

Little Pickles

Annual report and consolidated financial statements

For the year ended 31 December 2025

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

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Bankers

The Bank

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Investment advisers

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Trustees

Chair

Mike Salter

Deputy Chair

Chris Sauce

Honorary Treasurer

Matthew Chutney

Tarryn Mayo

Georgia Dressing

Sara Relish

Oliver Brown

Simon Ketchup (resigned 1 January 2025)

Nick Radish (appointed 1 January 2025)

Emer Dip

Harriet French

Greg Ranch

Cormac Jam

Senior Leadership Team

Chief Executive Officer

Alex Pickleton

Chief Financial Officer

Karen Mustard

Chief Operating Officer

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 2025 onwards. 31 December 2025 is the year end modelled in these accounts. As such, these accounts do not reflect the Periodic Review 2024 amendments to FRS 102 (which are applicable for periods beginning on or after 1 January 2026).

This is the second 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. We have reflected on feedback received on the first edition of Little Pickles and incorporated additional disclosures to reflect the changing environment of the sector.



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).

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 charity sector continues to face significant financial challenges. Grants and contracts have not kept up with inflationary pressures, meaning charities are more likely to ‘foot the bill’ when costs exceed income. Redundancies have been implemented across the sector, reducing both wage costs and limiting service delivery. Throw in upcoming changes to the SORP and FRS 102, and it’s clear that charities are stretched.

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 their 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.

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

Matthew Calleja, Julia Loveland

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 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 1.55(2)(a)

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 formats (para 5)

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 of subsidiaries
- Complex financial instruments (for example, hedging, convertible loans)
- Construction contracts
- Hyperinflation
- Specialised activities
- Business combination
- Borrowings and debt arrangements
- Equity transactions



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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 have regard to SORP 1.40 which requires a 'balanced view of successes and failures.' Charities should be mindful however that the updated SORP (applicable from 1 January 2026) does include an impact reporting requirement and therefore additional disclosures may be required for 2026 year ends onwards.

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 [SORP 15.7]. Charitable companies should ensure that the combined annual report makes it clear that it also contains both a directors' report as required by company law [SORP 15.6].

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.

The trustees present the strategic report for the year ended 31 December 2025. 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 supporting 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). Having successfully opened the Gateshead hospital in November 2025, we aim to open a further 3 hospitals in the period up to December 2028. At a rate of one per year, we will hold 20 hospitals across the country by 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 a consistent level of investment into our education strategy, with total expenditure on education for the year at £10m (2024: £9m)

- We visited 315 schools in the year to 31 December 2025, reaching more than 32,000 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 2025 to reach at least 30,000 children, in line with our success in this area last year, so we are thrilled with our efforts in exceeding this target.
- We have started to work in partnership with a large, well-known supermarket to help them understand animal welfare and ensure that they purchase meat and animal products which are ethical and responsible. Whilst this project is in its infancy at the end of 2025, we hope to expand this to work with other top supermarkets and produce similar guidance for smaller, independent stores into 2026.
- 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 15 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 maintained our donated service income for the year at £215k (2024: £210k). The students providing these services benefit from exposure to real life animal emergencies, helping them to learn and develop. In turn, they support our objectives and help poorly animals in our hospitals get the right care.
- The Little Pickle Professional award, which highlights a breeder's commitment to good animal care and responsible breeding, has gone from strength to strength in its first full year, and at 31 December we had awarded 58 accreditations to responsible breeders across the country.



Care

We run seventeen animal hospitals across the UK, following the opening of the Gateshead site in November 2025. 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 has increased to £24.9m (2024: £15.5m) and much of the increase has come from opening our new Gateshead hospital and increasing our service provision. We have also increased our animal care staff by 14 compared to the prior year.

- We successfully opened our Gateshead animal hospital in the year. This was our main objective for 2025/6 and we are pleased to have brought this forward into 2025, following a well-managed project plan.
- 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 streamlining of appointments and increased staff resources. The Gateshead hospital supported 518 animals in the first 5 weeks of opening alone. We primarily treat domestic pets including cats, dogs and rodents, and a new equine team in the Cotswolds area has treated more than 2,500 horses, ponies and donkeys this year, too. We have also had a number of farm and wildlife emergencies across the country.

- We continue with our pioneering specialism to help repair bone breakages in cats, dogs, and other larger animals. Rehabilitation time has reduced by 49% in most cases, which further alleviates the pain that some animals experience post-surgery. This remains an ongoing objective for us, and we are satisfied with the progress we have made this year, having spent the remainder of the of the £10m grant we secured in 2024 (see page 45 and note 3 for more detail on the grant).



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 £9.1m (2024: £10.4m), a saving of more than £1m on last year. Much of the saving has come from significant decreases in the costs of key supplies such as food, where we have been able to take advantage of bulk purchase discounts.

- We have rehomed 42,000 animals in the last year. This is an increase of 2,500 compared to the prior year.
- Our volunteers have contributed more than 108,000 hours this year to supporting our adoption centres.

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

- We have raised £47.4m in donations (from individuals and corporations) this year (2023: £38.5m), exceeding our target. We set ourselves an aspirational target for donation income of £45m this year, following a dip in donations in 2024, and we are pleased to have surpassed this target. This result is the consolidation of hard work in prior years: we have worked closely with corporate donors and run more events in 2025, using our 'tried and tested' approach for events that has proved efficient. We know that donation income can be volatile, and we will continue to engage with our stakeholders and donors to ensure our level of donations remains appropriate.
- We have secured legacy income of £29m (2024: £31.6m) 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 been impacted by the effects of the macroeconomic environment including some disruption to our investments as a result of global events. The focus on civil society from the current government has also raised some interest in charities more broadly and we have seen new donations coinciding with the timing of government statements on charities. In 2025, interest rates have returned to normal levels and this, along with the effect of pay rises in 2023/4 has given rise to additional donors who have not previously supported us. From April 2025, Little Pickles has been subject to the increase in employer National Insurance Contributions (NICs), and our social security expense has increased by £1.5m this year. We continue to retain a strong level of reserves to allow us to continue to meet our charitable objectives and mitigate against external factors.

Lil' Pickles Trading Limited (LPT), the charity shop trading subsidiary, has seen an increase in the sale of new goods by £212k, and an overall increase in total sales of £1.3m. We have however recognised an impairment of £487k in the year in the inventory of Lil' Pickles Trading, mostly related to slow-moving new stock which we have held for more than 12 months and have been unable to sell in our stores. These items have been written down to their net realisable value (being selling price less costs to sell). The impact on forecast future cashflows has also resulted in an impairment of £250k in the investment in Lil' Pickles Trading Limited in the individual accounts of the Charity.

The majority of charity shop revenue stems from the sale of donated goods, for which we remain very grateful to our donors. More than 21,000 volunteer hours in our stores have been recorded this year, and we have started a project at the end of 2025 to bring some of our new goods items online in a



new shopping portal. We have made considerable improvements to our website in the year which has ensured we have suitable IT infrastructure for generating online revenues. To date, we have seen online sales of £40,000 which mostly relate to Christmas cards and calendars which were launched at the end of 2025.

Little Pickles was awarded a £10m grant in 2024 (which is detailed further on page 45, note 3 and note 26). In 2025, we spent the remaining £3m of this grant, developing innovative scientific procedures with Little Pickles Sciences, the charitable subsidiary of which Little Pickles holds 75%. In mid-2025, this technology was ready for wider sale, and we have a new income stream in Little Pickles Sciences relating to the sale of parts that allow faster repair of major bone breakages. Total income for the 6 months to December 2025 was £80k and we continue to pursue this line of sales into 2026.

Happy Hedges Limited is our joint venture (see details at 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 £285k (2024: £296k).

We have helped thousands of animals again this year, providing care, protection, and safety for those in need. More than 42,000 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

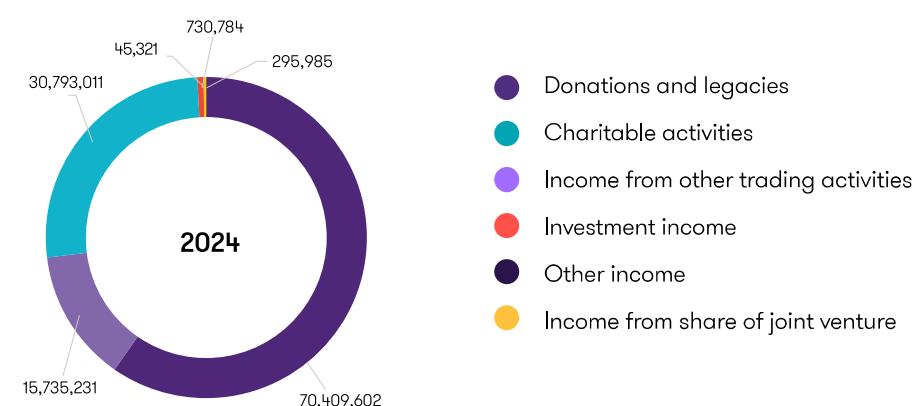
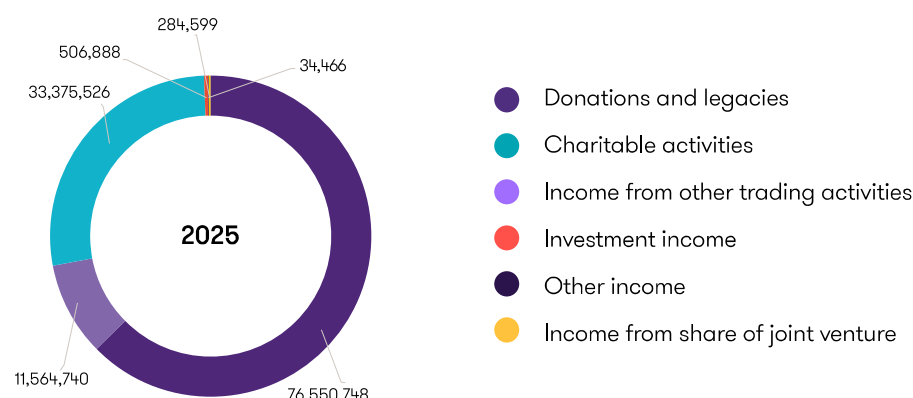
Throughout 2026 and beyond, we will continue with our strategic areas of activity of inspiration, care, and responsibility. We will maintain the progress we have made in 2025 and expand the following projects:

- Partnering with additional universities to encourage students to volunteer in our adoption centres;
- Working with supermarkets and other food suppliers to teach the importance of ethical and sustainable farming practices;
- Engage with new and emerging stakeholders to champion our campaign work;
- Open a new animal hospital every year to 2030, bringing our total number of sites to 20.

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 2025



Total income 2024

Our consolidated performance for the year highlights ongoing instability as we are faced with ongoing high costs, and despite an increase in revenue, an overall deficit for the year. Worldwide events have caused uncertainty in investments which has limited investment income for the year. We note that the ongoing period of high costs has had an impact on our bottom line as we fund the increase in national Insurance (NI) contributions and ensure staff salaries are in line with current levels of inflation, to ensure we are appropriately rewarding our people for the brilliant work they do.

We have seen a small increase in total income this year of £4.3m to £122.3m (2024: £118.0m). Donation income (from regular giving and Gift Aid) is up by £6.1m on the prior year. We attribute this to an overall increase in wages and salaries across the board in the prior year, meaning that some individuals are now better placed to make donations to charitable causes. We have seen a decrease in legacy income of £2.6m, due to some timing differences this year. Total donation and legacy income for the year was £76.5m (2024: £70.4m). Income from fundraising events was £25.2m (2024: £24.0m) as a result of several fundraising activities in the year (see page 19 for details). Corporate donations have increased by £2.4m up to £17.3m (2024: £14.9m) and we are grateful to our new donors. Total income from trading activities has increased by £2.6m because of increased sales from charity shops and fundraising event income.

We had a significant addition to our fixed asset balance as we opened our new animal hospital in Gateshead part way through the year. The cost to open the facility was over £3.3m but this was mainly financed through our reserves and legacy donations. £3m was capitalised in the year, as disclosed in note 15.

Expenditure has increased by £32.8m to £135m (2024: £102.2m). We had a substantial increase in support costs (which includes staff salaries) of more than £12.1m as a result of higher staff wages and a focus on retention of staff, as well as an increase in specialist veterinary staff. Veterinary care costs have increased by £16.7m because of increased levels of service provided, and the additional hospital opening in the year.



Our investment return has performed poorly because of macroeconomic factors affecting the investment market. Investment income for the year was £507k, down from £730k in the prior year. The net loss on investments for the year was £1.1m (2024: gain of £2.5m). We have seen a small actuarial gain in the Defined Benefit (DB) pension scheme at £439k, which is slightly higher than the prior year gain of £291k.

We have retained a strong financial position as at 31 December 2025, however, note that net assets have decreased since last year. Group fixed assets have decreased to £60.8m (2024: £63.1m) due to a reduction in investment value and a small decrease in tangible assets to £43.0m (2024: £43.2m) because of our sale and finance leaseback property transaction. The carrying value of the asset at the point of sale was £1.8m and we received £2m for the property. As such £200k has been deferred and will be released over the life of the lease. Note 29 and accounting policy 1i include further detail on this transaction. A debtors balance of £22.7m (2024: £27.8m) is a marked decrease on the prior year balance, due to a smaller balance due from our corporate donors, and a release of prepayments. Our cash balance remains healthy at £9.8m (2024: £19.3m).

Short-term creditors have also decreased to £21.9m (2024: £24.5m) due to the release of the Society of Vets grant (see note 26), which had been deferred in the prior year. Our trade creditor balance of £9.5m is consistent with the prior year as we continue to take advantage of some advance bulk purchasing with a longer than usual repayment period. Our longer-term creditor balance has decreased by £359k to £3.9m (2024: £4.2m). Our provision position has decreased by £1.4m, having released a larger portion of our smaller, other provisions in the year, and our pension liability has decreased by £351k 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. This year we have welcomed more new donors and first-time donors than ever, mostly because of the focus on charities from the government, and the increase in salaries that many saw in 2024. We have some new corporate donors this year too, and we continue to work hard with those that we secured in the prior year.
- **Legacies:** many donors choose to remember us in their wills. We have recognised £29m of legacy income for the year to 31 December 2025 (2024: £31.6m). 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 ongoing higher property values have given rise to larger residuary legacy gifts in 2025.



- **Grants:** we recognised £3.8m worth of grants in 2025, £3.2m of which was a restricted grant (2024: £8.5m of grants, £7.9m of which was restricted). The movement in grants is due to the large balance we received from the Society of Vets in 2024 where £7m income was recognised, compared to £3m recognised in 2025. Our grant income for 2025 relates mostly to project work in our animal adoption centres, and a £200k grant was in support of our new horse and equine services. The remaining £3m restricted grant was the release of the Society of Vets grant that we did not spend in the prior year.

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	2025	2024
Total donation and legacy income	£76.5m	£70.4m
Free reserves*	£15.3m	£21.2m
Total number of veterinary staff	319	305

*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.

SORP 1.47

SORP 1.47

We are pleased with our year-on-year performance in these areas, despite seeing a decrease of £5.9m in free reserves. We have also increased our permanent veterinary staff significantly.

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.

The FRS 102 valuation position as at 31 December 2025 shows that the scheme liabilities are in excess of the scheme assets by £6.8m (2024: £7.1m), with a small decrease in the liability of £351k compared to the prior year. The decrease is mostly due to the impact of macroeconomic factors on the scheme assets over the period, and we note that 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
<p>Financial instability</p> <p>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 taxes, or future pandemics.</p>	<ul style="list-style-type: none"> • Realistic targets and strong reserves policies in place to ensure demands can continue to be met. • Review of investments to understand our liquidity, to support our reserves policy
<p>Little Pickles Trading is unable to meet sales targets</p> <p>Changes to shopper behaviour could reduce the levels of income seen through our charity stores, causing lower than expected sales and slow moving-stock.</p>	<ul style="list-style-type: none"> • Additional training provided to staff to identify quality donated goods. • Refresh of charity shop branding in the year following feedback from customers and volunteers. • Improved website to allow visibility of all new goods.
<p>Cyber attacks</p> <p>Malicious cyber-attacks from external third parties could significantly disrupt our services and be costly to rectify.</p>	<ul style="list-style-type: none"> • We have introduced multi-factor authentication across all devices. • Provided trustees and volunteers with specific cyber awareness training. • Engaged an external provider to perform periodic penetration testing, phishing reviews and give comfort over the overall IT environment.
<p>Quality and retention of professional staff</p> <p>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.</p>	<ul style="list-style-type: none"> • Standing item at Board meetings to monitor inflation levels and consider if wages remain appropriate. • Professional development opportunities available including new training, relocation, and research opportunities. • 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.

Many organisations and individuals were heavily impacted by the Covid-19 pandemic, the cost-of-living crisis, and global events such as the ongoing war in Ukraine, and USA tariffs. 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. 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 such events can be lengthy.

S172 statement



Companies, including charitable companies, which are large (as assessed under S465-467), 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 5% increase in our volunteer numbers year on year, and we are proud to have retained a 99% recommendation rating from our volunteer survey. We introduced the survey in the prior year and will continue to run this annually. We have also introduced a 'reward and acknowledge' scheme for our volunteers where we promote the most time donated per month by an individual and allow volunteers to share their own personal stories and motivations on our virtual noticeboard.

Outside of our employees and volunteers, we engage with other stakeholders including our suppliers. We have built good relationships with our suppliers over the year and have long-standing relationships with many of them. 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 Lil' 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 we are pleased to report that our solar panels project is well underway, and we have completed installations at 8 of our 10 adoption centres, and 11 of our 17 animal hospitals. We have already seen a reduction in our footprint because of this project. 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.

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 was £507k (2024: £730k), which is £224k less than last year. This was a disappointing result for us and results from global factors including tariffs and international conflict, all of which are outside of our control and forecasts.

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 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. At 31 December 2025 the investment is worth £2.5m (2024: £3.2m), mainly as a result of the global investment market.

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

	2025 (£)	2024 (£)
Investments in funds	10,043,967	11,260,027
Investment property	898,275	865,775
Investment in joint venture	1,856,585	2,007,154
Mixed motive investment	2,555,926	3,198,625
	15,354,753	17,331,581

Reserves

As at 31 December 2025 our total reserves balance was £71.1m (2024: £84.5m). This is made up of £66.3m (2024: £75.4m) of unrestricted reserves, £4.5m (2024: £8.8m) of restricted reserves and £384k (2024: £455k) 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 £15.3m (2024: £21.2m) (which is calculated as total unrestricted reserves less tangible and intangible fixed assets, investment property, and stock).

Group free reserves reconciliation	Note	2025 (£)	2024 (£)
Unrestricted reserves	26	66,296,837	75,351,936
Less:			
• Tangible fixed assets	15	42,953,804	43,187,821
• Intangible assets	14	1,203,501	1,287,532
• Investment property	17b	898,275	865,775
• Mixed motive investment	17e	2,555,926	3,198,625
• Stock	18	3,306,216	5,562,173
		15,379,115	21,250,010

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. We have undertaken a review of our reserves this year and have prioritised liquidity and cash flow over a high reserves balance. As a result, the current level of free reserves required has reduced to between £15m-£19m based on the following principles:

- We have a large investment balance which can be liquidated at 3, 6 and 12 month intervals if required. Whilst this is not something we plan to do; we understand the importance of a strong cash flow position. We have therefore agreed that the total reserves balance can be allowed to reduce in order to support our liquidity.
- LP should be resilient due to the nature of the variability of our key sources of income (being donations and legacy income). We continue to maintain a healthy reserves balance 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 2025:

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 10 open days this year. The days were highly successful, generating just under £6m in total in on-the-day donations, and pledges from those who subsequently became regular donors.
To build our online shopping offer for new goods	We have improved our online platform in 2025, enabling customers to buy new goods direct from our website. Online sales were £40k for the year to December 2025 and we intend to increase this into 2026.
To maintain and build relationships with 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 secured 111 new sponsors in 2024, including banks, financial professional services firms, and media companies. For 2025, we wanted to consolidate these relationships and spend more time with these donors to understand how we can support them in their social enterprise actions. As a result, we have only secured 32 new donors for 2025 and seen a small increase in corporate income to more than £17.3m for this year (2024: £14.9m).
To attend large events that increases our visibility and generates donations.	We attended 15 large agricultural shows this year. We were also pleased to attend the annual dog show, Woofs, as a headline sponsor for the first year. 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 £6.5m in donations from these events in 2025, 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 (2025). 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 64 complaints in the year to 31 December 2024 (2024: 32) regarding our fundraising activities. Most of the complaints were in respect of face-to-face fundraising, with some relating to some online marketing material that had been received by individuals. 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

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. As discussed on page 17, we consider that liquidity is an important factor for the success of LP in the long term, and we have a good understanding of our investments and how these could be liquidated if required.

Given the cash and liquid investment balance of £22.0m (2023: £30m. Cash and current asset investments only) at 31 December 2025, Little Pickles is in position to meet its commitments and obligations as they come due.

Cash flow risk: the cash flow risk is detailed 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 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, without considering significant mitigations. 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 2027, 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 attached, the breaching of covenants could be the breaking point of the model, and reverse stress testing should focus on whether a covenant could breach during the going concern review period in a plausible scenario.

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 (SECR) 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	2025	2024
Energy consumption used to calculate the below emissions	KWh	5,041,751	5,867,081
Emissions from gas consumption (scope 1)	tCO ₂ e	214	235
Emissions from fuel consumption for transport (scope 1) *	tCO ₂ e	109	108
Emissions from electricity consumption (scope 2)	tCO ₂ e	698	792
Emissions from employee owned vehicles and rental vehicles (scope 3) **	tCO ₂ e	10	71
Total gross emissions	tCO₂e	1,031	1,206
Intensity ratio	tCO ₂ e/£'000 income	0.84	1.02

* 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. Our main measure to achieve this in the year was the installation of solar panels at 8 out of 10 of our adoption centres, and 11 out of 17 animal hospitals. We will continue this project in 2026, meaning that all of our sites have some form of solar power. We have also replaced our small fleet of emergency vehicles with new electric vehicles. Our existing vehicles have been impaired (and we intend to dispose of them in 2026). More than £440k has been spent on new electric vehicles and we expect that this will help us to achieve our environmental objectives. In the prior year we replaced inefficient assets with energy efficient equipment (such as LED lighting) and sensors to ensure lights are turned off when not in use. We also installed underfloor heating from heat pumps to regulate temperatures for animals in some of the animal hospitals.

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 have begun to recycle surgical waste where appropriate.

Engagement with employees

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 previous year we made the decision to increase staff pay beyond inflation, to recognise how valued our staff are. This year, pay rises have been limited as we had 'futureproofed' the 2024 increase to allow for any small variations in inflation. Our Board monitors salaries on a consistent basis and we are prepared to make future pay rises when required.

We consulted with employees linked to Lil' Pickles Trading when deciding to offer an element of online shopping for new goods and have asked for suggestions from all employees and volunteers on environmental and sustainability action. 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

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 2,100 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 2025, our volunteers contributed a significant amount of time to LP:

- 63,500 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.
- 38,900 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.

Grant making

In the year to 31 December 2025, LP spent £1.4m on grants to local animal rescue centres across the UK (2024: £1.2m). We acknowledge that whilst we may not be able to help every animal, local emergency care organisations can. The grants we make are worth £8,900 on average 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. 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 6 months, on receipt of a progress update.

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.”

Subsidiaries

Little Pickles has the following subsidiary undertakings:

Name	Ownership	Company number	Purpose
Lil' 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 Pickles 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.

SORP 1.51

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.

SORP 1.25, 1.51

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 8 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 an 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 2025, our trustees received finance training with a specific focus on cash flow and liquidity, 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 6 years in exceptional circumstances. None of the trustees have served for longer than seven years. In the year, one trustee came to the end of their 6 year term, and a new trustee was appointed.

LP is committed to maintaining a diverse Board to reflect the world we live in. The Board comprises 8 men and 5 women. 3 of the Board identify as people of colour and 2 trustees identify as members of the LGBTQ+ community.

The Board commits to meet at least quarterly, and in the year to 31 December 2025, the Board met 4 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.

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 (2025). 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 27th April 2026 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.

S418(2)

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.

S419(1)

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.

Signed on behalf of the Little Pickles Board on 27th April 2026



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 2025, 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 2025 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' 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 changes in inflation and interest rates and geopolitical events, 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 parent charitable company and 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 and implementation 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; and
 - identifying and testing journal entries, in particular manual journal entries; and
 - completing 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. 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.

N Grant

Norton Grant

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

28 April 2026

Financial statements



Consolidated statement of financial activities

(including the income and expenditure account)

		Unrestricted funds (£)	Restricted funds (£)	Endowment funds (£)	Total funds 2025 (£)	Total funds 2024 (£)
Income and endowments from	Note					
Donations and legacies	2	74,143,594	2,407,154	-	76,550,748	70,409,602
Charitable activities	3	8,364,740	3,200,000	-	11,564,740	15,735,231
Income from other trading activities	4	33,295,511	80,015	-	33,375,526	30,793,011
Investment income	5	473,871	-	33,017	506,888	730,784
Other income	6	34,466	-	-	34,466	45,321
Share of net income of joint venture	7	-	284,599	-	284,599	295,985
		116,312,182	5,971,768	33,017	122,316,967	118,009,934
Expenditure on						
Raising funds	8	11,649,100	821,411	15,563	12,486,074	7,824,441
Charitable activities	9	112,974,194	9,456,183	-	122,430,377	94,265,467
Other expenditure	10	105,734	-	-	105,734	163,016
		124,729,028	10,277,594	15,563	12,591,808	102,252,924
Net (losses)/gains on investments	17, 26	(1,109,894)	32,500	(55,793)	(1,133,187)	2,510,948
Net income		(9,526,740)	(4,273,326)	(38,339)	(13,838,405)	18,267,958
Transfers between funds	26	33,017	-	(33,017)	-	-
Other recognised gains/ (losses)						
Actuarial gains on defined benefit pension schemes	25	438,624	-	-	438,624	290,899
Net movement in funds		(9,055,099)	(4,273,326)	(71,356)	(13,399,781)	18,558,857
Reconciliation of funds	26					
Total funds b/f		75,351,936	8,736,183	455,776	84,543,895	65,985,038
Total funds c/f		66,296,837	4,462,857	384,420	71,144,114	84,543,895

Group and parent charitable company balance sheets

		2025 (£)		2024 (£)	
		Group	Charity	Group	Charity
Fixed assets	Note				
Intangible assets	14	1,203,501	1,203,501	1,287,532	1,287,532
Tangible assets	15	42,953,804	41,120,460	43,187,821	41,218,977
Heritage assets	16	1,267,280	1,267,280	1,267,280	1,267,280
Investments	17	15,354,753	17,205,208	17,331,581	19,569,394
		60,779,338	60,796,449	63,074,214	63,343,183
Current assets					
Inventories	18	3,306,216	601,465	5,562,173	931,002
Debtors	19	22,701,878	23,127,500	27,890,321	31,289,314
Investments	20	12,244,889	12,244,889	11,175,369	11,175,369
Cash	21	9,761,518	6,884,082	19,294,484	17,863,476
		48,014,501	42,857,936	63,922,347	61,259,161
Liabilities					
Creditors: amounts falling due within 1 year	22	21,901,207	19,968,568	24,513,738	23,996,293
Net current assets		26,113,294	22,889,368	39,408,609	37,262,868
Total assets less current liabilities		86,892,632	83,685,817	102,482,823	100,606,051
Creditors: amounts falling due after 1 year	23	3,871,706	3,871,706	4,231,022	4,231,022
Provisions for liabilities	24	5,132,921	5,139,299	6,612,322	6,592,322
Net assets excluding pension liability		77,888,005	74,674,812	91,639,479	89,782,707
Defined benefit pension liability	25	6,743,891	6,743,891	7,095,584	7,095,584
Total net assets		71,144,114	67,930,921	84,543,895	82,687,123
Funds	26				
Endowment funds		384,420	384,420	455,776	455,776
Restricted funds		4,462,857	4,462,857	8,736,183	8,736,183
Unrestricted funds:					
General reserves		69,827,535	69,827,535	80,590,748	80,590,748
LP Trading		3,213,193	-	1,856,772	-
Pension reserve		(6,743,891)	(6,743,891)	(7,095,584)	(7,095,584)
		71,144,114	67,930,921	84,543,895	82,687,123

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 expenditure for Little Pickles alone for the year to 31 December 2025 was £14,756,202 (2024: net income £12,162,612) and the total funds movement in the year was a reduction of (£14,756,202) (2024: increase of £18,266,764).

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 27th April 2026 and signed on the Board's behalf by:

M. Salter

Mike Salter

Chair

Little Pickles Board of Trustees



Consolidated cash flow statement

	2025 (£)	2024 (£)
Cash flows from operating activities		
Net cash provided by operating activities	(8,503,794)	15,518,505
Cash flows from investing activities		
Dividends and interests from investments	473,871	650,987
Purchase of property, plant and equipment and intangible assets	(4,785,368)	(10,908,485)
Proceeds from sale of investments	9,259,572	10,513,506
Proceeds from sale of fixed assets	2,000,000	-
Purchase of investments	(8,115,591)	(6,782,677)
	(1,167,516)	(6,526,669)
Cash flows from financing activities		
Receipt of endowment	33,017	79,797
Finance lease repayments	105,327	-
	138,344	79,797
Change in cash and cash equivalents in the reporting period	(9,532,966)	9,071,633
Cash and cash equivalents at the beginning of the reporting period	19,294,484	10,222,851
Cash and cash equivalents at the end of the reporting period	9,761,518	19,294,484

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

SORP 8.2(a)

SORP 3.24(a)

FRS 102 3.23(d), 30.26

FRS 102 3.23(d), 30.26

FRS 102 9.23(a)

FRS 102 3.8

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 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 related notes, on the basis the company's cash flows are included in the consolidated statement of cash flows.
- 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 a reduction of £14.8m for the year to 31 December 2025 (2024: increase of £18.3m).

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 2025. 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 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, without considering significant mitigations. 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 2027, 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 attached, the breaching of covenants could be the breaking point of the model, and reverse stress testing should focus on what whether a covenant could breach during the going concern review period in a plausible scenario.

FRS 102 3.23(b)

1d. Consolidation and group financial statements

The group consolidated financial statements comprise Little Pickles, its wholly owned trading subsidiary, Lil' 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.

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).
 - Donated services income 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. 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 Lil' 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 sale of new goods from our online charity shop platform. Income from goods ordered online is recognised on delivery of those items to the customer. The sale of goods from Little Pickles Sciences is also included within trading income. Income from items ordered through the online sales platform are recognised on delivery. Income from items purchased directly (for example at veterinary expos) is recognised at the point of sale, when the customer takes possession of the goods. Trading income also includes income from fundraising events.
- **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.
- **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

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

1i. Finance leases

Leasing agreements which transfer substantially all the risks and rewards incidental to ownership of an asset to the charity are treated as finance leases. Assets held under finance leases are recognised initially at the fair value of the leased asset or, if lower, the present value of minimum lease payments as determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Assets held under finance leases are included in tangible fixed assets and depreciated over the shorter of the lease term and the estimated useful economic life of the asset and assessed for impairment losses in the same way as for owned assets.

Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

Any lease incentives are spread over the term of the lease on a straight-line basis.

The charity has entered into one sale and leaseback arrangement which resulted in a finance lease and is accounted for in line with the above policy.

Where Little Pickles enters into a sale and finance leaseback arrangement, any excess of the sales proceeds over the carrying value of the asset before the sale is held in deferred income and released evenly over the lease term.

1j. 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.

FRS 102 17.31(a), (b) & (c)

1k. Tangible fixed assets

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

- Freehold property, 50 years
- Leasehold improvements, 6 years (based on the life of the lease arrangement)
- Furniture and fixings, 6 years
- Veterinary equipment, 4 years
- Vehicles, 5 years
- Solar panels, 20 years
- Land is not depreciated and is considered to have an indefinite useful life.

FRS 102.27.7

FRS 102.27.31(a)

Little Pickles reviews whether there are any indicators of impairment at each reporting date, for all classes of assets. Where impairment indicators exist, we have estimated the recoverable amount of the impaired asset(s), and recognised the reduction in value as the impairment loss which is included within the 'expenditure on charitable activities' line on the SOFA.

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the statement of financial activities and included in 'other income'

FRS 102 34.55(b) & (c)]

1l. 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.

SORP 21.40

1m. 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 1 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. We note therefore that the asset additionally contributes to the furtherance of LP's charitable objectives. Further details can be found at note 2 and 17b, and accounting policy 1f. The property is revalued every 3 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.

FRS 102 11.43

FRS 102 9.27(b)

FRS 102 9.26

- Investment in subsidiaries: Little Pickles wholly owns Lil' Pickles Trading Limited and owns 75% of the subsidiary charity, Little Pickles Sciences. The results for the year for Lil' Pickles Trading Limited, a material subsidiary, are 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.

FRS 102 13.22(a)

1n. Inventories

Stocks Inventories are stated at the lower of cost and estimated selling price less costs to sell and are determined on a first-in first-out (FIFO) method.

At the end of each reporting period, inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the statement of financial activities. Where a reversal of the impairment is required, the charge is reversed, up to the original impairment loss, and is recognised as a credit in the statement of financial activities.

1o. Debtors

Debtors are measured at the settlement amount after any trade discount offered. Where payments are in doubt, we include a bad debt provision against any balances that have remained unpaid for a period of 6 months or longer. Balances that remain unpaid after 12 months are written off.

FRS 102 11.40

1p. 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.

FRS 102 11.40

1q. 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 through profit or loss in line with FRS 102 sections 11 and 12. No other non-basic financial instruments are held.

FRS 102 28.41

1r. Pensions

Little Pickles participates in two pension schemes for its staff, the Picklington County Council Pension Fund (PCCPF) 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.

1s. 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.

FRS 102 8.6

1t. Judgements and estimates

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

- 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 102.20.6

In the year Little Pickles has disposed of a property asset and then leased that property back. The trustees have judged that the lease meets the criterion of a finance lease as it transfers to the charity substantially all the risks and rewards incidental to ownership:

At the end of the 20 lease term, the lease will transfer ownership to Little Pickles.

- At the inception of the lease term, the present value of minimum lease payments amounted to substantially all of the fair value of the asset. The fair value of the asset is deemed to be the sales price of £2m and the present value of minimum lease payment at inception was also £2m.
- Little Pickles is responsible for the ongoing insurance, maintenance and upkeep of the leased asset for the duration of the lease term

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.

FRS 102 10.13

1u. 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 changes. At 31 December 2025, the Group had commitments under operating leases of approximately £5.4m (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

2025	Unrestricted	Restricted	Total
Regular giving and corresponding Gift Aid	30,010,174	-	30,010,174
Legacies	27,071,437	1,907,154	28,978,591
Corporate donations	16,846,983	500,000	17,346,983
Donated services	215,000	-	215,000
	74,143,594	2,407,154	76,550,748

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
	67,938,302	2,471,300	70,409,602

We have relationships with several 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 recorded 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

2025	Unrestricted	Restricted	Total
Rehoming and veterinary income	6,007,145	-	6,007,145
Sale of veterinary goods	1,736,538	-	1,736,538
Grant income	621,057	3,200,000	3,821,057
	8,364,740	3,200,000	11,564,740

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
	7,784,131	7,951,100	15,735,231

In the prior year, 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. The grant was paid in full in June 2024 and a balance of £3m was recorded in deferred income. In 2025, we have used the remaining balance, and the grant has been spent in full. This was a restricted grant (see note 26).

The remaining restricted income balance of £200k relates to immaterial grants received and spent in the year on a variety of projects.

Note 4. Income from other trading activities

2025	Unrestricted	Restricted	Total
Income from sale of donated goods	6,195,635	-	6,195,635
Income from sale of new goods	1,904,615	-	1,904,615
Fundraising event income	25,195,261	-	25,195,261
Income from LPS sales	-	80,015	80,015
	33,295,511	80,015	33,375,526

2024	Unrestricted	Restricted	Total
Income from sale of donated goods	5,098,752	-	5,098,752
Income from sale of new goods	1,692,676	-	1,692,676
Fundraising event income	24,001,583	-	24,001,583
	30,793,011	-	30,793,011

Note 5. Investment income

2025	Unrestricted	Endowment	Total
Income from investments in funds	270,894	33,017	303,911
Bank and other interest	152,977	-	152,977
Rental income	50,000	-	50,000
	473,871	33,017	506,888

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
	650,987	79,797	730,784

We hold an investment property in Manchester. We lease this property primarily to universities and colleges with specialisms in veterinary sciences and other animal subjects. The property is held at fair value and revalued every 3 years, and the latest valuation took place in 2025, by an independent RICS qualified surveyor with recent experience in the location and class of property. Trustees make an assessment of the fair value of the asset in the years when there is no formal valuation. Further disclosure of the investment property is included in note 17b.

SORP 4.2, 4.42

Note 6. Other income

	2025	2024
Costs recovered	18,461	21,004
Other fees	16,005	24,317
	34,466	45,321

SORP 4.2, 4.42, 29.11

Note 7. Income from share of joint venture

2025	Restricted	Total
Income from share of joint venture	284,599	284,599
	284,599	284,599

2024	Restricted	Total
Income from share of joint venture	295,985	295,985
	295,985	295,985

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

2025	Unrestricted	Restricted	Endowment	Total
Cost of raising funds through donations and legacies	8,104,759	631,465	-	8,736,224
Fundraising costs	2,256,288	189,946	-	2,446,234
Support costs	940,163	-	-	940,163
Investment manager costs	132,890	-	15,563	148,453
Donated services expense	215,000	-	-	215,000
	11,649,100	821,411	15,563	12,486,074

2024	Unrestricted	Restricted	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
	7,812,344	-	12,097	7,824,441

Note 9a. Expenditure on charitable activities

2025	Activities undertaken directly	Grant funding of activities	Support costs	Total
Education	5,195,727	1,500,000	3,856,156	10,551,883
Campaigns and publications	1,846,164	1,500,000	901,456	4,247,620
Veterinary care	46,171,747	5,896,275	21,558,573	73,626,595
Hospital costs	16,584,642	40,000	8,251,365	24,876,007
Adoption centre costs	7,084,621	519,908	1,523,743	9,128,272
	76,882,901	9,456,183	36,091,293	122,430,377

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
	65,746,099	4,614,233	23,905,135	94,265,467

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

2025	Raising funds			Charitable activities			Total
	Fundraising	Education	Campaigns and publications	Veterinary care	Hospital costs	Adoption centre costs	
Finance	165,432	178,615	113,587	185,461	174,635	96,451	914,181
Human resources	81,009	132,357	83,610	301,736	290,635	126,583	1,015,930
Hospital support	276,544	1,008,374	12,596	17,747,155	5,901,541	80,154	25,026,364
Adoption centre support	200,067	2,185,631	15,043	3,057,141	768,850	902,541	7,129,273
Governance	123,690	146,780	92,644	158,164	140,561	159,375	821,214
Communications	55,432	204,399	579,814	108,916	975,143	158,639	2,082,343
Legal	37,989	-	4,162	-	-	-	42,151
	940,163	3,856,156	901,456	21,558,573	8,251,365	1,523,743	37,031,456

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
	772,476	5,007,106	871,431	16,021,521	673,219	1,331,858	24,677,611

Note 9c. Grant expenditure

In the year to 31 December 2025, Little Pickles spent £1.4m (2024: £1.2m) 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.

	2025 Grants to institutions	2024 Grants to institutions
Wildlife animal rescue	425,900	372,711
Domestic pet rescue	608,513	552,133
Farm animal rescue	320,485	298,744
	1,354,898	1,223,588

We did not award any material grants in the year. We supported 145 local animal rescues, and the largest grant was £64,000 (2024: 105 local rescues and largest grant of £40,000) 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 £8,900.

Note 10. Other expenditure

	2025	2024
Legal expenses	105,734	163,016
	105,734	163,016

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	2025		2024	
	Headcount	FTE	Headcount	FTE
Veterinary and animal care	319	275	305	261
Education	110	89	114	97
Business and administrative	45	40	52	48
	474	404	471	406

Charity	2025		2024	
	Headcount	FTE	Headcount	FTE
Veterinary and animal care	285	237	261	222
Education	96	89	103	91
Business and administrative	40	36	49	46
	421	362	413	359



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

	2025	2024
Wages and salaries	41,035,456	39,879,056
Social security costs	6,300,651	4,789,233
Pension costs relating to:		
Defined contribution	1,630,135	1,341,202
Defined benefit	3,510,568	2,447,910
	52,476,810	48,457,401

SORP 9.27

Termination costs are included above, amounting to £26,855 (2024: £16,055) relating to 3 employees (2024: 3 employees). 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 2,100 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

	2025	2023
£60,000 to £69,999	14	12
£70,000 to £79,999	5	6
£80,000 to £89,999	4	3
£90,000 to £99,999	2	5
£100,000 to £109,999	0	1
£110,000 to £119,999	2	2
£120,000 to £129,999	2	1
£130,000 to £139,999	1	1
£140,000 to £149,999	1	1
	31	32

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

2025	Gross pay	Employer NI	Employer pension contribution	Total
Chief Executive Officer (CEO)	147,000	22,050	9,950	179,000
Chief Finance Officer (CFO)	139,000	20,850	8,445	168,295
Chief Operating Officer (COO)	124,000	18,600	9,500	152,100
	410,000	61,500	27,895	499,395

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
	404,000	55,753	26,145	485,898

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 2025, £8,343 was reimbursed to 12 trustees (2024: £5,879 to 12 trustees).

Note 13. Net income

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

	2025	2024
Depreciation of tangible fixed assets (Note 15)	4,944,974	4,503,957
Operating lease expense (Note 29)	1,087,263	1,087,263
Utilities	375,143	367,181
Legal and professional fees	105,734	63,982
Net interest on defined benefit pension (Note 25)	542,874	(104,929)
SORP 9.23 Auditor's remuneration - fees payable to the company's auditor for the audit of the Parent Company and the Group's consolidated financial statements	119,000	115,250
SORP 9.23 Fees payable to the company's auditor and its associates for other services: Audit of the financial statements of subsidiaries	17,500	15,500

Note 14. Intangible assets

	Group and charity	Software
	Cost	
18.27(c)	At 1 January	5,541,345
18.27(e)(i)	Additions	85,687
18.27(c)	At 31 December	5,627,032
	Accumulated amortisation	
18.27(e)	At 1 January	4,253,813
18.27(e)(v)	Charge for the year	169,718
18.27(c)	At 31 December	4,423,531
	Net book value	
	At 31 December 2025	1,203,501
	At 31 December 2024	1,287,532

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 year end of £600,000 (2024: £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	44,530,005	7,037,876	777,490	11,649,413	309,673	64,304,457
17.31(e)(i)	Additions	3,305,867	702,873	177,154	183,516	501,645	4,871,055
17.31(e)(ii)	Disposals	(1,800,000)	(306,437)	(30,642)	-	(35,111)	(2,172,190)
17.31(d)	At 31 December	46,035,872	7,434,312	924,002	11,832,929	776,207	67,003,322
	Accumulated depreciation						
17.31(d)	At 1 January	14,048,351	3,842,363	301,372	2,753,433	171,117	21,116,636
17.31(e)(vii)	Charge for the year	3,000,177	892,544	106,846	904,322	41,085	4,944,974
17.31(e)(ii)	Disposals	(1,800,000)	(306,437)	(30,642)	-	(35,111)	(2,172,190)
17.31(e)(vi)	Impairment losses	-	-	-	-	160,098	160,098
17.31(d)	At 31 December	15,248,528	4,428,470	377,576	3,657,755	337,189	24,049,518
	Net book value						
	At 31 December 2025	30,787,344	3,005,842	546,426	8,175,174	439,018	42,953,804
	At 31 December 2024	30,481,654	3,195,513	476,118	8,895,980	138,556	43,187,821

Note 15. Tangible assets continued

	Charity	Freehold property	Leasehold improvements	Furniture and fixings	Veterinary equipment	Vehicles	Total
	Cost						
17.31(d)	At 1 January	39,224,532	7,037,876	777,490	11,649,413	309,673	58,998,984
17.31(e)(i)	Additions	1,985,163	702,873	177,154	183,516	501,645	3,550,351
17.31(e)(ii)	Disposals	(1,800,000)	(306,437)	(30,642)	-	(35,111)	(2,172,190)
17.31(d)	At 31 December	39,409,695	7,434,312	924,002	11,832,929	776,207	60,377,145
	Accumulated depreciation						
17.31(d)	At 1 January	10,411,722	4,442,363	231,372	2,523,433	171,117	17,780,007
17.31(e)(vii)	Charge for the year	2,005,725	445,634	128,492	894,322	41,085	3,515,258
17.31(e)(ii)	Disposals	(1,800,000)	(306,437)	(28,565)	(28,565)	(35,111)	(2,198,678)
17.31(e)(vi)	Impairment losses	-	-	-	-	160,098	160,098
17.31(d)	At 31 December	10,617,447	4,581,560	331,299	3,389,190	337,189	19,256,685
	Net book value						
	At 31 December 2025	28,792,248	2,852,752	592,703	8,443,739	439,018	41,120,460
	At 31 December 2024	28,812,810	2,595,513	546,118	9,125,980	138,556	41,218,977

The impairment recognised in the year of £160k relates to our small fleet of combustion engine vehicles. The Board of Trustees took a decision to replace the fleet with fully electric vehicles in the year, in pursuit of our environmental objectives. The impairment is included within the 'expenditure on charitable activities' line on the SOFA. The vehicles are no longer in use by the charity at the year end and have been impaired to their recoverable amount (being the fair value less costs to sell), in line with our accounting policy (1k).

Note 16. Heritage assets

Group and charity	Heritage assets
Cost	
At 1 January	1,267,280
Additions	-
At 31 December	1,267,280
Accumulated amortisation	
At 1 January	-
Charge for the year	-
At 31 December	-
Net book value	
At 31 December 2025	1,267,280
At 31 December 2024	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 11 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
	1,267,280

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	2025		2024	
		Group	Charity	Group	Charity
Investments in funds	17a	10,043,967	10,043,967	11,260,027	11,260,027
Investment property	17b	898,275	898,275	865,775	865,775
Investment in joint venture	17c	1,856,585	1,856,585	2,007,154	2,007,154
Investment in subsidiaries	17d	-	1,850,455	-	2,237,813
Mixed motive investments	17e	2,555,926	2,555,926	3,198,625	3,198,625
		15,354,753	17,205,208	17,331,581	19,569,394

SORP 11.43

Note 17a. Investments in funds

We hold units in specified funds which are stated at fair value as at 31 December 2025.

Group and charity	2025	2024
Market value at 1 January	10,833,057	14,877,151
Acquisitions at cost	8,847,909	3,970,561
Disposal proceeds	(9,259,572)	(10,513,506)
Realised and unrealised (losses)/gains in the year	(467,195)	2,498,851
Fair value at 31 December	9,954,199	10,833,057
Cash held	89,768	426,970
Total fair value at 31 December	10,043,967	11,260,027
Historical cost at 31 December	9,267,134	10,483,194

Listed fund investments are made up as follows

Group and charity	2025	2024
Equities	5,485,759	6,826,590
Bonds	681,534	598,129
Multi-asset funds	2,756,481	2,461,456
Other	1,120,193	1,373,852
Fair value at 31 December	10,043,967	11,260,027

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 financial return it generates through rental income, as detailed at note 5, but there is also donated service value recognised as a result of the time that student vets provide to Little Pickles through their study. This is detailed in note 2. We note therefore that the asset additionally contributes to the furtherance of LP's charitable objectives.

The property is revalued every year by the trustees, and no gain or loss has been recognised in previous years as the trustees' valuation was not materially different from the cost on acquisition. Every third year the property is revalued by independent, professional chartered surveyors, and the latest valuation took place in August 2025. At the end of the reporting period, the Board updated its assessment of the fair value of the property, using the independent valuation and considering if any factors had come to attention that would likely change that valuation between August and the year end. 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. Following this assessment, the Board concluded that the August valuation remained valid at the year end. As a result of the revaluation, a small increase in the value of the property of £32,500 has been recognised in a new restricted fund. In previous years, the trustees' valuation has been materially in line with the previous professional valuation, which was equal to the cost on acquisition and so no gain or loss has arisen.

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

	Manchester
At 1 January	865,775
Revaluation	32,500
At 31 December	898,275

Under the historical cost convention, the deemed cost of the investment property is:

	2025
At 1 January	805,172
Revaluation	93,103
Net book value	898,275

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 1000 ordinary shares, of which Little Pickles holds 500.

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

	2025	2024
Net assets	1,856,585	2,007,154
	1,856,585	2,007,154

Note 17d. Subsidiary undertakings

The following were subsidiary undertakings of the charitable company:

Name	Registered office	Principal activity	Class of shares	Holding
Lil' 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

	2025	2024
Cost at 1 January	2,661,573	2,661,573
	2,661,573	2,661,573
Impairment at 1 January	(423,760)	(332,771)
Charge for the year	(250,000)	(90,989)
	(673,760)	(423,760)
Net book value at 31 December	1,987,813	2,237,813
Relating to:		
Little Pickles Sciences	576,316	381,041
Lil' Pickles Trading Limited	1,274,139	1,856,772
	1,850,455	2,237,813

SORP 12.21 & 12.22

We have recognised an impairment of Lil' Pickles Trading inventory in the year of £487k (2024: £0), arising from significant amounts of slow-moving inventory – see note 18 for further details, and have also recognised an increase in overhead costs in LPT. Due to these indicators of impairment, we have estimated the recoverable amount of our investment. As a result, we have assessed that the subsequent decrease in net cash flow from LPT results in an impairment of our overall investment in the subsidiary. As such, we have recognised an impairment in our investment of £250k (2024: £91k). The impairment charge is included in the individual accounts of the Charity, within charitable activities expenditure in the SOFA



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, and associated notes related to the charity only income and expenditure account are also not required. The above narrative in respect of the impairment recognised in the SOFA, and the header under which impairment losses are included, has therefore been included for illustrative purposes only. Where an impairment is recognised within the group, the disclosures required by SORP 12.21 & 12.22 must be included.

Note 17d. Subsidiary undertakings continued

SORP 21.39-42

FRS 102

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

Profit and loss	2025	2024
Turnover	6,015,725	5,735,084
Cost of sales	(4,205,767)	(3,965,637)
Gross profit	1,809,958	1,769,447
Admin expenses	(746,149)	(805,313)
Profit before tax	1,063,809	964,134

Each year, subject to the availability of sufficient distributable reserves, Lil' 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 2025 available for distribution to the charity is £1,063,809 (2024: £964,134) and is payable to Little Pickles no later than 30 September 2026. The balance is included in Little Pickles intercompany debtor balance at note 19.

The balance sheet for Lil' Pickles Trading Limited is as follows for the year ended 31 December 2025:

Balance sheet	2025	2024
Fixed assets		
Tangible fixed assets	1,833,344	1,968,844
	1,833,344	1,968,844
Current assets		
Stock	2,704,751	5,131,171
Debtors	252,505	-
Cash	4,015,870	6,745,127
	6,973,126	11,876,298
Creditors falling due within 1 year	(7,532,331)	(11,988,370)
Net assets	1,274,139	1,856,772
Equity		
Share capital	1,000	1,000
P&L account	1,273,139	1,855,772
	1,274,139	1,856,772

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 £576,316 (2024: £381,041).

Note 17e. Mixed motive investments

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 2025 was £2.5m (2024: £3.2m) and total assets in the fund were £431m (2024: £478m).

Note 18. Inventories

	2025		2024	
	Group	Charity	Group	Charity
Vet, medicinal and pet supplies for sale	601,465	601,465	431,002	931,002
Lil' Pickles Trading goods	2,704,751	-	5,131,171	-
	3,306,216	601,465	5,562,173	931,002

At the reporting date, the Group conducted an impairment test of inventory, comparing the carrying amount of each item of inventory to its selling price less costs to sell. During the assessment process, we identified goods and product lines that are slow-moving, which have been held for at least 12 months, and have not sold well in our charity shops this year. As a result, we have recognised an impairment on these items. An impairment of £487k is included within the inventory balance at the year end (and recognised within 'expenditure on charitable activities' in the SOFA).

Note 19. Debtors

	2025		2024	
	Group	Charity	Group	Charity
Trade debtors	1,285,657	745,196	1,807,847	641,696
Prepayments	3,957,296	3,092,760	5,483,913	5,032,402
Accrued income	936,560	936,560	1,048,734	1,048,734
Other debtors	45,109	45,109	64,874	64,874
Gift aid recoverable	8,004,611	7,427,583	9,478,321	8,933,890
Amounts due from corporate donors	8,472,645	8,472,645	10,006,632	10,006,632
Amounts due from subsidiaries	-	2,407,647	-	5,561,086
	22,701,878	23,127,500	27,890,321	31,289,314



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	2025	2024
Investments in fixed term deposit accounts	12,244,889	11,175,369
	12,244,889	11,175,369

Note 21. Cash and cash equivalents

	2025		2024	
	Group	Charity	Group	Charity
Cash at bank and in hand	9,761,518	6,884,082	19,294,484	17,863,476
	9,761,518	6,884,082	19,294,484	17,863,476



FRS 102.7.20 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

	2025		2024	
	Group	Charity	Group	Charity
Trade creditors	9,526,467	7,536,275	9,548,910	8,975,545
Accruals	432,895	135,784	613,632	194,873
Deferred income*	647,382	495,322	3,870,533	3,638,789
Grants payable	146,436	146,436	150,672	150,672
Social security and other taxes	11,049,032	11,049,032	10,329,991	10,329,991
Amounts due to subsidiaries	-	506,724	-	706,423
Amounts payable under finance leases	98,995	98,995	-	-
	21,901,207	19,968,568	24,513,738	23,996,293

*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. For 2025, we have recognised a balance of £200,000 in deferred income, relating to the profit made on the sale and leaseback of one of our buildings. See notes 15 and 29 for further details.

	2025		2024	
	Group	Charity	Group	Charity
Deferred income at 1 January	3,870,533	3,638,789	2,461,780	1,861,035
Resources deferred in the year	476,356	401,755	3,006,731	2,107,254
Amounts released	(3,699,507)	(3,545,222)	(1,597,978)	(329,500)
Deferred income at 31 December	647,382	495,322	3,870,533	3,638,789

Note 23. Creditors due in more than one year

Group and charity	2025	2024
Trade creditors	1,658,594	3,293,566
Accruals	-	-
Grants payable	57,249	122,786
Other creditors	274,958	814,670
Amounts payable under finance leases	1,880,905	-
	3,871,706	4,231,022

SORP 21.14(a)&(b)

Note 24. Provisions

Group	2025			
	Dilapidations	Legal	Other	Total
At 1 January	3,591,144	2,383,771	637,407	6,612,322
Arising in the year	210,947	84,514	28,147	323,608
Used in the year	(571,454)	(841,855)	(389,700)	(1,803,009)
Provisions at 31 December	3,230,637	1,626,430	275,854	5,132,921

Charity	2025			
	Dilapidations	Legal	Other	Total
At 1 January	3,591,144	2,383,771	617,407	6,592,322
Arising in the year	195,651	84,514	15,644	295,809
Used in the year	(555,333)	(841,855)	(351,644)	(1,748,832)
Provisions at 31 December	3,231,462	1,626,430	281,407	5,139,299

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 be realised at the end of the lease period of each rented property. 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 we have an obligation in a number of these cases. We anticipate that these future payments, which are covered by the provision, will be made over the course of the next 3 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.

Defined benefit scheme

SORP 28.41

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 2025. The scheme is funded, and the employer contribution is 10.45% (2024: 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 11 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 which was upheld by the Court of Appeal in June 2024. Subsequently, on 1 September 2025, the government published a series of amendments to the Pension Schemes Bill 2025 including new clauses implementing the promised solution to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards.

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, and no remediable alterations are required in the new Pension Schemes Bill 2025.

Note 25. Pensions continued

Reconciliation of opening and closing balances of the present value of scheme liabilities	2025	2024
Opening scheme liabilities	160,377,627	154,443,063
Current service cost	2,444,751	2,401,645
Interest on pension liabilities	7,314,615	7,615,404
Employee contributions	1,185,926	917,451
Benefits paid	(6,003,758)	(6,104,651)
Actuarial losses	1,839,791	1,104,715
Closing scheme liabilities	167,158,952	160,377,627

Reconciliation of opening and closing balances of the fair value of plan assets	2025	2024
Opening fair value of plan assets	153,282,043	148,157,143
Interest on plan assets	7,857,489	7,510,475
Return on plan assets greater / (less) than expected	2,278,415	1,395,614
Administration expenses	49,165	46,265
Contributions by employer	1,765,781	1,359,746
Contributions by scheme participants	1,185,926	917,451
Benefits paid	(6,003,758)	(6,104,651)
Closing fair value of plan assets	160,415,061	153,282,043

Amounts recognised on balance sheet	2025	2024
Current service cost	(6,743,891)	(7,095,584)

Amounts recognised in Statement of Financial Activities (included in staff costs for the year (note 11))	2025	2024
Current service cost	2,444,751	2,401,645
Administrative expenses	49,165	46,265
Amounts charged to expenditure on charitable activities	2,493,916	2,447,910
Net interest (note 13)	542,874	(104,929)
Amounts charged to expenditure on charitable activities	542,874	(104,929)

Amounts recognised in Statement of Financial Activities (actuarial gains recognised in SOFA)	2025	2024
Change in assumptions underlying the present value		
of the scheme assets	2,278,415	1,395,614
of the scheme liabilities	(1,839,791)	(1,104,715)
Actuarial gain recognised in SOFA	438,624	290,899

Note 25. Pensions continued

Principal actuarial assumptions: Financial assumptions	2025 % per annum	2024 % per annum
Discount rate	4.80%	4.90%
Future salary increases	4.12%	4.10%
Future pension increases	2.75%	2.70%
Inflation assumption	2.55%	2.60%

Principal actuarial assumptions: Mortality assumptions	2025 No. of years	2024 No. of years
Retiring today		
Males	22.0	21.9
Females	24.2	24.1
Retiring in 20 years		
Males	23.3	23.1
Females	26.4	26.1

Major categories of plan assets as a percentage of total plan assets	2025 %	2024 %
Equities	67.0	66.6
Gilts	7.5	8.5
Bonds	2.4	2.6
Properties	9.6	8.9
Cash	1.2	2.0
Other	12.3	11.4
	100.0	100.0

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 2025, LP contributed £1.6m (2024: £1.3m) 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

	2025			
Group	Unrestricted	Restricted	Endowment	Total
Tangible fixed assets	42,953,804	886,950	380,330	44,221,084
Intangible fixed assets	1,203,501	-	-	1,203,501
Current assets	44,282,846	3,686,546	45,109	50,686,105
Liabilities	(22,143,314)	(110,639)	(41,019)	(22,294,972)
	66,296,837	4,462,857	384,420	71,144,114

	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)
	75,351,936	8,736,183	455,776	84,543,895

	2025			
Charity	Unrestricted	Restricted	Endowment	Total
Tangible fixed assets	41,209,675	886,950	380,330	42,476,955
Intangible fixed assets	1,203,501	-	-	1,203,501
Current assets	41,797,885	3,686,546	45,109	45,529,540
Liabilities	(21,127,417)	(110,639)	(41,019)	(21,279,075)
	63,083,644	4,462,857	384,420	67,930,921

	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)
	73,495,164	8,736,183	455,776	82,687,123

Note 26. Funds continued

Endowment funds – group and charity

2025	At 1 January	Income	Expenditure	Transfers	(Losses)	At 31 December
The Pickle Fund	246,796	28,078	(9,567)	(28,078)	(5,742)	231,487
The Pine Cone Trust Fund	208,980	4,939	(5,996)	(4,939)	(50,051)	152,933
	455,776	33,017	(15,563)	(33,017)	(55,793)	384,420

2024	At 1 January	Income	Expenditure	Transfers	Gains	At 31 December
The Pickle Fund	254,146	36,185	(5,914)	(50,076)	11,046	246,796
The Pine Cone Trust Fund	195,430	43,612	(6,183)	(29,721)	7,251	208,980
	449,576	79,797	(12,097)	(79,797)	18,297	455,776

Little Pickles has 2 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

2025	At 1 January	Income	Expenditure	Transfers	Gains/(losses)	At 31 December
Restricted legacies	764,637	1,907,154	(1,321,411)	-	-	1,350,380
Restricted corporate donations	178,896	500,000	(40,000)	-	-	638,896
Hospital fund	8,180	65,312	(65,312)	-	-	8,180
Scientific fund (75% owned sub)	381,041	214,703	(19,428)	-	-	576,316
Happy Hedges (JV)	2,007,154	284,599	(435,168)	-	-	1,856,585
Science grant	5,396,275	3,000,000	(8,396,275)	-	-	-
Investment property revaluation	-	-	-	-	32,500	32,500
	8,736,183	5,971,768	(10,277,594)	-	32,500	4,462,857

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
Scientific fund (75% owned sub)	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
	2,638,231	10,718,385	(4,614,233)	-	(6,200)	8,736,183

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.

The scientific fund relates to Little Pickles Sciences, 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 science grant fund relates to a £10m grant awarded in 2024 by the Society of Vets. The remaining balance of the grant was spent in 2025 and therefore the grant has been used in full, and the fund has subsequently closed.

In August 2025, the investment property in Manchester (see note 17b for details) has been revalued and a gain of £32,500 has been recognised. The property is revalued every 3 years by independent, professional chartered surveyors. This year, we have established a new restricted revaluation fund to recognise this gain, and any future gains or losses. In previous years, the trustees' valuation has been materially in line with the previous professional valuation, which was equal to the cost on acquisition and so no gain or loss had arisen.

Note 26. Funds continued

Unrestricted funds – group

2025	At 1 January	Income	Expenditure	Transfers	Gains/ (losses)	At 31 December
General reserves	80,590,748	108,211,932	(117,985,268)	33,017	(1,109,894)	69,827,535
Lil' Pickles Trading	1,856,772	8,100,250	(6,743,829)	-	-	3,213,193
Pension reserve	(7,095,584)	7,857,489	(7,944,420)	-	438,624	(6,114,086)
	75,351,936	124,169,671	(132,586,517)	33,017	(671,270)	66,296,837

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
Lil' Pickles Trading	1,564,679	6,686,499	(6,499,335)	-	-	1,856,772
Pension reserve	(6,285,920)	6,514,841	(7,615,404)	-	290,899	(7,095,584)
	62,897,231	114,722,227	(105,241,998)	38,762	37,622,792	75,247,007

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

2025	At 1 January	Income	Expenditure	Transfers	Gains/ (losses)	At 31 December
General reserves	80,590,748	100,354,443	(110,040,779)	33,017	(1,109,894)	69,827,535
Pension reserve	(7,095,584)	7,857,489	(7,944,420)	-	438,624	(6,743,891)
	73,495,164	108,211,932	(117,985,199)	33,017	(671,270)	63,083,644

2024	At 1 January	Income	Expenditure	Transfers	Gains	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	(7,095,584)
	61,332,552	115,222,790	(105,637,632)	79,797	2,789,750	73,495,164

Note 27. Related party transactions

Little Pickles transacts on occasion with Lil' Pickles Trading Limited, its wholly owned subsidiary. Lil' Pickles Trading sold goods to Little Pickles to the value of £73,571 (2024: £14,815). Lil' Pickles Trading has accrued a balance payable to Little Pickles of £1,063,809 (2024: £964,134), which is the Gift Aid donation to be made before 30 September 2026.

One of our Trustees is 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 £8,561 (2024: £12,890) 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 £2,900 (2024: £4,500).

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 £123,678 (2024: £37,076).

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 £278,904 (2024: £301,745).



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 Lil' 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.

SORP 13.7

Note 28. Post balance sheet events

The Trustees have not identified any reportable post balance sheet events.

Note 29. Leases

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

SORP 20.16(a)

Group and charity	2025	2024
Total rentals payable under operating leases		
Payable during the year	1,087,263	1,087,263
Future minimum lease payments due		
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
Total lease payments due	5,436,315	6,523,578

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 (2024: £Nil). Operating lease payments are included within 'expenditure on charitable activities' in the SOFA.

During the year, Little Pickles undertook a sale and leaseback transaction, resulting in a new finance lease. Refer to note 1t for further details regarding this judgment. The net book value of (property) assets held under finance leases at 31 December 2025 was £2m and the related depreciation charge was £66k. The Group's future minimum lease payments under non-cancellable finance leases are as follows:

SORP 20.16(a)

Group and charity	2025	2024
Total rentals payable under operating leases		
Payable during the year	105,327	-
Future minimum lease payments due		
Not later than 1 year	105,327	-
Later than 1 year and not later than 5 years	421,308	-
Later than 5 years	1,474,578	-
Total lease payments due	2,001,213	-

The terms of the leases included a 6 month 'rent free' period. The rent free period is equal to half an annual rent payment. As such, £53k has been spread across the 20 year lease term, resulting in a reduction in rent payable of £2.6k per year.

Note 30. Cash flow reconciliation

Adjustment for non-cash items	2025	2024
Net income for the reporting year	(13,838,405)	19,368,521
Depreciation and amortisation charges	5,114,692	4,670,657
[Gains] on investments	(2,179,414)	(2,715,825)
Dividends and interest from investments	(506,888)	(730,784)
Decrease/(increase) in stocks	2,255,957	(890,340)
Decrease/(increase) in debtors	5,188,443	(6,427,139)
[Decrease]/increase in creditors	(2,971,847)	3,487,455
[Decrease]/increase in provisions	(1,479,401)	(1,244,040)
[Decrease]/increase in pension liability	(86,931)	1,100,563
	(8,503,794)	16,619,068

Note 31. Net debt reconciliation

Analysis of changes in net debt	At start of year	Cash flows	Finance leases	At year end
Cash	19,294,484	(9,532,966)	105,327	9,761,518



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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