be taken, such as disposing of quoted investments or seeking cost-saving opportunities (such as delaying animal hospital acquisitions).

Having considered all these factors, the trustees have concluded that Little Pickles Group can meet its liabilities as they fall due, for the period to 30 June 2026, being more than 12 months from the signing of these financial statements, and that it is therefore appropriate to prepare the group financial statements on a going concern basis.

## 1d. Consolidation and group financial statements

The group consolidated financial statements comprise Little Pickles, its wholly owned trading subsidiary, Little Pickles Trading Limited, and a 75% owned charitable subsidiary, Little Pickles Sciences. Details of the subsidiary undertakings can be found at note 17d.

## 1e. Fund accounting

All donations to Little Pickles are deemed to be unrestricted, unless specified by the donor. Unrestricted funds comprise the accumulated surplus of the charity, as noted in the Statement of Financial Activities. These funds are available for use at the discretion of the trustees of Little Pickles.

Restricted funds are specifically assigned by the donor to support a particular project or care type. Income from restricted donations will only be spent on the specified causes.

Endowment funds are those that have been given to Little Pickles and held as capital. These endowments are permanent and are invested, and generate investing income, which is transferred into unrestricted funds. The original endowments however are held indefinitely.

FRS 102 23.30(a)

SORP 5.56

SORP 5.8

FRS 102 PBE 34.67

SORP 5.12

## 1f. Incoming resources

Income is measured when Little Pickles has entitlement to the income, it can be reliably measured, and it is probable that the income will be received. Little Pickles has various income streams:

- **Donations and legacies:** this relates to all income from regular donors, Gift Aid and corporate donations. Donations from individuals and corporations are recognised on receipt, where there are no performance-related conditions which must be met. Legacy income relates to sums that have been left to Little Pickles by individuals in their will. In line with Charities SORP section 5, legacy income is only recognised when the charity has entitlement (via existence of a valid will, and death of a benefactor), the sum can be reliably measured, and it is probable the balance will be received (once probate has been granted). Donations and legacies also includes donated services income which is generated through our arrangements with universities and colleges, where student veterinarians can gain real experience in our animal hospitals. These balances are measured as the value to the charity, which can be reliably measured as all donated hours are recorded and calculated based on the rate that we pay our existing student veterinary nurse employees. See note 2 for further details.
- **Charitable income:** charitable income relates to funds generated through our rehoming and veterinary services and sale of goods in our animal hospitals. Income from the sale of goods is recognised when the customers has obtained the significant risks and rewards of ownership of the goods. Income from veterinary services is recognised the period in which the services are provided. If these services are over a period of time, income is recognised in accordance with the stage of completion of those services. Income is recognised when it is probable that Little Pickles will receive consideration for those goods. This balance also includes grant income. Grants are recognised in line with the Charity SORP using the performance model. Any grants paid in advance are included in deferred income.
- **Trading income:** relates to income generated through Little Pickles Trading Limited from sales of new and donated goods in charity shops. Because of the volume and variety of our donated goods, it is impractical to measure the fair value of these items. Therefore, we recognise the value of these items, when they are sold in our charity shops. No stock value is recorded for donated goods. New goods are measured at cost and included in our inventory line. Trading income also includes income from fundraising events which is recognised when there is evidence of entitlement to the income, receipt is probable and its amount can be measured reliably.
- **Investment income:** this comprises income generated by our endowment funds and our fixed asset investments. It also comprises bank interest generated on our cash at bank balances, and rental income from our investment properties. Investment income is credited to the statement of income and expenditure on a receivable basis. Rental income is recognised on a straight-line basis over the period of lease agreement.
- **Other income:** this balance relates to all other sources of income including ad-hoc sums such as fee income or legal fee reimbursements. In the event that the defined benefit pension scheme results in net income, this balance would also be included within other income.
- **Joint venture income:** as outlined in note 17c we hold 50% of Happy Hedges Limited, a joint venture charity. Our share of the income generated by the joint venture each year is recorded in restricted income.

## 1g. Expenditure

All expenditure is accounted for under the accruals basis and recognised when Little Pickles has a legal or constructive obligation to make a payment. Little Pickles has various expenditure streams:

- **Raising funds:** this relates to the costs incurred in attracting voluntary income such as running fundraising events. The costs from our investment managers are also included in this balance. Donated services that are consumed immediately are recognised as income, with an equivalent amount recognised as an expense under the 'raising funds' heading.
- **Charitable activities expenditure** relates to costs associated with the provision of relief to animals in distress through our hospitals, veterinary services, and adoption centres. It also includes costs relating to education and campaigns, as part of our core activities.
- **Other expenditure** comprises other costs including legal expenses.
- **Support costs:** these relate to the cost of providing support to Little Pickles' strategy by staff based in our offices across the UK, as well as central costs such as finance, IT, HR (including pension costs) and governance. These costs are allocated proportionally, on a time spent basis where staff duties span across the charitable activities of Little Pickles. Governance costs are allocated a headcount basis, based on the number of employees within each charitable activity.

Any termination payments are expensed to the SOFA when they are incurred.

## 1h. Operating leases

All leases are operating leases and charged to expenditure over the lease period. The Group has short-term arrangements to lease office space from third parties.

## 1i. Intangible assets

Intangible assets are held at cost and capitalised when the cost price is £5,000 or more. Little Pickles intangible assets relate to software, which is amortised on a straight-line basis over its useful economic life of 5 years.

## 1j. Tangible fixed assets

Tangible fixed assets are held at cost less depreciation. Assets are depreciated over their useful economic lives on a straight-line basis:

- Freehold property, 50 years
- Leasehold improvements, six years (based on the life of the lease arrangement)
- Furniture and fixings, six years
- Veterinary equipment, four years
- Vehicles, five years
- Any land held is not depreciated and is considered to have an indefinite useful life.

## 1k. Heritage assets

Little Pickles holds several heritage assets, which are accounted for in line with Charity SORP section 18 and are held and maintained for their contribution to art, culture, and sciences. The assets are held at their deemed cost, being the initial valuation when donated to Little Pickles, and are not subject to a policy of revaluation. The Trustees have judged that these assets have indefinite useful lives and are therefore not depreciated. Resultantly, the heritage assets are reviewed for impairment on an annual basis, at the end of the reporting period Little Pickles does not have an acquisitive approach to heritage assets but recognises any that are kindly donated to the group.

FRS 102 9.27(b)

SORP 21.40

FRS 102 11.43

FRS 102 9.27(b)

FRS 102 9.26

FRS 102 13.22(a)

FRS 102 11.40

## 1l. Investments

Little Pickles holds several different fixed asset investments:

- Investments in funds are measured at bid value (which is the same as market value) at the balance sheet date. We hold investments in funds, in the form of units in specified funds. These units are compiled of equity, debt and other instruments, and therefore classified as non-basic financial instruments, held at fair value. Held within these investments is a cash balance which fluctuates with purchases and sales of investment holdings.
- Our investment property balance comprises one property held primarily for the financial return it generates through rental income. The property is rented to universities and colleges which deliver veterinary (and similar) courses, to allow student vets to learn and study. Further details can be found at note 2 and note 17b, and accounting policy 1f. The property is revalued every three years by independent, professional chartered surveyors.
- Social investments are investments made to further our charitable purposes. At present, Little Pickles holds a single mixed motive investment, stated at fair value. Fair value adjustments are included within the 'net gain/(losses) on investments' line on the face of the Statement of Financial Activities. The investment is publicly traded and therefore fair value is determined using the quoted market price. Note 17e includes additional disclosures on this investment.
- Investment in joint venture: Happy Hedges Limited (HHL) is a joint venture set up by Little Pickles and The Wildlife Protection Agency (TWPA). HHL is jointly controlled by LP and TWPA and each entity has 50% control of the joint venture. Little Pickles' share of income and net assets is 50% of the charity and this is disclosed in note 7 and 17c. The investment is treated as a restricted fund in these financial statements and, as Little Pickles produces consolidated accounts, we have adopted the equity method of accounting for this joint venture, which results in net income from the joint venture shown as a separate item in the Statement of Financial Activities.
- Investment in subsidiaries: Little Pickles wholly owns Little Pickles Trading Limited and owns 75% of the subsidiary charity, Little Pickles Sciences. The results for the year for Little Pickles Trading Limited, a material subsidiary, is included at note 17d. The subsidiaries are recognised at cost less impairment.
- Current asset investments relate to cash held in deposit accounts with a maturity date of less than one year. This cash is held for investment purposes, rather than to meet short term cash commitments.

## 1m. Inventories

Stocks and inventories are stated at the lower of cost and estimated selling price less costs to sell.

## 1n. Debtors

Debtors include trade debtors and certain other financial instruments (see note 1p), prepayments, accrued income, Gift Aid and corporate donations (see note 1f). Prepayments are payments made for goods or services that will be received in the future. These are initially recorded as assets and amortised over time as the benefit of the prepaid expense is realised. Accrued income corresponds to the income earned during the period but not yet collected from the customer. Where payments are in doubt, we include a bad debt provision against any balances that have remained unpaid for a period of six months or longer. Balances that remain unpaid after 12 months are written off.

## 1o. Creditors and provisions

Creditors include trade creditors and certain other short and long-term financial instruments.

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable, and a reliable estimate can be made. Provisions are measured as the best estimate of the amount required to settle the obligation, considering the related risks and uncertainties, and the related increases are generally charged as an expense to profit or loss. Little Pickles has provisions for dilapidations and legal matters.

## 1p. Financial instruments

The charity and group have financial assets and financial liabilities that qualify as basic financial instruments recognised under section 11 of FRS 102.

The Group enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Debt instruments (other than those wholly repayable or receivable within one year), including account receivables and payables, are initially measured at the transaction price (adjusted for transaction cost) and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. Subsequent measurement is at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If such evidence is identified, an impairment loss is recognised in the statement of financial activities. For financial assets measured at amortised cost, the impairment loss is measured as the difference between carrying amount and the present value of estimated cash flows discounted at the original effective interest rate. If the financial instrument has a variable interest rate the currently effective rate under the contract is used.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date. Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. At present, the Group has not offset any items.

The charity and group hold non-basic financial instruments in the form of investments in funds. (including the mixed motive investment). These are units in specified funds, made up of equities, bonds and other instruments. These are measured at fair value in line with FRS 102 sections 11 and 12. No other non-basic instruments are held.

## 1q. Pensions

Little Pickles participates in two pension schemes for its staff, the Picklington Council Pension Fund (PCPF) which is a Local Government Pension Scheme (LGPS) and the LP Pension, a defined contribution scheme.

Under defined benefit schemes, the charitable company's obligation is to provide the agreed benefits to current and former employees, and bear both the actuarial risk and investment risk. Little Pickles recognises a liability for its obligations under defined benefit schemes net of scheme assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value of scheme assets. The calculation is performed by a qualified actuary.

The defined contribution scheme is a post-employment benefit scheme under which the charitable company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension schemes are recognised as an expense in the income statement in the periods during which services are rendered by employees.

## 1r. Tax

As a registered charity, the charitable company is exempt from taxation of its income and gains to the extent they fall within the charity exemptions in the Corporation Taxes Act 2010. The charitable company is also able to partially recover Value Added Tax (VAT).

The trading subsidiaries do not usually pay UK Corporation tax as their policy is to pay all taxable profits to the parent charity as Gift Aid, provided there are sufficient distributable profits. Gift Aid distributions are recognised only where there is a legally binding obligation in place to make such a distribution, however the tax effects of the gift aid payment are recognised at the year end, provided it is probable that the gift aid payment will be made within 9 months of the year end.

## 1s. Judgements and estimates

FRS 102 8.6

In preparing the financial statements, the trustees have made the following significant judgment:

- Little Pickles Sciences is a 75% owned charitable subsidiary. We have identified that the non-controlling interest (25%) which is owned by an unrelated, commercial, third party, has no value. On establishment of Little Pickles Sciences, the non-controlling interest agreed to waive their share of the net assets in the event that the charity was wound up and waived their right to any dividends. Therefore, we determine that Little Pickles Charity enjoys all of the economic benefits of Little Pickles Sciences, and the non-controlling interest has not been recognised.

SORP 24.27



Charities will need to consider, on a case-by-case basis, to what extent a non-controlling interest should be recognised. Any judgments made in relation to NCI would need to reflect the specific facts and circumstances.

FRS 102 8.7

The following significant estimate has been made in the preparation of the financial statements:

- Picklington County Council Pension Fund is accounted for as a defined benefit scheme, with pension costs and the amount of the provision on the balance sheet based on the actuarial valuation of the scheme. This valuation uses a number of assumptions including the discount rate, which are agreed with management and the trustees after seeking actuarial advice.

The scheme is sensitive to changes in the discount rate. A decrease in the discount rate from 4.9% to 4.5% would increase the pension liability by more than £5m, and an increase in the discount rate to 5.5% would decrease the pension liability by a similar material value. Changes in mortality rates will also have a material effect on the liability balance due to the volume of employees and former employees included in the pension scheme. The carrying value of the pension scheme liability is detailed in note 25.

## 1t. New or revised standards or interpretations

*Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and other FRSs Periodic Review 2024*

On 27 March 2024, the FRC issued Amendments to FRS 102. The effective date for most amendments is accounting periods beginning on or after 1 January 2026, with earlier adoption permitted. A revised Charities SORP is anticipated with an effective date of 1 January 2026.

The most significant amendments are the replacement of Section 23, now renamed Revenue from Contracts with Customers, and Section 20 Leases. The many other less significant changes, including a new Section 2A Fair Value Measurement, are not currently expected to have a material impact. The new revenue and leasing requirements seek to provide greater consistency and alignment with international accounting standards, i.e., IFRS 15 and IFRS 16.

The Group is planning for the implementation of these change and is at an early stage in evaluating their financial impact. At 31 December 2024, the Group had commitments under operating leases of approximately £6.5m (gross) (see note 29). Under the new lease accounting requirements management expects that these amounts would be recognised on-balance sheet, with a lease liability based on the discounted value of the future commitments, plus payments related to optional extension periods if considered reasonably certain, and a related 'right-of-use' asset.

Management is reviewing relevant revenue exchange transactions to determine the overall recognition, measurement, presentation, and disclosure impact. Non-exchange transactions, including donations and most grant income, will continue to be recognised on receipt, when the balance can be reliably measured, and when any applicable performance-related conditions have been met.

## Note 2. Donations and legacies

2024	Unrestricted	Restricted	Total
Regular giving and corresponding Gift Aid	23,660,910	-	23,660,910
Legacies	29,916,009	1,730,334	31,646,343
Corporate donations	14,151,383	740,966	14,892,349
Donated services	210,000	-	210,000
	<b>67,938,302</b>	<b>2,471,300</b>	<b>70,409,602</b>

2023	Unrestricted	Restricted	Total
Regular giving and corresponding Gift Aid	37,071,538	-	37,071,538
Legacies	26,567,122	1,625,482	28,192,604
Corporate donations	12,098,624	671,995	12,770,619
Donated services	195,000	-	195,000
	<b>75,932,284</b>	<b>2,297,477</b>	<b>78,229,761</b>

We have relationships with a number of education institutions who support our charitable objectives. Some of these organisations train and teach students on veterinary courses. As part of their development, these students offer their time, for free, to Little Pickles. This means that students get real life, hands on experience with animals, helping with complex surgeries and administering medicines. Little Pickles benefits from the expertise of these students. The value in 'donated services' is based on hours donated across the year, and fair valued using the hourly rates of our full-time employed student veterinary nurses.

### Note 3. Charitable activities

2024	Unrestricted	Restricted	Total
Rehoming and veterinary income	5,528,901	-	5,528,901
Sale of veterinary goods	1,669,441	-	1,669,441
Grant income	585,789	7,951,100	8,536,889
	<b>7,784,131</b>	<b>7,951,100</b>	<b>15,735,231</b>

2023	Unrestricted	Restricted	Total
Rehoming and veterinary income	2,091,628	-	2,091,628
Sale of veterinary goods	1,168,239	-	1,168,239
Grant income	3,016,451	-	3,016,451
	<b>6,276,318</b>	<b>-</b>	<b>6,276,318</b>

In the year to 31 December 2024, Little Pickles was awarded a £10m grant from the Society of Vets to pursue new technologies in the rehabilitation of animals who have suffered bone breakages. This is a restricted grant, and a new restricted fund has been set up in the year to hold this balance (see note 26). The grant was paid in full in June 2024 and, based on the research and work completed in the year, we have recognised £7m of the grant in charitable activity income. The remaining £3m is included in deferred income and we expect this to be used in full in the year to 31 December 2025.

Little Pickles was also awarded a restricted £500,000 grant from Grow and Glow UK to make improvements to our kennels and cages in 3 of our older adoption centres. The grant was subject to performance conditions, including using only sustainable sources and local tradespeople to complete the work. All work was completed by October 2024 and the grant has been recognised and received in full.

The remaining restricted income balance relates to immaterial grants received and spent in the year on a variety of projects.

SORP 4.2, 4.42

## Note 4. Income from other trading activities

	2024	2023
Income from sale of donated goods	5,098,752	6,651,239
Income from sale of new goods	1,692,676	1,214,073
Fundraising event income	24,001,583	22,719,365
	<b>30,793,011</b>	<b>30,584,677</b>

SORP 4.2, 4.42

## Note 5. Investment income

2024	Unrestricted	Endowment	Total
Income from investments in funds	408,916	79,797	488,713
Bank and other interest	197,071	-	197,071
Rental income	45,000	-	45,000
	<b>650,987</b>	<b>79,797</b>	<b>730,784</b>

2023	Unrestricted	Endowment	Total
Income from investments in funds	371,631	38,162	409,793
Bank and other interest	88,290	-	88,290
Rental income	42,000	-	42,000
	<b>501,921</b>	<b>38,162</b>	<b>540,083</b>

We hold an investment property in Manchester. We lease this property primarily to universities and colleges with specialisms in veterinary and animal subjects. The property is held at fair value and revalued every 3 years. Further disclosure of the investment property is included in note 17b.

SORP 4.2, 4.42

## Note 6. Other income

	2024	2023
Costs recovered	21,004	4,011
Other fees	24,317	27,995
	<b>45,321</b>	<b>32,006</b>

SORP 4.2, 4.42, 29.11

## Note 7. Income from share of joint venture

2024	Restricted	Total
Income from share of joint venture	295,985	295,985
	<b>295,985</b>	<b>295,985</b>

2023	Restricted	Total
Income from share of joint venture	65,421	65,421
	<b>65,421</b>	<b>65,421</b>

Happy Hedges Limited is a joint venture charity which we jointly control with The Wildlife Protection agency (TWPA). Both LP and TWPA have a 50% share of the charity. All income from the joint venture is treated as a separate restricted fund.

## Note 8. Expenditure on raising funds

2024	Unrestricted	Endowment	Total
Cost of raising funds through donations and legacies	5,596,412	-	5,596,412
Fundraising costs	1,205,444	-	1,205,444
Support costs	772,476	-	772,476
Investment manager costs	28,012	12,097	40,109
Donated services expense	210,000	-	210,000
	<b>7,812,344</b>	<b>12,097</b>	<b>7,824,441</b>

2023	Unrestricted	Endowment	Total
Cost of raising funds through donations and legacies	6,206,247	-	6,206,247
Fundraising costs	1,419,016	-	1,419,016
Support costs	900,162	-	900,162
Investment manager costs	29,975	10,845	40,820
Donated services expense	195,000	-	195,000
	<b>8,750,400</b>	<b>10,845</b>	<b>8,761,245</b>

## Note 9a. Expenditure on charitable activities

2024	Activities undertaken directly	Grant funding of activities	Support costs	Total
Education	4,009,125	-	5,007,106	9,016,231
Campaigns and publications	1,614,385	-	871,431	2,485,816
Veterinary care	39,512,331	1,364,242	16,021,521	56,898,094
Hospital costs	14,089,123	697,299	673,219	15,459,641
Adoption centre costs	6,521,135	2,552,692	1,331,858	10,405,685
	<b>65,746,099</b>	<b>4,614,233</b>	<b>23,905,135</b>	<b>94,265,467</b>

2023	Activities undertaken directly	Grant funding of activities	Support costs	Total
Education	6,023,971	-	1,979,490	8,003,461
Campaigns and publications	1,098,943	-	536,217	1,635,160
Veterinary care	40,172,561	2,012,712	15,784,392	57,969,665
Hospital costs	16,571,692	1,092,059	889,301	18,553,052
Adoption centre costs	4,352,831	1,006,712	990,123	6,349,666
	<b>68,219,998</b>	<b>4,111,483</b>	<b>20,179,523</b>	<b>92,511,004</b>

## Note 9b. Support costs expenditure on raising funds and charitable activities

2024	Raising funds			Charitable activities			Total
	Fundraising	Education	Campaigns and publications	Veterinary care	Hospital costs	Adoption centre costs	
Finance	125,136	135,912	91,780	140,724	150,622	114,320	758,494
Human resources	69,729	140,677	73,181	250,789	94,480	112,908	741,764
Hospital support	221,782	1,383,785	7,303	12,431,846	286,693	50,278	14,381,687
Adoption centre support	161,214	2,764,719	9,680	2,951,874	-	867,481	6,754,968
Governance	109,748	131,761	85,194	139,566	120,007	119,748	706,024
Communications	52,678	450,252	587,391	106,722	21,417	67,123	1,285,583
Legal	32,189	-	16,902	-	-	-	49,091
	<b>772,476</b>	<b>5,007,106</b>	<b>871,431</b>	<b>16,021,521</b>	<b>673,219</b>	<b>1,331,858</b>	<b>24,677,611</b>

2023	Raising funds			Charitable activities			Total
	Fundraising	Education	Campaigns and publications	Veterinary care	Hospital costs	Adoption centre costs	
Finance	178,808	176,061	72,172	304,846	150,572	25,656	908,115
Human resources	174,001	150,224	10,754	331,654	190,465	101,238	958,336
Hospital support	176,714	536,750	61,545	12,183,592	326,194	32,014	13,316,809
Adoption centre support	102,006	600,984	137,029	2,743,680	-	635,742	4,219,441
Governance	98,642	113,816	68,533	121,975	105,886	103,816	612,668
Communications	154,054	401,655	178,920	98,645	116,184	91,657	1,041,115
Legal	15,937	-	7,264	-	-	-	23,201
	<b>900,162</b>	<b>1,979,490</b>	<b>536,217</b>	<b>15,784,392</b>	<b>889,301</b>	<b>990,123</b>	<b>21,079,685</b>

## Note 9c. Grant expenditure

In the year to 31 December 2024, Little Pickles spent £1.2m (2023: £927k) on grants to local animal rescue centres across the UK. All grants were made to organisations, and we did not make any grants to individuals. All grants are made from our unrestricted fund.

	2024 Grants to institutions	2023 Grants to institutions
Wildlife animal rescue	372,711	264,728
Domestic pet rescue	552,133	383,920
Farm animal rescue	298,744	278,912
	<b>1,223,588</b>	<b>927,560</b>

We did not award any material grants in the year. We supported 105 local animal rescues, and the largest grant was £40,000 (2023: 82 local rescues and largest grant of £25,000) to help establish a wildlife centre in rural Scotland. We made several £20,000 grants this year to help rescue centres expand or improve their facilities. On average, each grant is worth £8,000.

## Note 10. Other expenditure

	2024	2023
Legal expenses	163,016	401,921
	<b>163,016</b>	<b>401,921</b>

Legal expenses arise on the occasions where we see extreme levels of abuse inflicted on animals, compelling us to take court action with the aim of prosecuting specific individuals.

## Note 11. Staff costs

SORP 9.29   S411

The average headcount number of employees and full-time equivalent (FTE) for the year was

Group	2024		2023	
	Headcount	FTE	Headcount	FTE
Veterinary and animal care	305	261	284	237
Education	114	97	107	100
Business and administrative	52	48	53	49
	471	406	444	386

Charity	2024		2023	
	Headcount	FTE	Headcount	FTE
Veterinary and animal care	261	222	248	216
Education	103	91	98	92
Business and administrative	49	46	45	46
	413	359	391	354



Both SORP 9.29 and the Companies Act s.411 are clear that average head count MUST be included. SORP 9.29 includes that charities ‘may’ also choose to provide full-time equivalent headcount numbers. These illustrative accounts include both.

## Note 11. Staff costs continued

### SORP 9.26

All staff costs are derived from unrestricted funds

	2024	2023
Wages and salaries	39,879,056	30,671,821
Social security costs	4,789,233	3,089,783
Pension costs relating to:		
Defined contribution	1,341,202	836,552
Defined benefit	2,447,910	4,619,110
	<b>48,457,401</b>	<b>39,217,266</b>

### SORP 9.27

Termination costs are included above, amounting to £16,055 (2023: £7,000) relating to 3 employees (2023: 1 employee). All termination costs were incurred during the year, with no provision at the year end.

Additionally, and not included in the above figures, is the time donated by our team of 2,000 volunteers across the UK. Details of their contributions can be read in the Annual Report.

### SORP 9.30

The table below shows the emoluments of our higher paid staff. Emoluments include all benefits, excluding employer pension costs

	2024	2023
£60,000 to £69,999	12	10
£70,000 to £79,999	6	8
£80,000 to £89,999	3	3
£90,000 to £99,999	5	7
£100,000 to £109,999	1	1
£110,000 to £119,999	2	3
£120,000 to £129,999	1	-
£130,000 to £139,999	1	-
£140,000 to £149,999	1	1
	<b>32</b>	<b>33</b>

## Note 11. Staff costs continued

### SORP 9.32

We identify our key management personnel as both the trustees and three individuals who make up the senior leadership team. The key management personnel are the same for both Little Pickles charity, and the Group. The trustees are not remunerated. The remuneration for the senior leadership team for the year was as follows

2024	Gross pay	Employer NI	Employer pension contribution	Total
Chief Executive Officer (CEO)	145,000	20,010	9,500	174,510
Chief Finance Officer (CFO)	137,750	19,010	7,890	164,650
Chief Operating Officer (COO)	121,250	16,733	8,755	146,738
	<b>404,000</b>	<b>55,753</b>	<b>26,145</b>	<b>485,898</b>

2023	Gross pay	Employer NI	Employer pension contribution	Total
Chief Executive Officer (CEO)	140,500	19,389	9,225	169,114
Chief Finance Officer (CFO)	119,000	16,422	7,515	142,937
Chief Operating Officer (COO)	115,000	15,870	6,900	137,770
	<b>374,500</b>	<b>51,681</b>	<b>23,640</b>	<b>449,821</b>

### SORP 9.11-12

## Note 12. Trustees

Members of the Board of Trustees are not remunerated for their services. Trustees' expenses, such as travel and accommodation costs for Board meetings, are reimbursed by Little Pickles. In the year to 31 December 2024, £5,879 was reimbursed to 12 trustees (2023: £7,312 to 12 trustees).

## Note 13. Net income

Net income for the year is stated after charging/(crediting):

	2024	2023
Depreciation of tangible fixed assets (Note 15)	4,503,957	2,907,425
Operating lease expense (Note 29)	1,087,263	1,087,263
Utilities	367,181	306,313
Legal and professional fees	63,982	36,218
Net interest on defined benefit pension (Note 25)	(104,929)	(1,362,510)
<b>SORP 9.23</b> Auditor's remuneration - fees payable to the company's auditor for the audit of the Parent Company and the Group's consolidated financial statements	115,250	110,000
<b>SORP 9.23</b> Fees payable to the company's auditor and its associates for other services: Audit of the financial statements of subsidiaries	15,500	12,250

## Note 14. Intangible assets

	Group and charity	Software
	Cost	
18.27(c)	At 1 January	5,541,345
18.27(e)(i)	Additions	-
18.27(c)	<b>At 31 December</b>	<b>5,541,345</b>
	Accumulated amortisation	
18.27(c)	At 1 January	4,087,113
18.27(e)(v)	Charge for the year	166,700
18.27(c)	<b>At 31 December</b>	<b>4,253,813</b>
	Net book value	
	<b>At 31 December 2024</b>	<b>1,287,532</b>
	At 31 December 2023	1,454,232

The amortisation charge for the year is included within 'expenditure on charitable activities' on the SOFA.



FRS 102 section 18.28(a) requires that 'a description, the carrying amount and remaining amortisation period of any individual intangible asset that is material to the entity's financial statements' should be included within this note. If individual intangible assets were material to these illustrative financial statements, an example disclosure might read as follows: "Little Pickles holds an intangible asset which is material to these financial statements. The asset relates to the Little Pickles Trademark which has a carrying value at the yearend of £600,000 (2023: £700,000). The asset has a useful economic life of 10 years, and 6 years are remaining."

## Note 15. Tangible assets

	Group	Freehold property	Leasehold improvements	Furniture and fixings	Veterinary equipment	Vehicles	Total
	Cost						
17.31(d)	At 1 January	37,983,291	5,903,214	678,321	8,672,314	309,673	53,546,813
17.31(e)(i)	Additions	6,546,714	1,134,662	207,821	3,019,288	-	10,908,485
17.31(e)(ii)	Disposals	-	-	(108,652)	(42,189)	-	(150,841)
17.31(d)	<b>At 31 December</b>	<b>44,530,005</b>	<b>7,037,876</b>	<b>777,490</b>	<b>11,649,413</b>	<b>309,673</b>	<b>64,304,457</b>
	Accumulated depreciation						
17.31(d)	At 1 January	11,789,416	2,789,144	207,134	1,867,277	110,549	16,763,520
17.31(e)(vii)	Charge for the year	2,258,935	1,053,219	202,890	928,345	60,568	4,503,957
17.31(e)(ii)	Disposals	-	-	(108,652)	(42,189)	-	(150,841)
17.31(d)	<b>At 31 December</b>	<b>14,048,351</b>	<b>3,842,363</b>	<b>301,372</b>	<b>2,753,433</b>	<b>171,117</b>	<b>21,116,636</b>
	Net book value						
	<b>At 31 December 2024</b>	<b>30,481,654</b>	<b>3,195,513</b>	<b>476,118</b>	<b>8,895,980</b>	<b>138,556</b>	<b>43,187,821</b>
	At 31 December 2023	26,193,875	3,114,070	471,187	6,805,037	199,124	36,783,293

## Note 15. Tangible assets continued

	Charity	Freehold property	Leasehold improvements	Furniture and fixings	Veterinary equipment	Vehicles	Total
	Cost						
17.31(d)	At 1 January	34,281,611	5,903,214	678,321	8,672,314	309,673	49,845,133
17.31(e)(i)	Additions	4,942,921	1,134,662	207,821	3,019,288	-	9,304,692
17.31(e)(ii)	Disposals	-	-	(108,652)	(42,189)	-	(150,841)
17.31(d)	<b>At 31 December</b>	<b>39,224,532</b>	<b>7,037,876</b>	<b>777,490</b>	<b>11,649,413</b>	<b>309,673</b>	<b>58,998,984</b>
	Accumulated depreciation						
17.31(d)	At 1 January	9,865,357	2,789,144	207,134	1,867,277	110,549	14,839,461
	Charge for the year	546,365	1,653,219	132,890	698,345	60,568	3,091,387
17.31(e)(vii)	Disposals	-	-	(108,652)	(42,189)	-	(150,841)
17.31(e)(ii)	<b>At 31 December</b>	<b>10,411,722</b>	<b>4,442,363</b>	<b>231,372</b>	<b>2,523,433</b>	<b>171,117</b>	<b>17,780,007</b>
17.31(d)	Net book value						
	<b>At 31 December 2024</b>	<b>28,812,810</b>	<b>2,595,513</b>	<b>546,118</b>	<b>9,125,980</b>	<b>138,556</b>	<b>41,218,977</b>
	At 31 December 2023	24,416,254	3,114,070	471,187	6,805,037	199,124	35,005,672

## Note 16. Heritage assets

Group and charity	Heritage assets
Cost	
At 1 January	1,267,280
Additions	-
<b>At 31 December</b>	<b>1,267,280</b>
Accumulated amortisation	
At 1 January	-
Charge for the year	-
<b>At 31 December</b>	<b>-</b>
Net book value	
<b>At 31 December 2024</b>	<b>1,267,280</b>
At 31 December 2023	1,267,280

We are fortunate to own several heritage assets, all of which have been donated to us. The initial valuation has been treated as the 'deemed cost' of each asset. We do not therefore subject our heritage assets to a policy of revaluation. We have judged that these assets have indefinite useful lives and are therefore not subject to depreciation. Please refer to our accounting policies at note 1k for further detail on this judgment.

We own the following heritage assets:

- A painting by the renowned animal artist, Richard McGoose, entitled 'Home' dating back to 1887. The art hangs in the waiting room at our London adoption centre.
- An abstract sculpture of Noah's Ark, entitled 'Ark,' from 1901 by the sculptor Mathieu de Chien. The sculpture is on public display at our Liverpool adoption centre.
- The stethoscope, microscope and glasses used by the pioneering veterinary surgeon David Fox. These items form part of a public display at our London adoption centre.

The value of these heritage assets is as follows:

Painting	750,500
Sculpture	380,330
Veterinary instruments	136,450
	<b>1,267,280</b>

All 3 of our heritage assets were donated before 2019 and we have not acquired any additional heritage assets during this time. No impairments have been recognised during this time and there are no material changes to the values of these assets.

## Note 17. Investments

Total fixed asset investments comprise:

Group	Note	2024		2023	
		Group	Charity	Group	Charity
Investments in funds	17a	11,260,027	11,260,027	15,194,903	15,194,903
Investment property	17b	865,775	865,775	865,775	865,775
Investment in joint venture	17c	2,007,154	2,007,154	2,007,154	2,007,154
Investment in subsidiaries	17d	-	2,237,813	-	1,853,802
Mixed motive investments	17e	3,198,625	3,198,625	2,981,651	2,981,651
		<b>17,331,581</b>	<b>19,569,394</b>	<b>21,049,483</b>	<b>22,903,285</b>

SORP 11.43

### Note 17a. Investments in funds

We hold units in specified funds which are stated at fair value as at 31 December 2024.

Group and charity	2024	2023
<b>Market value at 1 January</b>	14,877,151	9,675,389
Acquisitions at cost	3,970,561	8,097,865
Disposal proceeds	(10,513,506)	(3,789,321)
Realised and unrealised gains in the year	2,498,851	893,218
<b>Fair value at 31 December</b>	<b>10,833,057</b>	<b>14,877,151</b>
Cash held	426,970	317,752
<b>Total fair value at 31 December</b>	<b>11,260,027</b>	<b>15,194,903</b>
Historical cost at 31 December	10,483,194	13,478,194

Listed fund investments are made up as follows

Group and charity	2024	2023
Equities	6,826,590	9,461,784
Bonds	598,129	1,463,853
Multi-asset funds	2,461,456	2,943,718
Other	1,373,852	1,325,548
<b>Fair value at 31 December</b>	<b>11,260,027</b>	<b>15,194,903</b>

## Note 17b. Investment property

Little Pickles holds an investment property in Manchester. This property is rented to education and research professionals, primarily through universities and colleges, to enable future veterinarians to learn and study. The property is held primarily for the purpose of furthering education opportunities for future veterinarians. Little Pickles receives limited rental income (as disclosed in note 5) from these properties at £15,000 per year, per property (2023: £14,000). The properties are revalued every 3 years by independent, professional chartered surveyors, and the next valuation will take place in 2026. At the end of each reporting period, the Board updates its assessment of the fair value of the property, considering the most recent independent valuations. The Board determines the property's value within a range of reasonable fair value estimates. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Board considers information from a variety of sources including current prices in an active market for properties of a different nature, or recent prices of similar properties in less active markets, adjusted to reflect those differences and; discounted cash flow projections based on reliable estimates of future cash flows.

There are no restrictions in place on this property, and no contractual obligations.

	Manchester	Total
A11 January	865,775	865,775
Revaluation	-	-
<b>At 31 December</b>	<b>865,775</b>	<b>865,775</b>

## Note 17c. Investment in joint venture

Happy Hedges Limited (HHL) is a joint venture set up by Little Pickles and The Wildlife Protection Agency (TWPA). HHL is jointly controlled by LP and TWPA and each entity has 50% control of the joint venture. HHL is consolidated into these financial statements.

HHL was incorporated in England on 2 December 2021. Its company registration number is 5432101 and the registered address is 101 Wood Lane, London, SW12 9ZZ. HHL issued 1,000 ordinary shares, of which Little Pickles holds 500.

Little Pickles' share of net income for the year is included in note 7.

Carrying amount of interest in joint venture:

	2024	2023
Net assets	2,007,154	2,007,154
	<b>2,007,154</b>	<b>2,007,154</b>

## Note 17d. Subsidiary undertakings

The following were subsidiary undertakings of the charitable company:

Name	Registered office	Principal activity	Class of shares	Holding
Little Pickles Trading Limited	21 Shop Lane, High Street, London, SW12 7XY	Retail	Ordinary	100%
Little Pickles Sciences	Vale House, Science Quarter, Liverpool, CH2 8TF	Scientific research	N/A, charity	75%

## Sch 4.16

Both subsidiaries are included in the consolidated financial statements of Little Pickles

	2024	2023
Cost at 1 January	2,186,573	2,081,573
Capital contribution	475,000	105,000
	<b>2,661,573</b>	<b>2,186,573</b>
Impairment at 1 January	(332,771)	(296,545)
Charge for the period	(90,989)	(36,226)
	<b>(423,760)</b>	<b>(332,771)</b>
<b>Net book value at 31 December</b>	<b>2,237,813</b>	<b>1,853,802</b>
Relating to:		
Little Pickles Sciences	381,041	289,123
Little Pickles Trading Limited	1,856,772	1,564,679
	<b>2,237,813</b>	<b>1,853,802</b>

## FRS 102 27.32

We have recognised an impairment in the year of £91k (2023: £36k), arising from the decrease in revenue in Little Pickles Trading, as a result of significant macroeconomic factors, in particular, the cost-of-living crisis. This balance is included within expenditure on charitable activities, on the face of the Statement of Financial Activities. We anticipate that the impairment will be recoverable, and reversible in future periods. The impairment charge is included within charitable activities expenditure in the SOFA.

## Note 17d. Subsidiary undertakings continued

### SORP 24.36

Little Pickles Trading Limited is a material subsidiary. Results for the year for Little Pickles Trading Limited are as follows

Profit and loss	2024	2023
Turnover	5,735,084	7,865,312
Cost of sales	(3,965,637)	(5,085,424)
<b>Gross profit</b>	<b>1,769,447</b>	<b>2,779,888</b>
Admin expenses	(805,313)	(915,480)
<b>Profit before tax</b>	<b>964,134</b>	<b>1,864,408</b>

Each year, subject to the availability of sufficient distributable reserves, Little Pickles Trading Limited makes a Gift Aid donation of its taxable profit for the year to Little Pickles Charity. The profit for the year to 31 December 2024 available for distribution to the charity is £964,134 and is payable to Little Pickles no later than 30 September 2025. The balance is included in Little Pickles intercompany debtor balance at note 19.

The balance sheet for Little Pickles Trading Limited is as follows for the year ended 31 December 2024:

Balance sheet	2024	2023
<b>Fixed assets</b>		
Tangible fixed assets	1,968,844	1,777,621
	<b>1,968,844</b>	<b>1,777,621</b>
<b>Current assets</b>		
Stock	5,131,171	4,393,504
Cash	6,745,127	2,641,556
	<b>11,876,298</b>	<b>7,035,060</b>
Creditors falling due within 1 year	(11,988,370)	(7,248,002)
<b>Net assets</b>	<b>1,856,772</b>	<b>1,564,679</b>
<b>Equity</b>		
Share capital	1,000	1,000
P&L account	1,855,772	1,563,679
	<b>1,856,772</b>	<b>1,564,879</b>

Little Pickles Sciences is an immaterial charitable subsidiary and therefore detailed disclosures of the results for the year are not included in these consolidated financial statements. Little Pickles share of the net assets of Little Pickles Sciences is £381,041 (2023: £289,123).

## Note 17e. Mixed motive investments

In 2019, Little Pickles invested £2.5m in the Global Fauna Fund. This is a fund set up by a conglomerate of international animal charities and organisations. The fund invests in a portfolio of cutting-edge veterinary science, technology and design companies, working towards improving the welfare and health of animals worldwide. This investment is considered to be a mixed motive investment, as it is intended to both generate a financial return and to further Little Pickles' charitable purpose.

The investment is held at fair value, determined by its quoted market price in an active market. Investing Bros manage this investment on our behalf, as they do with our other quoted investments.

The value of our investment as at 31 December 2024 was £3.2m (2023: £3m) and total assets in the fund were £478m (2023: £429m).

## Note 18. Inventories

	2024		2023	
	Group	Charity	Group	Charity
Vet, medicinal and pet supplies for sale	431,002	931,002	278,329	278,329
Little Pickles Trading goods	5,131,171	-	4,393,504	-
	<b>5,562,173</b>	<b>931,002</b>	<b>4,671,833</b>	<b>278,329</b>

## Note 19. Debtors

	2024		2023	
	Group	Charity	Group	Charity
Trade debtors	1,807,847	641,696	974,814	595,846
Prepayments	5,483,913	5,032,402	6,489,142	5,021,409
Accrued income	1,048,734	1,048,734	800,414	800,414
Other debtors	64,874	64,874	30,865	30,865
Gift aid recoverable	9,478,321	8,933,890	4,716,413	700,642
Amounts due from corporate donors	10,006,632	10,006,632	8,451,534	8,451,534
Amounts due from subsidiaries	-	5,561,086	-	9,183,210
	<b>27,890,321</b>	<b>31,289,314</b>	<b>21,463,182</b>	<b>24,783,920</b>



SORP 5.12 states that donations are usually recognised on receipt. In these illustrative accounts however, we have included a debtor balance from corporate donors. This may arise when a donor pledges to give a specific amount over the course of the period, but it is given in instalments. The charity is still entitled to the balance (as formal notice has been given that the balance will be paid), but it is not received until later in the period.

## Note 20. Current asset investments

Group and charity	2024	2023
Investments in fixed term deposit accounts	11,175,369	8,472,471
	<b>11,175,369</b>	<b>8,472,471</b>

## Note 21. Cash and cash equivalents

	2024		2023	
	Group	Charity	Group	Charity
Cash at bank and in hand	19,294,484	17,863,476	10,222,851	8,223,446
	<b>19,294,484</b>	<b>17,863,476</b>	<b>10,222,851</b>	<b>8,223,446</b>



FRS 102.720 states that a reconciliation of the amounts presented in the statement of cash flows for cash and cash equivalents and amounts presented in the balance sheet is not required if the amount of cash and cash equivalents presented in the cash flow is identical to the amount described as cash and cash equivalents in the balance sheet. We have however included the note as a reminder for users to include a reconciliation where there are balances such as overdrafts included in the 'cash and cash equivalents' heading in the Cash Flow Statement, which do not meet the netting criteria to be offset against cash at bank and in hand in the balance sheet.

## Note 22. Creditors

	2024		2023	
	Group	Charity	Group	Charity
Trade creditors	9,548,910	8,975,545	6,750,691	7,002,327
Accruals	613,632	194,873	2,586,693	1,086,049
Deferred income*	3,870,533	3,638,789	2,461,780	1,861,035
Grants payable	150,672	150,672	187,314	187,314
Social security and other taxes	10,329,991	10,329,991	10,532,614	10,532,614
Amounts due to subsidiaries	-	706,423	-	207,483
	<b>24,513,738</b>	<b>23,996,293</b>	<b>22,519,092</b>	<b>20,876,822</b>

\*Deferred income mainly relates to grant income which has been received in advance. A smaller, immaterial amount of deferred income relates to monies paid in advance for animal operations.

	2024		2023	
	Group	Charity	Group	Charity
Deferred income at 1 January	2,461,780	1,861,035	1,698,493	1,346,187
Resources deferred in the year	3,006,731	2,107,254	1,248,954	978,414
Amounts released	(1,597,978)	(329,500)	(485,667)	(463,566)
<b>Deferred income at 31 December</b>	<b>3,870,533</b>	<b>3,638,789</b>	<b>2,461,780</b>	<b>1,861,035</b>

## Note 23. Creditors due in more than one year

Group and charity	2024	2023
Trade creditors	3,293,566	2,332,391
Accruals	-	170,984
Grants payable	122,786	20,756
Other creditors	814,670	214,082
	<b>4,231,022</b>	<b>2,738,213</b>

SORP 21.14(a)&(b)

## Note 24. Provisions

Group	2024			
	Dilapidations	Legal	Other	Total
At 1 January	3,633,410	3,621,784	601,168	7,856,362
Arising in the year	436,275	790,724	36,239	1,263,238
Used in the year	(478,541)	(2,028,737)	-	(2,507,278)
<b>Provisions at 31 December</b>	<b>3,591,144</b>	<b>2,383,771</b>	<b>637,407</b>	<b>6,612,322</b>

Charity	2024			
	Dilapidations	Legal	Other	Total
At 1 January	3,844,369	3,621,784	601,168	8,067,321
Arising in the year	669,235	790,724	16,239	1,476,198
Used in the year	(922,460)	(2,028,737)	-	(2,951,197)
<b>Provisions at 31 December</b>	<b>3,591,144</b>	<b>2,383,771</b>	<b>617,407</b>	<b>6,592,322</b>

Dilapidation provisions arise on our charity shops. These provisions require Little Pickles to return these properties to their original state once our leases terminate. We expect these provisions to arise as wear and tear occurs over the lease period. Legal provisions relate to balances arising from legal disputes that we are expecting to pay in the future. There is some uncertainty over the timings of these payments due to the length of time that various legal processes take, however our lawyers indicate that we are exposed to risk, and a transfer of economic resources is probable, and a reliable estimate can be made. We anticipate that these future payments, which are covered by the provision, will be made over the course of the next three years. Other provisions relate to outstanding obligations that we expect to pay post year end.

## Note 25. Pensions

Little Pickles operates a defined benefit and a defined contribution scheme for its employees.



### Schemes in surplus

In recent reporting periods, we have seen some defined benefit pension schemes in a surplus position. If the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date, the plan is in surplus. Following IAS 19 (Employee Benefits) or Section 28 of FRS 102, an entity shall recognise a plan surplus as a defined benefit plan asset **only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.**

Note that while IFRS preparers must apply 'IFRIC14: IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction,' FRS 102 contains no further guidance on when an entity will be able to recover the surplus either through reduced contributions in the future or through refunds from the plan. In the absence of further guidance, in challenging whether a net defined benefit pension asset should or shouldn't be recognised, it would therefore be acceptable to look to the guidance provided under IFRS Standards, in the form of IFRIC 14.

IFRIC 14 requires that the availability of a refund or reduction in future contributions should be determined on the basis of the terms and conditions of the plan, and any relevant statutory requirements. As a general principle, an economic benefit in the form of a refund or reduction in future contributions is available if the entity can realise that benefit at some point during the life of the plan or when the plan liabilities are settled, even if the benefit is not realisable immediately at the end of the reporting period.

#### SORP 28.41

### Defined benefit scheme

Little Pickles (LP) participates in the Local Government Pension Scheme (LGPS). The Picklington County Council Pension Fund (PCCPF) is a multi-employer, defined benefit scheme, administered by Picklington County Council. There is a contractual agreement with the pension fund and the participants in the pension, for charging the net defined benefit cost of a defined benefit plan as a whole measured in accordance FRS 102 to individual entities, therefore in these financial statements, we have been able to recognise the net defined benefit cost of the defined benefit plan. The scheme was closed to new members on 31 December 2018 and as a result, the current service cost increases as the members of the scheme approach retirement. We have accounted for the scheme under FRS 102 as a defined benefit scheme based on a full actuarial valuation of the Fund as at 31 December 2022, updated to 31 December 2024 by a qualified independent actuary. The scheme is funded, and the employer contribution is 10.4% (2023: 10.4%) of pensionable pay. Employees' contribution is between 7% and 15% of pensionable pay (depending on the individual's pay). The scheme is in deficit and as such, Little Pickles has entered into a schedule of contributions arrangement to fund this deficit. Over the course of the next 12 years, Little Pickles will make additional contributions of approximately £2.5m per year, to reduce the deficit.

The Trustees are aware of the 'Virgin Media Ltd v NTL Pension Trustees II Ltd (and others)' case. There is a potential for the outcome of the case to have an impact on the UK pension scheme. The case affects defined benefit schemes that provided contracted-out benefits before 6 April 2016 based on meeting the reference scheme test. Where scheme rules were amended, potentially impacting benefits accrued from 6 April 1997 to 5 April 2016, schemes needed the actuary to confirm that the reference scheme test was still being met by providing written confirmation under Section 37 of the Pension Schemes Act 1993. In the Virgin Media case the judge ruled that alterations to the scheme rules were void and ineffective because of the absence of written actuarial confirmation required under Section 37 of the Pension Schemes Act 1993. The case was taken to The Court of Appeal in June 2024 and the original ruling was upheld.

As a result, there may be a further liability to the Picklington County Council Pension Fund (PCCPF) for benefits that were reduced by previous amendments, if those amendments prove invalid (i.e. were made without obtaining s37 confirmation). The trustees and their legal advisors have reviewed the records of the scheme to look for evidence of having obtained the necessary written actuarial confirmation where relevant. As a result of this work, the trustees are satisfied that the appropriate written actuarial confirmations were obtained when scheme rules have been amended in the past. As a result, the trustees are satisfied that there is no impact on the scheme or the defined benefit obligation in the financial statements.

## Note 25. Pensions continued

Reconciliation of opening and closing balances of the present value of scheme liabilities	2024	2023
<b>Opening scheme liabilities</b>	154,443,063	196,541,944
Current service cost	2,401,645	4,510,475
Interest on pension liabilities	7,615,404	6,901,655
Employee contributions	917,451	1,104,758
Benefits paid	(6,104,651)	(5,411,250)
Actuarial (gains)/losses	1,104,715	(49,204,519)
<b>Closing scheme liabilities</b>	<b>160,377,627</b>	<b>154,443,063</b>

Reconciliation of opening and closing balances of the fair value of plan assets	2024	2023
<b>Opening fair value of plan assets</b>	148,157,143	154,973,554
Interest on plan assets	7,510,475	5,539,145
Return on plan assets greater / (less) than expected	1,395,614	(12,649,164)
Administration expenses	46,265	108,635
Contributions by employer	1,359,746	4,491,465
Contributions by scheme participants	917,451	1,104,758
Benefits paid	(6,104,651)	(5,411,250)
<b>Closing fair value of plan assets</b>	<b>153,282,043</b>	<b>148,157,143</b>

Amounts recognised in Statement of Financial Activities (included in staff costs for the year (note 11))	2024	2023
Current service cost	2,401,645	4,510,475
Administrative expenses	46,265	108,635
<b>Amounts charged to expenditure on charitable activities</b>	<b>2,447,910</b>	<b>4,619,110</b>
Net interest (note 13)	(104,929)	(1,362,510)
<b>Amounts charged to expenditure on charitable activities</b>	<b>(104,929)</b>	<b>(1,362,510)</b>

Amounts recognised in Statement of Financial Activities (actuarial gains recognised in SOFA)	2024	2023
<b>Change in assumptions underlying the present value</b>		
of the scheme assets	1,395,614	(12,649,164)
of the scheme liabilities	(1,104,715)	49,204,519
<b>Actuarial gain recognised in SOFA</b>	<b>290,899</b>	<b>36,555,355</b>

## Note 25. Pensions continued

Principal actuarial assumptions: Financial assumptions)	2024 % per annum	2023 % per annum
Discount rate	4.90%	5.10%
Future salary increases	4.10%	4.20%
Future pension increases	2.70%	2.80%
Inflation assumption	2.60%	2.70%

Principal actuarial assumptions: Mortality assumptions	2024 No. of years	2023 No. of years
<b>Retiring today</b>		
Males	21.9	22.1
Females	24.1	24.1
<b>Retiring in 20 years</b>		
Males	23.1	23.2
Females	26.1	25.7

Major categories of plan assets as a percentage of total plan assets	2024 %	2023 %
Equities	66.6	64.5
Gilts	8.5	11.3
Bonds	2.6	4.0
Properties	8.9	8.1
Cash	2.0	0.3
Other	11.4	11.8
	<b>100</b>	<b>100</b>

**SORP 28.40**

### Defined contribution scheme

For employees not enrolled on the DB scheme, Little Pickles operates the LP Pension, a defined contribution scheme.

Little Pickles matches employee contributions to this scheme. In the year to 31 December 2024, LP contributed £1.3m (2023: £836k) to the scheme. This is expensed in the SOFA as part of our staff costs for the year and charged in full to our unrestricted funds.

## Note 26. Funds

### Analysis of assets and liabilities representing funds

	2024			
Group	Unrestricted	Restricted	Endowment	Total
Tangible fixed assets	43,187,821	886,950	380,330	44,455,101
Intangible fixed assets	1,287,532	-	-	1,287,532
Current assets	55,997,668	7,849,233	75,446	63,922,347
Liabilities	(25,121,085)	-	-	(25,121,085)
	<b>75,351,936</b>	<b>8,736,183</b>	<b>455,776</b>	<b>84,543,895</b>

	2023			
Group	Unrestricted	Restricted	Endowment	Total
Tangible fixed assets	36,783,293	886,950	380,330	38,050,573
Intangible fixed assets	1,454,232	-	-	1,454,232
Current assets	43,009,810	1,751,281	69,246	44,830,337
Liabilities	(18,350,104)	-	-	(18,350,104)
	<b>62,897,231</b>	<b>2,638,231</b>	<b>449,576</b>	<b>65,985,038</b>

	2024			
Charity	Unrestricted	Restricted	Endowment	Total
Tangible fixed assets	41,218,977	886,950	380,330	42,486,257
Intangible fixed assets	1,287,532	-	-	1,287,532
Current assets	53,334,482	7,849,233	75,446	61,259,161
Liabilities	(22,345,827)	-	-	(22,345,827)
	<b>73,495,164</b>	<b>8,736,183</b>	<b>455,776</b>	<b>82,687,123</b>

	2023			
Charity	Unrestricted	Restricted	Endowment	Total
Tangible fixed assets	35,005,672	886,950	380,330	36,272,952
Intangible fixed assets	-	1,454,232	-	1,454,232
Current assets	41,391,871	297,049	69,246	41,758,166
Liabilities	(15,064,991)	-	-	(15,064,991)
	<b>61,332,552</b>	<b>2,638,231</b>	<b>449,576</b>	<b>64,420,359</b>

## Note 26. Funds continued

### Endowment funds – group and charity

2024	At 1 January	Income	Expenditure	Transfers	Gains/(losses)	At 31 December
The Pickle Fund	254,146	36,185	(16,004)	(50,076)	11,046	246,796
The Pine Cone Trust Fund	195,430	43,612	(8,125)	(29,721)	7,251	208,980
	<b>449,576</b>	<b>79,797</b>	<b>(12,097)</b>	<b>(79,797)</b>	<b>18,297</b>	<b>455,776</b>

2023	At 1 January	Income	Expenditure	Transfers	Gains/(losses)	At 31 December
The Pickle Fund	252,355	36,347	(5,914)	(24,645)	6,093	254,146
The Pine Cone Trust Fund	191,021	15,047	(6,183)	(14,117)	11,604	195,430
	<b>443,376</b>	<b>51,394</b>	<b>(24,129)</b>	<b>(38,762)</b>	<b>17,697</b>	<b>449,576</b>

Little Pickles has two permanent endowments. They are historic funds that have been in place since the inception of the charity. Income generated by both funds is transferred into the unrestricted fund at the end of each financial year.

## Note 26. Funds continued

### Restricted funds – group and charity

2024	At 1 January	Income	Expenditure	Transfers	Gains/ (losses)	At 31 December
Restricted legacies	398,545	1,730,334	(1,364,242)	-	-	764,637
Restricted corporate donations	135,229	740,966	(697,299)	-	-	178,896
Hospital fund	8,180	500,000	(500,000)	-	-	8,180
Little Pickles Sciences	89,123	451,100	(152,982)	-	(6,200)	381,041
Happy Hedges (JV)	2,007,154	295,985	(295,985)	-	-	2,007,154
Science grant	-	7,000,000	(1,603,725)	-	-	5,396,275
	<b>2,638,231</b>	<b>10,718,385</b>	<b>(4,614,233)</b>	<b>-</b>	<b>(6,200)</b>	<b>8,736,183</b>

2023	At 1 January	Income	Expenditure	Transfers	Gains/ (losses)	At 31 December
Restricted legacies	785,775	1,625,482	(2,012,712)	-	-	398,545
Restricted corporate donations	1,406,791	602,821	(1,874,383)	-	-	135,229
Hospital fund	41,026	20,000	(52,846)	-	-	8,180
Little Pickles Sciences	211,491	49,174	(171,542)	-	-	89,123
Happy Hedges (JV)	1,941,733	65,421	-	-	-	2,007,154
Science grant	-	-	-	-	-	-
	<b>4,386,816</b>	<b>2,362,898</b>	<b>(4,111,483)</b>	<b>-</b>	<b>-</b>	<b>2,638,231</b>

Restricted legacies relate to balances which have been left to Little Pickles by a donor who has cited that their legacy is to be spent on specific projects.

Restricted corporate donations occur when our corporate donors give to specific, named projects.

The Hospital fund is a small, restricted fund used for hospital equipment. It is particularly used in case of emergency equipment renewal or repair.

Little Pickles Sciences is the 75% owned charitable subsidiary. The purpose of the fund is to support the pioneering work of our veterinary scientists and their work in reducing the recovery time of animals who undergo operations.

#### SORP 24.25

Requires that a consolidated subsidiary charity that does not have identical objectives to the parent charity, must present its funds as a restricted fund.

The Happy Hedges fund relates to the Joint Venture. All the balances in Happy Hedges are treated as restricted funds.

The scientific grant fund is new for 2024. Little Pickles earned a £10m grant in 2024, £7m of which has been recognised in 2024 in a new 'Science grant fund.' £1.6m of expenditure has also been recognised in the year against this grant.

## Note 26. Funds continued

### Unrestricted funds – group

2024	At 1 January	Income	Expenditure	Transfers	Gains/ (losses)	At 31 December
General reserves	67,618,472	101,520,887	(91,127,259)	79,797	2,498,851	80,590,748
Little Pickles Trading	1,564,679	6,791,428	(6,499,335)	-	-	1,856,772
Pension reserve	(6,285,920)	6,514,841	(7,615,404)	-	290,899	(7,095,584)
	<b>62,897,231</b>	<b>114,722,227</b>	<b>(105,241,998)</b>	<b>79,797</b>	<b>2,789,750</b>	<b>75,247,007</b>

2023	At 1 January	Income	Expenditure	Transfers	Gains/ (losses)	At 31 December
General reserves	50,748,388	105,565,477	(89,801,592)	38,762	1,067,437	67,618,472
Little Pickles Trading	1,449,617	7,865,312	(7,750,250)	-	-	1,564,679
Pension reserve	(41,478,765)	5,539,145	(6,901,655)	-	36,555,355	(6,285,920)
	<b>10,719,240</b>	<b>118,969,934</b>	<b>(104,453,497)</b>	<b>38,762</b>	<b>37,622,792</b>	<b>62,897,231</b>

#### SORP 10.36

Fixed assets are not held under a revaluation policy in these illustrative accounts. If such assets were held under a revaluation policy, we would expect to see a revaluation reserve included in the funds disclosures

### Unrestricted funds – charity

2024	At 1 January	Income	Expenditure	Transfers	Gains/ (losses)	At 31 December
General reserves	67,618,472	101,520,887	(91,127,259)	79,797	2,498,851	80,590,748
Pension reserve	(6,285,920)	6,910,475	(8,011,038)	-	290,899	(7,095,504)
	<b>61,332,552</b>	<b>115,222,790</b>	<b>(105,637,632)</b>	<b>79,797</b>	<b>2,789,750</b>	<b>73,495,164</b>

2023	At 1 January	Income	Expenditure	Transfers	Gains/ (losses)	At 31 December
General reserves	50,748,388	105,565,477	(89,801,592)	38,762	1,067,437	67,618,472
Pension reserve	(41,478,765)	5,539,145	(6,901,655)	-	36,555,355	(6,285,920)
	<b>9,269,623</b>	<b>111,104,622</b>	<b>(96,703,247)</b>	<b>38,762</b>	<b>37,622,792</b>	<b>61,332,552</b>

## Note 27. Related party transactions

Little Pickles transacts on occasion with Little Pickles Trading Limited, its wholly owned subsidiary. Little Pickles Trading sold goods to Little Pickles to the value of £14,815 (2023: £21,056). Little Pickles Trading has accrued a balance payable to Little Pickles of £964,134, which is the Gift Aid donation to be made before 30 September 2025.

One of our Trustees is also a Non-Executive Director at the Institute of Veterinary Medicine (IVM). The IVM is a professional membership body for qualified veterinary surgeons and offers training, advice, support, and insurance for vets. Little Pickles incurred expenditure of £12,890 (2023: £10,060) to purchase training materials for our staff from IVM.

Rural Counties UK is a non-profit network of communities and individuals in rural locations. One of our Trustees is also a Trustee at Rural Counties UK. Little Pickles published several articles in Rural Counties UK newsletters in the year, with a total cost of £4,500 (2023: nil).

One of our Trustees is also a director at Animal Bionics Limited, a company which produces parts for animals with severe bone damage. Little Pickles made a number of purchases in the year totalling £37,076 (2023: £41,097).

The wife of one of our trustees is a Director at Vet Supplies R'Us, a company which supplies the veterinary industry with everyday surgical items including bandages, dressings, and medical instruments. Little Pickles makes numerous purchases throughout the year from Vet Supplies R'Us totalling £301,745 (2023: £275,510).



FRS 102 section 33.2 highlights that 'a related party is a person or entity that is related to the entity that is preparing its financial statements,' in particular 'a person or close member of that person's family is related to a reporting entity if that person has control or joint control over the reporting entity; has significant influence over the reporting entity or; is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.'

Close family members are defined in the glossary to FRS 102 as those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity. This includes:

- that person's children and spouse or domestic partner, including anyone who lives with them;
- children or stepchildren of that person's spouse or domestic partner; and
- dependents of that person or that person's spouse or domestic partner.

A close family member might be expected to exercise influence over, or be influenced by, the person in question. Organisations are therefore required to maintain a list of related parties, including those closely related persons, to ensure that related party disclosures are complete.

In the example above, we have highlighted that a close family member might have influence over their partner (the trustee of Little Pickles) and encourage them to trade with a company (Vet Supplies R'Us). Although it might be the case that Little Pickles would continue to buy goods from the company irrespective of the relationship in place, charities should be transparent and disclose those relationships up front.

Other than the Gift Aid due from Little Pickles Trading, at the year end, there are no outstanding creditor or debtor balances with any of our related parties (2023: nil). All our related party transactions are on arm's length terms.

## Note 28. Post balance sheet events

After the year end, Little Pickles entered into an agreement to purchase a warehouse site in Gateshead to turn into a new adoption centre and animal hospital. This will be our flagship site in the north of England. The purchase price was £3.1m, paid in full in February 2025. In the next reporting period, we expect to spend in excess of £1.2m refurbishing and opening the facility.

## Note 29. Operating leases

The Group's future minimum lease payments under non-cancellable operating leases are as follows:

Group and charity	2024	2023
<b>Total rentals payable under operating leases</b>		
Payable during the year	1,087,263	1,087,263
<b>Future minimum lease payments due</b>		
Not later than 1 year	1,087,263	1,087,263
Later than 1 year and not later than 5 years	4,349,052	4,349,052
Later than 5 years	1,087,263	2,283,252
<b>Total lease payments due</b>	<b>6,523,578</b>	<b>7,719,567</b>

The operating leases are for commercial properties (offices) in the UK. The lease terms are up to six years. The charity had no commitments under non-cancellable operating leases at year end (2023: £Nil). £1,087,263 was expensed on operating lease payments in the year to 31 December 2024 (2023: £1,087,263) and this is included within 'expenditure on charitable activities' on the SOFA.

## Note 30. Cash flow reconciliation

Adjustment for non-cash items	2024	2023
Net income for the reporting period	18,267,958	15,139,230
Depreciation and amortisation charges	4,670,657	3,966,700
[Gains]/losses on investments	(2,715,825)	(1,220,540)
Dividends and interest from investments	(730,784)	(540,083)
Decrease/(increase) in stocks	(890,340)	(370,266)
Decrease/(increase) in debtors	(6,427,139)	(3,545,621)
[Decrease]/increase in creditors	3,487,455	3,920,896
[Decrease]/increase in provisions	(1,244,040)	41,056
[Decrease]/increase in pension liability	1,100,563	(36,676,761)
	<b>15,518,505</b>	<b>(19,285,389)</b>

## Note 31. Net debt reconciliation

Analysis of changes in net debt	At start of year	Cash flows	At year end
Cash	10,222,851	10,172,196	19,294,484

Little Pickles has not held any debt instruments such as loans or finance leases during the year.



Where an entity does not have any debt, this disclosure is not required, however organisations with debt (including finance leases) should ensure that a net debt note is included.

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