2025 annual report and accounts

Here for pets and people. Through thick and thin.



BLUE CROSS

Pets change lives
We change theirs

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Who we are

Blue Cross is a charity that has been helping sick, injured and homeless pets since 1897.

Every month we help thousands of pets, and their people, with specialist care. We love the way that pets can make such an amazing difference to the people they live with. So we offer lifelong support and advice to help that unique relationship thrive.

Pets change lives. We change theirs.

Vision

A world where all pets enjoy a healthy and happy life with people who love them.

Purpose

To help pets and people thrive together.

Welcome
from our Chair and Chief Executive

We are operating in the midst of an emerging pet welfare crisis. Across the animal welfare sector, charities are seeing a sharp rise in pet abandonment, driven by the ongoing cost of living crisis and significant increases in veterinary costs. At Blue Cross, our veterinary teams are treating growing numbers of pets with chronic and complex health conditions, often worsened because owners have been forced to delay care when treatment becomes unaffordable. Alongside this, we are seeing more animals with complex behavioural needs, many linked to disrupted socialisation during the pandemic.





Against this challenging backdrop, this annual report reflects on how Blue Cross has continued to care for sick, injured and homeless pets across the UK. Since 1897, our work has been guided by a deep love for animals and an enduring ability to adapt to changing circumstances. Those qualities have never been more important as demand for our services grows and pressures across the sector intensify.

2025 marked the second year of our three-year strategic plan, and we made strong progress towards our ambitions. Our core services – veterinary care, rehoming and fostering, and the Pet Loss Support service – proved more vital than ever, supporting thousands of pets and the people who love them at times of real vulnerability.

At the same time, we faced a number of challenges. Rising demand, combined with wider economic pressures, significantly increased costs across the charity. We also made deliberate and necessary investments to secure the future of Blue Cross. As a result, we ended the year with a planned financial deficit – a position faced by many charities across the sector as they respond to unprecedented and sustained pressures.









In 2025 our rehoming and fostering teams have helped over 8,000 pets, our veterinary services have helped over 25,000 pets and we have supported nearly 30,000 people through our Pet Loss Support service. In response to the cost of living crisis, we also distributed almost 500,000 pet meals through our pet food banks and through Pets at Home stores, helping families to feed their pets during times of financial hardship.

These achievements would not have been possible without the commitment, compassion and expertise of our employees and volunteers. We are also deeply grateful to our supporters, ambassadors and partners for the vital role they continue to play in our work.

Looking ahead, our commitment to the goals of our three-year strategy remains unwavering. We will continue to provide affordable and accessible veterinary care, find loving new homes for vulnerable animals, share our pet welfare expertise, and support pets and people throughout their lives – from their first moments together to their final goodbyes. At the same time, we will continue to ensure the long-term financial sustainability of the charity.

The pressures facing pet welfare charities are already placing considerable strain on services, and we expect demand to continue increasing in the coming years. While this means we will need to take care to balance resources and budgets, the welfare of pets and their people will always remain at the heart of everything we do.

The road ahead will test our resilience, but we are determined to be fit for the future. With your continued support, we know we can navigate the challenges ahead and continue to be there for the pets and people who need us most.

Thank you to every individual, trust and corporate partner who has supported Blue Cross this year – whether through your time, generosity or advocacy. Your support makes our work possible.



Beth Brook
Chair



Chris Burghes
Chief Executive

Trustees' report

The Trustees are proud to present their annual report for 2025. The Trustees' report includes the strategic report as required by the Companies Act 2006.

The strategic report is made up of the following sections:

- Our achievements and progress
- Our plans for the future
- The challenges we face
- Financial review and outturn
- Risk management

We produce a separate impact report alongside our annual report. The impact report contains more details and case studies of our work and the impact we have made in 2025. The impact report can be downloaded from bluecross.org.uk/publications.

Public benefit

As with all charities Blue Cross exists to serve a public benefit and the Trustees regularly review the charitable objectives and activities of the charity to ensure that it is continuing to serve the public as intended. As laid out in our Memorandum and Articles of Association, our charitable activities aim to "encourage and promote kindness to and the protection of animals and to educate the public in responsible animal ownership".

We aim to achieve these objectives through a wide range of activities by ensuring that:

- Knowledge and understanding of a pet's needs are widespread
- Pets are valued for the benefits they bring to society
- Pets (and their owners) have access to help when they need it

The Trustees have given due regard to the Charity Commission's guidance on public benefit when exercising relevant powers and duties, and this report gives details of how we have helped pets and people during 2025 in fulfilling our charitable objectives.



Strategic report

Our achievements and progress

The report this year focuses on the strategic objectives included in our 2024 – 2026 strategy, which we launched at the start of 2024.



As a charity we continued to deliver a wide range of services to a variety of species. We have also included sections on our other key achievements during the year, both from our frontline teams and those who work hard behind the scenes.

Goal: Sustainably expand our veterinary services

In 2025 we continued to work towards our strategic ambition of helping 28,000 pets annually by the end of 2026.

2025 proved to be another turbulent year in the veterinary sector. Against a backdrop of national workforce shortages, rising costs, and increasing demand for support, our teams remained steadfast in their commitment to helping pets in need.

The total number of pets helped in 2025 was down compared to 2024. This reflected the strategic choice we made to withdraw our pet care clinics and the fact that we helped additional dogs through the XL Bully scheme during 2024 to coincide with legislation changes. We had also intended to expand the impact of our Veterinary Care Fund (VCF) to help offset this reduction. However, this was not possible due to the need to limit the size of the fund to ensure we did not exceed our overall veterinary services budget.

Our hospital teams also faced sustained operational pressures. We saw a marked increase in pets presenting with more complex and advanced health conditions. In many of these cases, owners had been forced to delay veterinary treatment due to affordability. In addition, ongoing staffing shortages at our Grimsby hospital reduced clinical capacity. Collectively, these factors limited the number of pets we were able to support during the year.

While the 28,000 ambition remains an important strategic reference point, it's important to ensure that any growth is sustainable. In 2026, our focus will be on maximising impact through operational efficiency, strengthening workforce stability, and embedding pragmatic, welfare-led models of care, ensuring that growth is responsible and deliverable.

Achievements from our veterinary services	2025	2024
Pets helped overall	**25,414**	**27,184**
- At our hospitals	**21,509**	**21,396**
- At our rehoming centres	603	426
- Via our pet care clinics*	0	556*
- Via our Veterinary Care Fund	3,302	3,122
- XL Bully Scheme**	0	1,684**
Total hospital consultations	**51,412**	**54,195**

**Our work with private practices to provide pet care clinics ceased at the end of 2024*

***The XL Bully Scheme was only active in 2024 in response to the immediate impact of the addition of XL bullies to the Dangerous Dogs Act (DDA) classification.*

We remain committed to providing pragmatic, low-cost veterinary care, which is particularly important for our clients in the current economic climate and in the context of rising veterinary costs more broadly.

Pragmatic veterinary care focusses on providing practical, effective, and realistic solutions to address the health needs of animals. This type of care takes into consideration the financial and logistical factors that pet owners face as well as the medical problem.

A fairer pricing structure

Throughout our 128 year history, we have always provided people with a more affordable option when it comes to their pets' care. Blue Cross services have proved increasingly vital in recent times, as more and more people struggle to afford veterinary practice fees.

Over recent years we have seen a significant rise in the cost of delivering veterinary care. It became clear in 2025 that maintaining our existing pricing model (with no investment in expanded services or new infrastructure) would lead to a growing gap in our funding that needed to be addressed.

In light of these pressures, we have redesigned our pricing structure to establish a transparent, fair, and sustainable framework, effective from January 2026. Now, all eligible clients will pay the same discounted prices, heavily subsidised thanks to the generosity of our supporters. All consultations will be chargeable with medications and surgical procedures aligning to a banded pricing structure based on cost to Blue Cross. We will continue to support clients to access payment plans where appropriate.

This redesign was driven by an ongoing organisation-wide commitment to the provision of affordable pet care, coupled with extensive poverty and affordability research. Our previous tiered pricing model meant some clients received free, or more heavily subsidised, veterinary care compared to other clients. However, our research confirmed that all of our eligible clients were experiencing very similar levels of financial hardship, and these findings confirmed the need to review and change our tiered pricing approach.

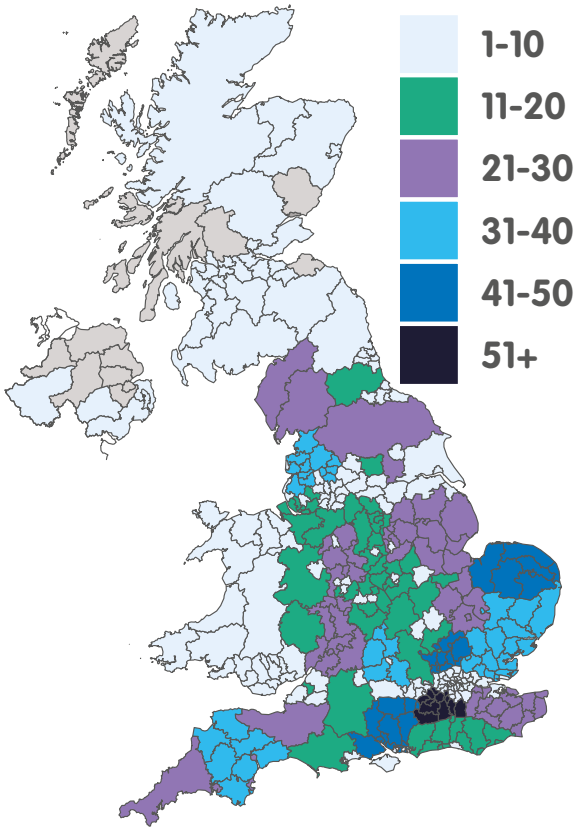
A key priority has been to ensure that clients who accessed free care are not priced out of treatment under the new system. The redesigned structure aims to mitigate this risk through welfare focused, pragmatic medicine and subsidised pricing. We will monitor the impact of the new pricing structure closely and remain committed to providing accessible veterinary care to as many pets and people as we can.

The growing impact of our Veterinary Care Fund

In our 2024 Annual Report we highlighted the phenomenal growth of our Veterinary Care Fund (VCF), which is a grant giving fund for people struggling to pay their veterinary bills. This reflected the growing number of people finding it hard to access affordable veterinary care in the UK.

The network of participating practices has grown rapidly since early 2023, when there were around 70 participating practices. In 2025, we gave 3,302 VCF grants (compared to 3,122 grants in 2024). 1,591 practices are currently enrolled in the VCF, representing 92 per cent coverage of the UK based on practice postcodes.

VCF postcode group



To better manage demand for this vital veterinary service, we invested in the implementation of a new centralised system in 2025. Our new system has increased efficiency and allowed us to address recommendations from a review we conducted in 2024, improving our data capture, fund management and governance. It also offers our partner practices an improved user experience with clearly visible assessment criteria and a simple request process, with the ability to view and manage the progress of each claim. Feedback from both staff and veterinary practices has been highly positive.

There is a greater demand for the fund than we can currently afford each year, though we are actively looking to grow the size of the overall fund. We have had to at points pause grant applications and reduce the amount given in each grant to make our available budget last for longer. We have currently paused new practice registrations as we cannot take on any further practices at this time.

Grimsby turnaround

In 2024, we reported that the number of pets helped by our hospitals decreased slightly due to a staffing crisis at our Grimsby hospital, which meant having to stop new registrations for a time. This happened due to the combination of a national workforce shortage across the veterinary sector and challenges to recruiting in this particular location.

In the first half of 2025, our recruitment team worked with our hospital teams to turn the situation around, which resulted in an almost full veterinary team by June 2025, including a new dedicated night team. This has resulted in more consistency in operations and much improved staff wellbeing, who previously were having to work complex rotas to cover day and night shifts.

During the second half of the year, this translated into a 19 per cent growth in the number of pets helped at our Grimsby hospital. With the recruitment of an additional vet planned in 2026, we are confident of seeing this trend continue.

Expansion of rehoming and fostering support

Last year, we reported on the highly successful initiative of providing a greater level of in-house care at our Hertfordshire rehoming centre, utilising our own veterinary teams.

A weekly vet visit supported by remote consultations between visits allows pets to receive non urgent care in a familiar environment, without the stress of travelling to external veterinary practices. Less reliance on local private practices, except in urgent cases, has significantly reduced costs.

This initiative continued in 2025 and, following it's success we expanded in-house support to our Newport rehoming, advice and behaviour unit. This service has allowed better control of veterinary costs and is already having a positive impact on the centre's overall running costs. Next year we will be looking at expanding this service further to include Southampton rehoming centre.

Competitions and Markets Authority (CMA) review of the Veterinary Sector: submissions and media activity

In May 2025 the CMA finalised their market investigation into veterinary services for household pets and published a paper outlining 28 potential remedies.

The main proposals included greater price transparency, prescription price caps, written estimates for treatment over £500, disclosure of practice ownership, and transparency about cheaper medicine options. Our current vet care model follows these practices and therefore there will be no major implications for us.

In our response to this paper, we welcomed the CMA's continued focus on the veterinary sector and the shared goal of making care more affordable and accessible for pet owners. We supported their proposal for greater transparency in the pricing of commonly accessible services, medications and cremation options.

However, we expressed our concerns that some of the proposed measures could put more pressure on an already overstretched veterinary workforce, as well as increasing costs for practices – especially small independents – which will ultimately be passed on to clients.

Members of our senior veterinary team made multiple media appearances to share our views, as a leading provider of accessible veterinary care, and called for vets and pet owners to engage in open and honest conversations about costs and pragmatic treatment options to prioritise pet welfare.

With an understanding of what new regulations are likely to be introduced following the conclusion of the investigation in May 2026, we have been able to ensure these are incorporated into our new veterinary service model.

Continuous improvement of our service

Our continuing commitment to the provision of high-quality but pragmatic pet care is underpinned by the ongoing development and performance of individual team members.

Throughout 2025 we worked on embedding a culture of continuous improvement within our veterinary teams. A number of improvements were delivered that have helped control our salary costs, made our appointment booking more flexible for clients, and improved the efficiency of our teams by focussing on certain treatments on set days.

Goal: Increase the impact of our rehoming and fostering teams

Our strategic goal for 2024 – 2026 is to increase the impact of our rehoming and fostering teams to help over 10,000 pets a year. In an increasingly challenging environment, we did everything possible to continue working towards that goal during 2025.

Achievements from our rehoming and fostering services	2025	2024
Total number of pets helped	**8,138**	**7,809**
Dogs	1,645	1,760
Cats	3,628*	3,565*
Small pets	1,696	1,479
Horses	1,169	1,005
Pets that spent time in short-term foster care**	2,918	2,234
Pets helped via Home Direct**	839	962
Horse welfare visits**	731	634
– of which virtual	303	132

** Includes cats who were microchipped for free*
*** These figures are included in the overall pets helped*

We helped 8,138 pets through our rehoming services in 2025 (an increase of 4 per cent on 2024), therefore taking a step closer to our aim of 10,000 pets a year target by the end of 2026. Foster home placements also increased by 31 per cent year on year.

We had hoped to reach the 10,000-pet target for the 2024-2026 strategy period in 2025, but this wasn't reached due to operational pressures, increased complexity of cases and reduced demand to adopt larger dogs, as well as temporary and permanent pen capacity constraints due to vital refurbishment.

To increase our impact further in 2026, and to help us achieve our goal of 10,000 pets per year, we have made changes to some of our key processes to ensure we can admit and rehome pets faster.

Keeping pets and people together

The tough economic climate we experienced during 2025, coupled with rising pet food and veterinary costs, threatened to break the bond between many pets and their owners.

Throughout 2025, we continued to prioritise keeping pets and people together wherever possible, focusing on early, positive welfare interventions that support pets and horses to remain in their current homes. Through our Assessment & Advice service, we engaged with the owners of 128 horses and 1,451 pets (dogs, cats, rabbits, and rodents), offering tailored guidance, support and expert advice at the point when someone is struggling to care for their pet and considering rehoming.

Equipping people with the right knowledge and support often helps them to address the challenges that threaten to break the relationship between them and their pets. This shows that early access to advice, behaviour consultations and training support can address emerging issues before they escalate, reducing the likelihood of rehoming.

This has a positive impact at our centres, and our home direct and fostering services have enabled more capacity for pets when there is no other option, such as strays and abandonments.

Our horse service

In our 2024 Annual Report we expressed our aim to be the UK's leading horse rehoming and fostering service. In 2025 we developed our horse strategy to include focussing more of our resource support for private owners who need to relinquish their horses. This shift has allowed us to make a greater welfare impact, but it has also brought significant challenges for our team.

An increasing number of horses presented to Blue Cross are arriving in extremely poor condition, significant pain, or with long-standing behavioural issues that severely compromise welfare. In many cases, these issues have developed over prolonged periods and are linked to delayed intervention, reduced access to routine preventative care, and suboptimal living environments. As a result, these horses frequently present with needs that are substantially more complex than those typically seen through charity-to-charity referrals.

Following comprehensive veterinary and behavioural assessment (850 behaviour interventions were carried out in 2025), some horses are found to have a prognosis incompatible with an acceptable quality of life. In these cases, euthanasia is considered the most humane option. During 2025, Blue Cross made the difficult decision to humanely euthanise 189 horses, compared with 50 in 2024.

This increase is solely due to the increase in the number of horses coming to us with severely compromised welfare. A key cause for this is the continuing cost of living crisis. Many owners are struggling financially and are no longer able to provide essential routine care, including dental treatment, regular vaccinations, and farrier visits. In addition, limitations within many livery settings means owners are increasingly unable to meet their horse's core welfare needs – specifically the provision of friends, forage, and freedom – further compounding physical and behavioural decline.

While euthanasia decisions are never taken lightly, and are very emotionally challenging for our team, they are guided by clinical judgement, carefully considered welfare assessment, and ethical responsibility. Our priority remains the prevention of ongoing pain and distress, ensuring every decision is made in the best interests of the individual horse.

Pet Peace of Mind

For over twenty-five years we have provided peace of mind to people with a guarantee that if they pass away before their pet, we will care for their pet and do everything we can to find them a loving new home.

In 2025 the team that manages this service provided reassurance to 186 applicants, who can now feel assured that their cherished pets have been accepted onto the service. We now have near to 1,800 people registered.

Behaviour

Achievements from our behaviour services	2025	2024
Total interventions	**6,988**	**6,898**
- Pets in Blue Cross care	5,646	5,333
- Pets of hospital clients	190	178
- External consultations	1,152	1,387

Our behaviour service has continued to see a rise in pets needing behaviour support since COVID. Dogs, in particular, missed out on early years socialisation due to lockdowns. In 2025, 53 per cent of dogs admitted have needed help from an Animal Behaviourist or Rehabilitation Trainer and Behaviour Advisor (RTBA), compared with 27 per cent pre-COVID in 2019. This rise in demand is

placing increasing pressure on our behaviour team, who are working tirelessly to support pets requiring training and rehabilitation, increasing their chances of successful adoption and living happy and fulfilled lives.

And overall, pets also stayed with us for longer – on average, excluding horses, 41 days in 2025 (36 in 2024). We believe the key reason for this may be due to the dogs and cats we are seeing having more complex behavioural and medical needs, therefore delaying rehoming and increasing the search time for a new family.

We have seen an increase in the number of rabbits and rodents in need of help from our behaviour team, alongside an increase in their length of stay. We know that the associated costs of owning a small pet – such as accommodation, food and veterinary care – have risen significantly in recent years, so the impact of the cost of living crisis may have reduced the number of people willing to adopt small pets.

The pressure is mounting on our rehoming and fostering teams – and all the evidence points to a deepening pet welfare crisis.

Overall, these trends reflect the complexity of our work and the critical importance of expert behaviour support to positively improve the outcomes for the pets that need us most.

In response to this emerging crisis, the Behaviour Service remains committed to supporting the behavioural needs of every pet in our care, as well as ensuring their welfare is maintained to our Blue Cross welfare standards.

By addressing behavioural issues effectively, and individually, we aim to minimise the time that pets spend in our care.

Reaching our target for fosterers

With fostering being a key aspect of our strategy to help more pets at a lower cost per pet helped, we set an ambitious target of reaching 896 fosterers by July 2025.

Following on from our work in 2024, we undertook further digital marketing to recruit new fosterers and in July 2025 had risen from 450 to 881. Although just short of our target at that point, numbers continued to increase and by the end of the year we had 897 foster carers in place. This growth has meant we've been able to help over 2,918 pets on foster so far this year, compared to 2,234 in total last year.

Goal: Grow our Pet Loss Support service

We offer support to people experiencing every type of pet loss, not just bereavement. People can call us for support if their situation changes and they have to part with a beloved pet, if they are worried or upset about a missing pet or if their pet is diagnosed with a life limiting illness.

Having had a phenomenal year in 2024, when the service exceeded our 2026 strategic goal of responding to 30,000 calls for support, our figures dropped very marginally in 2025 to 29,338 (30,689 in 2024). We believe this was due to a reduced spend on advertising and some concerns about the increasing use of chat bots on WebChat. We don't and never have used bots: all responses are live from our team, so this is something we now make clear.

Achievements of our Pet Loss Support service	2025	2024
- Telephone calls answered	11,589	10,694
- Emails responded to	3,877	4,696
- WebChat conversations	4,124	5,709
- New Facebook group members	9,748	9,590

We now have 522 Pet Loss Support service volunteers who are active across the services we offer. We are also working with more charities and other organisations, including Riding for the Disabled Association (RDA), Assistance Dogs, Northern and Southern Ireland Guide Dogs, The Dogs Trust and many other organisations. This involves access to training and support to their team members. Collaboration with other charities is a continued focus for 2026.

During 2025 we worked with Mind to hold an 'online day' around pet loss and mental health, offering support and guidance to people suffering from poor mental health, and we attended the Royal College of Veterinary Surgeons' Mind Matters Symposium to discuss wellbeing and mental health within the sector.

We have seen a significant increase in our online interactions through Webchat and Facebook, which have proved very effective ways of providing support. Facebook members on the Pet Loss Community are now over 30,000.

Goal: Develop a shared approach to tackle the issue of responsible dog ownership

Responsible dog ownership is key to the prevention of many welfare issues and dangerous incidents involving dogs.

Throughout 2025, we continued to grow our Responsible Dog Ownership Course (RDOC) in partnership with over 44 Police Forces and local authorities across England and Wales.

This leading course receives referrals from Police and local authorities for low level offences relating to out of control dog incidents and means that a person will complete the course to help increase their knowledge and adjust their behaviour. The number of attendees has grown from 32 in 2022 to 1,043 in 2025.

Year	Number of workshops	Number of participants
2022	8	32
2023	12	165
2024	30	562
2025	42	1,043

In 2025 we engaged with Governments across the UK on the subject of responsible dog ownership. We are also a key member of the DEFRA responsible dog ownership working group and have secured DEFRA support for our RDOC courses. In Scotland, we have been invited to lead a responsible dog ownership working group on education, communication and prevention.

Our Welsh RDOC specific course was awarded the Welsh Government Rural Project of the year in 2025 for its achievements in tackling issues with livestock worrying across Wales.

Protecting your postie

With over 2,000 dog incidents a year on postal workers, a key focus in 2025 was our partnership with Royal Mail, promoting dog safety for postal workers. Four 'Protecting your Postie' online webinars reached 355 members of the general public in 2025. We also produced a training video which was shared with over 90,000 postal workers and includes helpful advice on staying safe around dogs. We are now working on a second video with further advice around what to do if postal workers are attacked by dogs.

Responsible dog ownership also remains a key part of part of our schools' programme, which helps educate the next generation of pet owners.

Goal: Balancing the budget on our day-to-day operations

In common with many charities, we continued to face financial pressures throughout 2025, as inflation in our costs threatened to make them rise at a faster rate than income. During the year, teams across the organisation continued to focus their efforts on the strategic goal of balancing the budget on our day-to-day operations by 2026. We took the following key steps in 2025:

Growing Income

Key to achieving our goal of balancing the budget is growing income, which was one of the reasons for updating our veterinary services pricing structure as previously mentioned in this report. We estimate this step will result in additional income of £354k in 2026 from our veterinary services. We are also working on how we grow key fundraising income streams and have researched in detail where we feel we need to focus our efforts. We have put together a number of key recommendations which we will be taking forwards in 2026.

Controlling salary costs

We could only increase salaries by 2 per cent on average in 2025 as part of our work to control our costs. We also made the tough decision during 2025 to reduce the number of roles within the charity to lower our salary costs. It was agreed by the Executive Team that we should look across the whole organisation and identify roles in all directorates for potential redundancy. We consulted with potentially affected employees and ultimately 17 employees accepted redundancy (2 per cent of our total employee numbers). This, along with the decision to remove and not re-recruit six roles that were vacant, will bring about annual savings of £809k per annum.

Making the decision to reduce the number of roles was not easy and was only done after lengthy discussions between the Executive Team and the Board. We are aware of the impact these processes have, both on those they directly affect and also the wider organisation. We kept all our employees informed throughout the process as we wanted to be open and transparent. Making these changes was the right decision for the organisation, as it is vital that we ensure our financial sustainability. We are incredibly grateful to all employees for their hard work and to those who have left we wish the very best in the future.

Spending our donors' money wisely

We have continued to focus on ensuring that we are getting best value from suppliers. We do this through working closely with our existing suppliers and also running robust, detailed tender processes when we are engaging new suppliers or contracts that are up for renewal.

We saw particular success in 2025 around our information technology and digital estate, with two key contracts being put out to tender, resulting in significant savings for Blue Cross. We have further enhanced our procurement processes during 2025 by using technology to develop automated workflows. This ensures compliance and the involvement of all key people in our large scale tenders, which are defined as contracts worth over £25,000.

We undertook a detailed review of our expenses and travel policy in 2025 and agreed a number of changes which are designed to make this policy fairer overall for our people, but also bring about savings for the organisation. We have also engaged for the first time a travel and accommodation supplier to streamline our travel bookings and reduce the number of individual expense claims we see within the organisation.

We also froze our operating costs and overhead budgets across the organisation at 2025 levels, challenging our teams to find further savings within their own budgets. Our teams rose to the challenge magnificently and in some cases also found additional savings, reducing their budgets below the 2025 levels.

Achieving an ongoing balanced budget

Due to all this hard work, we have been able to approve a budget for 2026 which has achieved our strategic goal of a balanced day-to-day budget. However, we are still budgeting for a significant overall loss in 2026 as we need to continue to invest in a number of key areas, such as our technology platforms, brand awareness and our physical estate. These necessary investments, some of which are multi-year programmes, will be funded during 2026 from our reserves.

We are mindful of the long term consequences attached to continual withdrawals from our reserves. Therefore, we will be continuing to focus heavily on the area of financial sustainability in 2026 and beyond, to both ensure that we deliver our 2026 budget and to allow us to generate sufficient income to fund these vital programmes from our recurring yearly income, rather than from reserves.

Our wider work

As a charity we deliver a wide range of services and serve a wide range of species. Not everything we do sits within our five strategic goals for 2024 – 2026. Our teams have also had an impact in many other ways, often in partnerships with other charities and organisations.

Partnerships and collaboration

In 2025 we continued to work collaboratively with a number of local and national charities, both at home and abroad. We also worked with our corporate partners, using our resources collectively to reach as many pets and people as possible.

Pet food banks

Pets at Home (PAH) and their charity, the Pets Foundation, generously continued to support our pet food bank service throughout 2025, with collection bins in stores nationwide, where customers could donate pet food.

We would like to say a big thank you to Pets at Home and the Pets Foundation for their direct support. We are also particularly grateful to their generous customers, for continuing to make pet food bank contributions in spite of the rising cost of living.

To promote the pet food bank service, Pets at Home and the Pets Foundation ran another very successful national event in the summer. Funds raised from this three-week event– were split between Blue Cross (£133,970) and food banks associated with each Pets at Home store across the UK. We are delighted to report that we will be working in partnership on this event again in the summer of 2026.

Number of pet meals delivered		
Achieved through:	**2025**	**2024**
Blue Cross sites	123,520	168,697
Pets at Home sites	277,025*	1,046,387
Bulk donations from suppliers	137,577	519,598

**Collecting data became operationally challenging for Pets at Home stores in 2025 and ceased entirely in July. The 277,025 pets fed figure quoted here is the total for where we have a data trail.*

At the end of the year we had:	2025	2024
Blue Cross sites where people can donate goods	9*	35
Blue Cross sites where people can pick up food	6	6
Pets at Home stores where people can donate goods	460	454
Local food banks being supplied with pet food	459	523

**Due to limited storage space and resourcing the majority of our shops were unable to accept and process donations of pet food beyond the end of 2024.*

To support struggling pet owners, we continued to distribute pet food to a network of local food banks across England, Wales, Scotland, and Northern Ireland. Blue Cross pet food banks also remained operational at our sites in Bromsgrove, Newport, Devon, Manchester, Sheffield, and Bicester.

In 2025, the Community Project Team worked closely with Blue Cross food banks to review, develop and improve our standard operating procedures. To support this, we began creating new methods for collecting data from people who use our food bank services. This will give us greater insight into the need, improve efficiency and enable us to provide more consistent support.

As part of our review of the service, we made the decision to stop processing and repackaging bulk donations at our own site in April 2025. This was because we felt that, with reduced resourcing and limited budget, we could achieve more benefit by focussing on support in the community.

Community connections

The strengthening of community connections was a focal point for our Community Project Team in 2025. We are currently introducing new community volunteer roles to create change by empowering communities to take shared responsibility for dogs living happily and safely in their local community.

We are currently working on a community strategy, across the directorates, to ensure we can align with our values and help more people and pets.

Ukraine

In 2025 we awarded a grant of £2,500 from our Ukraine Fund to TAC (Transylvania Animal Care). This money was used to support Ukrainian refugee pets in Cluj, Romania. Our other charity partners have had to stop their work in Ukraine due to financial constraints and needing to focus on their core work in Poland and Romania. We continue to monitor the situation in Ukraine and ways in which we can help.

Education

Achievements from our education and advice activities (people reached)	2025	2024
Overall people reached through our education services	123,088*	140,109*
Through partnerships	7,861	5,597
Though education talks and workshops	**115,227***	**134,512***
- Interaction in person	53,121	62,011
- Virtual interaction	62,106*	72,501*

**Includes live super sessions and Pet Education Partnership (PEP) activities.*

During 2025 we continued to educate children, young people and adults, helping to create a nation of knowledgeable, responsible and caring pet owners. We have continued to offer online super sessions, with four taking place during 2025 – topics were Careers in animal welfare, Living things, Animals in WW1 and Pets at Christmas. These sessions reached nearly 45,000* young people.

The significant expansion of the team's work on responsible dog ownership was a planned focus in 2025 with huge potential for changing peoples' behaviour around pets and thereby improving pet welfare. Our schools talks programme was scaled back due to resourcing and in recognition that online learning was becoming a more sustainable way to reach schools and a wider range of audiences. This impacted on the number of people reached through our talks and workshops.

Pet Education Partnership (PEP)

Blue Cross is proud to be part of the Pet Education Partnership, a collaboration of eight UK animal welfare charities, working together to make animal welfare education available and accessible to every child aged between 5 and 11 in the UK. Our shared vision is to ensure that every animal is respected, understood and cared for, and enjoys their best possible life.

In 2025, 2 online events were held, reaching over 9,000* children aged five to 11. Based on the number of teachers signing up, and an average class size of 30, it was estimated that over the course of the year around 1.5 million children had the opportunity to interact with the PEP website resources.

Campaigning for pets

During 2025 we continued to campaign on a range of pet welfare issues, often working in partnership with other charities and organisations.

Greyhounds

Our greyhound campaigning work continued apace in 2025. Working in partnership with the Cut the Chase Coalition in Wales, we secured a government commitment to ban greyhound racing. This is a huge step forward for greyhound welfare in Wales.

In Scotland we worked with Mark Ruskell MSP on his Members' Bill which will ban greyhound racing in Scotland. The Bill has the support of the Scottish Government so we are hopeful to see it passed before the end of this parliamentary term.

We also continued to run the Blue Cross 'Don't Race Embrace' campaign in 2025. We encouraged supporters to send letters to their local MPs calling for an end to greyhound racing and, in total, over 17,000 letters were sent to MPs.

In 2026 we will continue to work together with our Cut the Chase partners to secure progress continues in Wales and Scotland and to try and raise the issue up the political agenda in Westminster.

Scottish Parliament Engagement

We hosted two events in 2025 with an overall engagement of 65 Members of the Scottish Parliament (MSPs) attending across both events, including over 50 per cent of MSPs, and is our highest ever level of engagement.

In January we hosted a drop-in event on responsible dog ownership, which gave us the opportunity to brief MSPs on issues emerging in their own constituencies. We provided personalised, bespoke information packs for each MSP including tailored data relevant to their local authority. In September, we hosted a three day exhibition where MSPs could come along and talk to us about their pet welfare priorities for the next Parliament.

Firework Impact Coalition

Blue Cross, as a member of the Firework Impact Coalition, hosted a drop-in event for Members of Parliament (MPs) to highlight the adverse impact that fireworks have on pets, people and the environment. We also used the event as an opportunity to push MPs to support our calls for a review of and consultation on existing fireworks legislation. We were encouraged by an exceptionally high attendance of 95 MPs.

Behind the scenes:

The following is a summary of what we did during 2025 to ensure our people are engaged, rewarded and feel valued.

New people strategy

We are nothing without the people who deliver the charity's services, so in March 2025 we launched a new two-year people strategy which focuses on four key areas:

1. **Collaboration:** Bringing different teams together to achieve our shared goals
2. **Efficiency:** Building a productive and efficient environment that secures a strong future
3. **Reward & Recognition:** Offering great reasons to join – and even better reasons to stay and grow with us
4. **Leadership:** Developing visible, inclusive leaders who inspire, listen and communicate effectively

Strengthening our teams and increasing numbers of volunteers

2025 was an excellent year for strengthening Blue Cross teams across the organisation and building our wonderful army of volunteers.

During the year we averaged 3,258 volunteers per month (2,797 in 2024). Over the course of the year they gave us an incredible 239,288 hours of their time (218,513 in 2024). This equates to a full time equivalent of over 6,000 days.

At the beginning of 2025, we reviewed the success of the Volunteer Recruitment Project, which was implemented in 2024/2025 and saw our applications grow by 80 per cent year on year. Particularly pleasing was the 81 per cent growth in our fostering team, giving many more pets a temporary haven in their time of need.

2025 also saw the establishment of a new Volunteer Advisory Board, which involves 12 volunteers on a panel who support ideas, opinions and provide a steer for national volunteering at Blue Cross.

We also reviewed and updated our volunteer recognition toolkit, which was introduced in early 2026.

Inclusivity

Our work on creating a truly inclusive culture continued during 2025. Our focus areas for 2025 were:

Inclusive leadership – ensuring everyone who leads at Blue Cross is aware of their unconscious bias and has the skills to lead a diverse team.

Supporting individuals with disabilities – The charity's policy is to give full and fair consideration to suitable applications for employment by disabled people, having regard to their particular aptitudes and abilities. We have the guaranteed interview scheme which ensures disabled applicants who meet the minimum criteria for a job, as outlined in the job description are invited to interview and give all candidates detail of the themes of interview questions for them to prepare.

We are committed to ensuring that disabled people have the same opportunities as other employees to career development and training in order that they may achieve their full potential within the organisation.

We are determined to providing a workplace free from discrimination or harassment based on disability, and we will ensure that our policies and procedures are inclusive and accessible to all.

We actively promote a culture of respect and understanding for disabled individuals, encouraging their participation and contribution.

Allyship – ensuring everyone knows how to support their team by understanding them and speaking up for them when they can't.

Community – reaching out to groups who need our help, or could help us, through understanding their needs and taking Blue Cross to them.

Supporters – ensuring everyone who supports us understands why inclusion counts and how being inclusive helps pets and people.

To support these focus areas, we developed our online training, launching a comprehensive series of Equity, Diversity and Inclusion (EDI) training courses.

We took part in online animal welfare charity panels about neurodiversity and menopause, where we were joined by colleagues from Battersea, Cats Protection, Dogs Trust, PDSA and RSPCA to discuss neurodiversity in work and life. We also submitted an entry for the charity Retail Association (CRA) EDI Award and were delighted to make it to the shortlist.

Finally, as a result of our ongoing commitment to creating a more inclusive and welcoming environment for all applicants, we saw a positive shift towards greater diversity within our workforce.

Key highlights from our 2025 work include:

- Becoming a Disability Confident Employer in March 2025 and as a result we have implemented the guaranteed interview for disabled candidates who meet the minimum criteria
- Training for leaders and managers on how to create a dyslexia friendly workplace. This training was delivered by the British Dyslexia Association and received excellent reviews
- Producing guidelines on how to run Inclusive meetings
- The Allyship group developed and published a framework to help aid understanding of Allyship
- Inclusive leadership training developed and rolled out
- A regular Inclusivity slot in our inhouse all-staff email to promote the support groups and our work

Externally, the Supreme Court Transgender ruling was announced in 2025, causing strong and varied opinions and reactions. These were also reflected internally, and we were mindful to ensure we listened to everyone's views, whilst forming a suitable organisational response. Several actions were taken to allow us to navigate

this controversial area in an appropriate way, including hosting an all-charity meeting to create a platform where people could air their views, and discuss support and action they would like from the charity.

Employee forum

The primary aim of our employee forum is to provide a meaningful two-way dialogue with employees, via elected representatives. It enables the executive team and leadership team to have the opportunity to discuss a range of strategic issues affecting the charity.

The group also acts as a place for employees to bring issues affecting them to the attention of the leadership teams. During 2025, three meetings were held with issues such as how we respond to the culture survey results, the new people strategy, redundancies and the Supreme Court Transgender Ruling and its implications for our people. These meetings provide the Executive Team with a measure of the overall organisational climate and help increase engagement with our people.

Recruitment

Blue Cross continues to attract a significant number of high calibre candidates for vacant positions. Our average time to hire in 2025 was 21 days which is a reduction of 6 days on 2024 and is much less than the national average time of 44 days.

Retail recruitment remains very challenging, not just for us but for the entire retail sector.

Increasing awareness of our brand and engagement with our charity

As an animal welfare charity, our brand awareness is still relatively low compared to some other animal welfare charities. It's something we've continued to work hard on in 2025, as without further growth we will struggle to further increase our impact. A key project was a return to TV advertising to improve awareness of our charity and drive growth, which began in March 2024 and continued into 2025.

We are also continuing to make the most of our own digital channels, our fantastic group of influencers and celebrities to spread our messages to their supporters, as well as earned media coverage to generate as much awareness of Blue Cross as possible.

In 2025 we undertook two periods of brand marketing activity (across TV and digital platforms). The activity initially ran from March to April and then again from September to October. In June we also returned to TV with a Legacy campaign for the first time in several years.

By the end of October, we'd achieved our highest ever level of semi-prompted* brand awareness at 18 per cent**, a 6 per cent point increase in semi-prompted awareness, and a 4 per cent point increase in consideration to donate among pet owners and animal lovers since January 2024, pre the campaign going live. In a highly competitive charity sector, these increases are hugely positive and demonstrate the importance of effective marketing activity.

**Semi-prompted awareness is a market research metric that measures an individual's ability to recognise a brand when provided with a specific, hint or cue. This is important because the more people that are aware of our charity and the work we do, the more likely they are to support or engage with us in some way.*

***YouGov brand tracking survey Jan and Oct 2024.*

We have seen a number of measures improve since this campaign began, such as increased volunteering numbers, more people applying for Blue Cross roles and a return to the top 10 in the Fast Map Legacy Premier League report, which benchmarks charities based on supporters' consideration to leave a gift in their will. However, in a continued challenging fundraising environment, it proved far more difficult to convert this increased awareness into financial support. Whilst average gifts were higher than projected, the volume of donations was lower than anticipated. Our benchmark for conversion results was based on organisations with a more established track record of consistent investment in TV advertising. With hindsight, whilst these benchmarks were made using the best data we had available at the time, they did not fully reflect the starting point Blue Cross was in at that moment, returning to TV after a long absence and therefore starting from a lower baseline.

However, there are some clear learnings we have taken from the analysis of our 2025 activity and we have identified key actions to maximise the impact of our brand marketing investment going forward across creative execution, audience analysis and optimisation, media placement and performance measurement.

We have continued to strengthen our central contact handling function through targeted

cross-skilling, a more data-led approach to call management and enhanced operator support and coaching. These initiatives have improved operational efficiency, capability and flexibility. As a result, we delivered another year-on-year improvement in performance, increasing our call answer rate from 76 per cent in 2024 to 91 per cent in 2025.

In 2025, we continued to generate awareness via our website and on social media. We received a great deal of media coverage through the sharing of newsworthy content and stories, as well as paid digital marketing campaigns. We also continued to keep our supporters informed and inspired through our bi-annual printed magazine, fundraising appeals and email newsletters.

Another area of focus in 2025 has been the implementation of our new digital marketing strategy, with the goal of improving the online experience for people who use our services and support us.

Our aim for 2026 is to raise positive awareness of and engagement with Blue Cross and to do everything we can to convert this into financial and non-financial support.

Website and social media

Activity	2025	2024
Users on our website	4.6m	4.5m
Website sessions	8m	7m
Visits to pet advice pages	2.9m	3.3m
Followers on social media	602k	569k

Our digital channels and activities performed well in 2025 with visits to our website increasing for the first time since 2020. This was driven by successful campaigns and rehoming appeals.

Pet advice continued to be one of the most visited parts of the Blue Cross website. However, visits to this information-led content have started to decline due to the increasing popularity of AI assistants such as ChatGPT. We have made AI search a priority as part of our digital marketing strategy to ensure we embrace this evolving opportunity.

2025 also saw an increase to our reach and engagement on social media. As well as attracting thousands of new followers, we doubled the views of our social media posts and the average engagement rate on our posts was up over 30 per cent. Posts about small pet housing and using pets in social media trends were popular on TikTok, helping us reach new audiences and promote better animal welfare.

Media coverage

In 2025, Blue Cross achieved over 6,500 pieces of media coverage (nearly 6,000 in 2024), reinforcing our position as one of the UK's leading and most influential animal welfare organisations. Standout moments included features on Channel 5's Lost Dog, Found Dog, a live segment from Burford on ITV's Good Morning Britain, and national attention as our vets called for a ban on prong collars after one appeared in a high-profile music video. Building on last year's success, we also expanded the Blue Cross Code with new guidance to help horse riders and drivers stay safe on the roads, supported by major media interest.

Our work continued to attract strong national exposure, including a feature on BBC's The One Show showcasing Blue Cross foster care, and extensive BBC regional radio coverage linked to the Greyhound Racing Ban. Our Dogs vs Jobs campaign reached millions nationwide, with interviews broadcast on 18 radio stations, including 12 BBC outlets, and syndicated across 39 BBC regional stations. Additional highlights included a live interview on BBC National News discussing the Competition and Markets Authority (CMA's) provisional recommendations and a feature on ITV's Love Your Weekend highlighting the importance of fostering homeless pets rounding off a year of exceptional visibility and impact for Blue Cross.

Celebrity and Influencer endorsement

In 2025, Blue Cross received nearly 100 actions from celebrities and influencers, significantly raising our profile across social and traditional media. A standout moment was Tracey Emin's Blue Cross Christmas card, which sold out, with a signed presentation box raising thousands of pounds for the charity through an eBay auction.

Our high-profile supporters helped amplify our key campaigns and services throughout the year. David James supported our Paws to Draw competition and shared his own pet artwork. While Chris Packham, Professor David Olusoga, Hayley Tamaddon and Diane Morgan lent their voices to promote a range of Blue Cross campaigns and services, including our Don't Race Embrace greyhound racing campaign, Pet Loss Support service, and our rehoming and fostering programmes.

Visits to our centres also generated strong engagement and media interest. Coleen Nolan shared her visit to our Rolleston rehoming centre across YouTube, Instagram and Facebook,

supported by additional posts from her daughter, Ciara Fensome. Sarah Champion also helped promote volunteering opportunities during her visit to our Hertfordshire rehoming centre.

Together, these high-profile advocates helped increase social media impressions throughout 2025, reaching new audiences and highlighting the life-changing work of Blue Cross.

Evolve our technology and use of data

We've made significant progress on the Central Platform programme, which is our new unified customer relationship management (CRM) system. Our first go-live in November 2025 was with the CRM system used in our fundraising, communications and engagement work. This is a significant change designed to bring us closer to a more integrated and effective use of technology and data. We have spent £2.3 million in the last three years on this work and intend to invest a further £2 million by the end of 2026 which will see a new Rehoming and Fostering CRM system developed.

With some of our core systems becoming increasingly obsolete, it was essential that we update them so that we can continue to support our teams and improve the experience for our supporters and customers. Achieving our first go-live has been a challenge given the scale and complexity of the changes involved, requiring considerable input from people across Blue Cross for a sustained period. There is also a high demand for developers and technology-related roles in the UK right now and this has had an impact on our delivery partners.

These factors did lead to delays in our timeline which then also increased costs, with the total expenditure for the FCE CRM to reach the point of going live being £1.34m. However, we consider this a real and significant achievement given the scale of expenditure that we are aware of in other organisations, and how common delays and cancellations are on a project of this type. A wide-ranging lessons learnt exercise is being undertaken to embed what has worked well and identify the opportunities for improvement.

Our people have worked incredibly hard across the organisation to achieve this first go-live for Central Platform and understandably this has been the major focus of many within our information services directorate.

Elsewhere we have also continued to upgrade and improve our key technology and data solutions in networks, cybersecurity and disaster recovery as well as progress the improvement of our data maturity and our use of insights across the organisation. Beyond 2026 we will also be looking at our veterinary and finance systems.

Income generation

Legacy

We remain so grateful for the generosity and foresight of people who chose to leave a gift in their Will to Blue Cross. In 2025, an incredible £28.1m was received through legacies (£29.2m in 2024).

While we celebrate these results, we are always humbled to be able to honour someone's final wishes. We never forget that every donation, big or small, is because someone chose to make such a kind and thoughtful gift to enable us to carry out our vital work in helping pets and people. Each of these meaningful gifts helps toward our vision of a world where all pets enjoy a healthy and happy life with people who love them.

Fundraising

The wider economic environment continued to place pressure on charities in 2025, and Blue Cross was no exception. While the year brought a number of fundraising successes, we experienced considerable challenges in our face-to-face regular-giving programme, where operational issues with our external partners meant we fell 30 per cent short of our donor recruitment target. However, regular giving remains vital to us to help ensure long term, sustainable income growth. We now have a new payment method in place and both agencies are up and running for 2026. We are also introducing sponsorship alongside core regular giving to see if we can improve sign up volumes and supporter retention.

Throughout the year we maintained a strong focus on integrating our support for pets and people into all fundraising messages. Pet homelessness and abandonment remained a central theme across campaigns. For example, our 2025 Christmas Appeal invited supporters to fund a virtual Critical Care Kit, providing essential items that help pets through their first hours in our care. This achieved over £350k in income.

A multi-channel campaign – spanning direct mail, digital activity, and social media – reached audiences across the UK. The campaign achieved recognition of 32 per cent, compared to 25 per cent in 2024.

One of the year's highlights was our partnership with Pets at Home, which delivered over £320k of income in 2025. Over the past two years, this collaboration has raised £777,316, helping fund our vital rehoming, veterinary and support services.

We are also fortunate to have dedicated teams of volunteer fundraisers based across our rehoming centres and hospitals. Their commitment to engaging their local communities continued to make a valuable contribution to our overall fundraising results.

Fundraising standards

In 2025, the Fundraising Regulator introduced a new Code of Fundraising Practice. The revised code is shorter, more principles-based, and provides stronger protections for fundraisers and supporters. It includes clearer guidance for digital, unstaffed and convenience giving, and reinforces the requirement for charities to operate in a way that is legal, open, honest, and respectful.

The Good Fundraising Training Guide has been updated to reflect the Fundraising Regulator's revised Code of Practice and will be rolled out to all relevant colleagues in early 2026.

We remain committed to transparency and high standards, and apply the following principles:

Open and accountable fundraising

We tell supporters how they can change their communication preferences at any time. In 2025, this information was included in every mailing, and our teams asked supporters about preferences at the end of every call.

Keeping supporters informed

We regularly update supporters – through our magazine, letters and emails – on how their donations are used to help pets and the people who love them.

Compliance with laws, regulation and best practice

Blue Cross follows the Fundraising Regulator's Code of Practice and is a member of the Chartered Institute of Fundraising. In 2025, we also participated in the sector-wide Compliance Forum to share learning and support continuous improvement. We operate in line with our own Supporter Charter and publish all policies at bluecross.org.uk/supportercharter.

Protecting vulnerable people

Our teams receive training to ensure we recognise and support individuals in vulnerable circumstances, guided by the Chartered Institute of Fundraising's framework. Further details are available at: bluecross.org.uk/protecting-vulnerable-supporters.

Compliments and complaints

We value every piece of feedback we receive from our supporters and customers, and their experiences help us understand what we are doing well and where we can improve. All feedback is treated seriously with complaints categorised by the type of issue involved and graded from low to high, depending on the level of impact on an individual, a pet, or on Blue Cross as a whole. Positive feedback is designated to the appropriate area or individual so we can acknowledge and highlight areas of success.

All feedback is analysed regularly, allowing us to identify trends and emerging issues in real time and to make meaningful improvements to our client, customer and supporter care. A good example of this is the veterinary team who, based on feedback received, took away the action to review whether introducing a consultation prompt sheet would allow clients an opportunity to focus their concerns. This is due to be trialled soon with the intention of supporting clearer communication, ensuring client concerns are fully understood at the outset of consultations, and to reduce the risk of misunderstandings.

Overall, in 2025, 749 complaints were raised which is a decrease of 6.49 per cent compared to the same period in the previous year. No consistent trends have been identified to explain this reduction. Instead, complaint volumes appear to reflect year-on-year contextual factors, including the impact of the XL Bully crisis, pricing changes and fluctuations in face-to-face fundraising activity.

In terms of complaint severity, 9.6 per cent of complaints being raised were of high or medium severity in 2025, against 11 per cent in 2024. Where we have seen a significant change is in the number of complaints being upheld or partially upheld, with 53 per cent of high/medium complaints being upheld in 2024 against 47 per cent in 2025.

Compliments increased by 82 per cent over the same timeframe. This increase has been largely driven by the Rehoming & Fostering team, which recorded a 137 per cent rise in compliments. This rise is primarily attributed to improved consistency and diligence in logging feedback.

Working with partners

We continue to work with trusted partners and, when and where we need to identify new agencies, we use a comprehensive procurement process. For example, each external organisation we work with on fundraising is carefully selected through an agreed process and monitored as they undertake work on behalf of Blue Cross. Through this process we aim to ensure we deliver excellent supporter care and value for money and are fully compliant with UK laws, regulations and standards. Regular reviews are also undertaken for all key suppliers and performance monitored on an ongoing basis.

We undertake a range of fundraising activities to encourage the donations that are so vital to funding our ongoing animal welfare work, both through our own internal teams and by employing external fundraising agencies. In 2025 we continued to partner with Gather Campaigns and Charity Link to provide our face-to-face fundraising, recruiting regular givers via door-to-door, shows and private sites such as shopping centres. In 2025 our fundraising teams contacted supporters and prospective supporters 6,159,931 times via direct mail, email and face-to-face fundraising. We received a total of 126 fundraising complaints, which is a reduction of 42 per cent on the previous year (219).

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

Our shops

Our customers remained incredibly supportive throughout 2025, both through shopping with us and donating high-quality preloved items. After a challenging 2024, we saw encouraging signs of recovery, although issues such as high staff turnover and declining volunteer availability continued to impact trading hours.

Despite these issues, net income grew from £207k in 2024 to £368k in 2025. We opened three new shops on the south coast, including a high-performing new shop in Hythe, and closed four underperforming sites. We also had to close our Grimsby Hospital shop due to expensive maintenance problems and other operational challenges. We ended 2025 with 56 shops, a decrease of two on 2024. We would like to say a big thank you to the team and volunteers who worked hard to keep the shop open for as long as possible.

Rising contractor and materials costs remained a pressure, but we continued to scrutinise all expenditure, ensuring that only essential repairs and refurbishments were undertaken.

Our eBay performance was our best since we launched on this site in 2019 and generated £168k in 2025 in sales (£132 in 2024).

Our sincere thanks to all our shop teams and volunteers for their outstanding effort throughout the year, and to the loyal customers who continue to give and buy from us.

Ensuring our estate is fit for the future

In 2025 we continued to focus on our "Future Estates Plan" project, which is developing a ten-year plan for our physical estate in which we will not only look at what we need for the sites to deliver our services, but also other factors such as environmental sustainability and accessibility, to ensure we are both playing our role in minimising the climate crisis and in ensuring our sites are accessible to all. We conducted extensive surveys across our rehoming centres and veterinary hospitals to understand the current condition of them and what works we would need to do to both maintain our existing estate, but also upgrade and improve it for our future plans.

A comprehensive report was delivered to the Executive Team in September 2025 and it was agreed that the priority in the next two years was ensuring that our sites were being well maintained and that, where we had fallen behind on pieces of maintenance, we caught up by the end of 2027. We were aware at the outset of this project that some of our sites were in need of additional maintenance works, but we did not know fully the scale of this work, which was one of the drivers for this project.

We have now established that there are quite significant maintenance works needed at a number of sites to ensure they continue to operate and provide safe, comfortable working environments for our teams and the pets we help. We believe this will cost us an additional £2.6 million over the next two years.

Our sites require this additional work due mainly to two key factors. Firstly, a number of our sites

have not had substantial refurbishments for over a decade, and in the absence of these refurbishments we have not had comprehensive preventative maintenance schedules in place to mitigate for this. Secondly, certain works were delayed during the COVID pandemic and since then our Estates team have had to focus heavily on catching up on these works, particularly with regard to compliance with health and safety legislation. Consequently the team have not had time to undertake more detailed surveys or plan more preventative maintenance.

To ensure that by the end of 2027 all identified maintenance work has been completed, we have set up a separate project to solely focus on this work and additional budget has been agreed in 2026 to proceed with all urgent works. We will also be putting in place planned preventative maintenance schedules for each site and ensuring we have sufficient resources to deliver them, which is a key lesson we have learnt from this project.

We are also continuing to progress with our plans to comprehensively refurbish and update our sites but it is important that, particularly in this rapidly changing world, this work is fully aligned with our future strategic plans and so will be finalised alongside the development of our future strategy, which is due to be completed by the summer of 2026.

Streamlined energy and carbon reporting

Developing our approach to climate change and sustainability

During the year the charity has continued to work towards how it can achieve its environmental commitment, which sets out how it intends to change its environmental impact by 2030. This commitment covers areas such as energy, water, waste and biodiversity and can be found on our website. We are clear that as a charity we need to play our part in dealing with the challenge of climate change and do all we can to operate in a sustainable manner. We now have three climate and sustainability groups who are meeting regularly to look at the areas of:

- Energy and water
- Travel and waste
- Land stewardship and biodiversity

These groups look at the current environmental impact the charity has in each of these areas and are making recommendations as to how the charity can reduce its impact. They also look to bring about local action at our different sites and individual actions by our employees and volunteers, as we believe that it is vital that everyone takes what actions they can to help minimise carbon emissions and climate change.

Blue Cross is reporting energy and carbon emissions in compliance with The Companies (Director's Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Energy consumption (kWh)	**2025**	**2024**
Gas	1,560,831	1,525,685
Electricity	2,249,175	2,216,466
Heating oil and LPG	756,218	1,059,264
Transport Fuel	871,153	954,021
Total	**5,437,377**	**5,755,436**
Emissions (tCO_{2e}) (kWh)	**2025**	**2024**
Gas	286	279
Electricity	398	459
Heating oil and LPG	168	253
Transport Fuel	217	241
Total	**1,069**	**1,232**
Emissions per FTE	**1.36**	**1.60**

Methodology

Methodology follows best practice and is based on HM Government Environmental Reporting Guidelines, 2019. The key elements of the methodology are as follows:

- All emissions factors are taken from the latest 2023 and 2024 versions of the UK Government GHG Conversion Factors for Company Reporting.
- Scope 1 and Scope 2 consumption data (gas LPG, heating oil and electricity) is taken from validated and verified utility supplier invoices.
- Scope 1 and Scope 3 data for transport fuel is taken from Blue Cross internal systems which record mileage driven by fleet vehicles and the grey fleet (which relates to mileage driven in private vehicles by employees on company business).

- Mileage driven in company fleet vehicles is classed as Scope 1 while the grey fleet is classed as Scope 3. This is in line with HM Government Guidelines.

Review of the period

Overall energy usage dropped in 2025, following another small drop in 2024. The tonnes of CO_2 have also fallen, as overall the sources of energy being used are generating less CO_2 than previously.

Usage of electricity and gas has increased slightly across the estate, as our sites have been busier as reflected by our increased pets helped numbers for 2025. However, the tonnes of CO_2 generated by electricity usage has decreased, as the UK's energy mix has moved more to cleaner, renewable power. Our own energy contracts have been 100 per cent zero carbon since 2024 and so our electricity usage is actually generating no carbon dioxide. However, for the purposes of SECR we have to use the government mandated energy conversion figures that reflect the wider energy mix across the country.

Heating Oil and LPG, which are primarily used on a number of our rehoming sites, saw a noticeable decrease last year. This is partly due to warmer temperatures resulting in less heating use but also because they are calculated based on an invoiced basis and do not take into account how much of each fuel we have remaining on each of our sites at year end. Therefore, the timing of deliveries and the remaining stock quantity at year end can have a significant impact on these figures. We are looking at how we can more accurately measure true usage during the year under review.

We recognise we need to decrease usage of these heating fuels further. We are currently looking at sources of heating across our estate and how we can switch away from these more carbon intensive fuel types to electric powered heating systems, ideally powered by renewable energy sources.

Transport fuel has decreased primarily due to the mix of vehicles used. The total mileage driven across the organisation has increased slightly, from 755,680 miles to 795,894 miles but a greater percentage of this was in our new electric vehicles which have a much lower carbon footprint than the diesel and petrol vehicles they have replaced.

Our mileage figures have increased due to us helping more pets in our Rehoming services and also greater retail activity with new shops being opened on the south coast of England. These resulted in a 5 per cent increase in overall mileage driven but due to the introduction of a number of fully electric and hybrid vehicles in our fleet during the year and a reduction in our grey fleet mileage the total emissions fell. We would expect this trend to continue now as these vehicles will be available for the whole year starting from 2026 and we will also look to introduce more electric vehicles where practical.

We are looking at how we can more accurately record the emissions from vehicles in our grey fleet (the privately owned vehicles of employees) and also how we can ensure that business travel is undertaken only when it is wholly necessary. We are confident through this mix of measures the emissions figure from transport fuel will fall in 2026 and further years.

Our emissions per FTE has decreased to 1.36 due to the overall changes in CO2 emissions. Our number of Full Time Equivalent (FTE) employees remained broadly unchanged at 785 (2024: 770)

Energy saving actions taken in 2025

In order to meet our environment commitments by 2030 we have set up focus groups looking at the following areas of environmental sustainability. These groups meet regularly during the year and work collaboratively across the organisation to progress with plans to reduce our impact in each area. The following are the key points of progress made in each area during 2025:

Travel and Waste

- Completed the roll out of EV charging points across a number of our sites and rolled our electric vehicles to these sites to help reduce the carbon emissions involved in our necessary travel.
- Launched a 'Sustainable Travel' guide to help employee's consider environmental considerations when travelling for Blue Cross work.
- Partnered with a new travel and accommodation bookings supplier to centralise all our bookings. This will allow us to start reporting on carbon emissions associated with other forms of travel (such as trains). This will be available during 2026.
- Surveyed sites regarding bin use and asked whether additional bins were required to help with recycling. Where sites wanted additional bins we have provided them and have also started trialing specific bins for medicine packaging (which requires specific recycling) in one of our hospitals.
- Through our network of Retail shops we continue to recycle huge quantities of clothing and other goods, both for resale and also for areas such a rag collections for clothing which can't be sold. The goods that are sold are not included in the "Recycled" figure in our waste and recycling figures below, which are purely for genuine waste collected from our shops.

Our waste and recycling figures

Retail operations	2025	2024
Recycled	65% (158 tonnes)	61% (165 tonnes)
Incinerated for energy recovery	34% (84 tonnes)	37% (101 tonnes)
Landfill	1% (2 tonnes)	2% (5 tonnes)

Rehoming centres and hospitals*	2025	2024
Recycled	18% (25 tonnes)	18% (21 tonnes)
Incinerated for energy recovery	82% (110 tonnes)	82% (95 tonnes)
Landfill	0% (0 tonnes)	0% (0 tonnes)

Energy & Water

- We continued to use a zero carbon contract via EDF for goal our electricity. This nuclear backed contract means we know the electricity we use is generated without contributing to carbon dioxide emissions.
- We continued our roll out of Stark ID electric metering across the organisation so each individual site can see what electricity they are using every 30 mins, as well as an overview of usage across all sites to improve energy management.
- We implemented further smart water metering at a number of our sites.

Biodiversity & Land Stewardship

- We have been carrying out significant tree and hedge planting across our Burford site, with over 2,000 plants planted. These will be allowed to grow into new hedges and trees to provide spaces for nature and also convert carbon dioxide.
- Preliminary Ecological Appraisals (PEAs) were carried out at our largest owned sites to establish ecological baselines. Specific action plans in line with recommendations to increase biodiversity at these sites are being developed.
- Some of our larger locations, such as Burford and Suffolk, worked with local community groups to install bat and bird boxes. Young offenders from the North Essex Youth Justice Service working in collaboration with Suffolk rehoming centre have created surplus boxes to be distributed to other Blue Cross sites.
- Seeds were harvested from the wildflower meadow at Burford in the autumn and sent to other large sites for planting.

Our plans for the future

We have made significant progress towards the goals set out in Our Focus 2024–2026. To maintain this momentum, we must continue evolving and strengthening our charity, so we can remain financially sustainable and increase our impact for pets and the people who love them long into the future.

2026 marks the final year of Our Focus 2024–2026. Throughout the year, we will continue to focus heavily on delivering the five strategic goals that we have been working towards over the last two years. We believe we are on track to achieve these goals, although we recognise there will be challenges to overcome given the wider economic environment.

However, we know our teams across the country will give their upmost in trying to make sure we not only achieve these goals, but also have the greatest possible impact for pets and people.

At the same time, we have already started to develop our strategy for beyond 2026, and will finalise and launch our new strategy early 2027. With the world continuing to change rapidly, we are already exploring some of the key areas that we feel will be key to our next strategic cycle.

Expand our services digitally

We believe that it is vital that, as well as our physical sites, we have a strong online presence and make the best use of modern technology to deliver our services, as well as continuing to maintain traditional methods for those who can't or don't want to go online. We will be focused on making sure that our services have the right processes and tools in place to enable us to expand our services and to deliver the best possible service to those who need our help and also those who support our vital work.

As the pet population continues to grow and demand for our services increasingly exceeds our available resources, we recognise the need to think differently about how we reach the people and pets who rely on us. To extend our impact, we are exploring how best to offer our help and support

through digital channels, to provide accessible, compassionate, welfare-driven services that are designed around our customers' needs.

Deliver for pets and people in times of need

Rising costs, conflicting online advice, and everyday pressures are making life increasingly difficult for many people – and for charities too. We believe that these challenges will continue throughout the next strategic period, and we are determined to do everything we can to ensure that pets and people can access the help they need, when they need it, whether directly from Blue Cross or through one of our trusted partners.

To increase our impact across the country, we will explore how we can reach more people and pets who need our support. We will focus on building deeper and more far reaching partnerships. We will also work closely with donors to secure funding for key priority areas, allowing us to make life better for even more pets in urgent need.

Building a better society for pets

As well as providing help to pets and people in times of need, we have a long history of championing the welfare of pets and horses, to drive system change and tackle the root causes of animal welfare issues. Pets are an integral and deeply valued part of our communities, and we want to help shape a society where pets and people can truly thrive together.

This ambition builds on our recent responsible dog ownership work, including campaigning for more effective dog legislation and improving understanding of pets' needs and behaviours across all the species we support. Through sharing knowledge, providing practical guidance, and working collaboratively with peers, we aim to create safer communities, reduce harm to pets, and ensure their needs are better understood and met.

Ensuring we remain financially sustainable

We have worked hard in the last few years to ensure that our budget balances on our day-to-day operations, but we know we need to do more, as costs will inevitably increase over the coming years. We therefore need to continue to invest in a number of key areas, which we are currently funding from our reserves. We have a responsibility to make sure that our supporters' donations are spent well, so we will be looking in detail at how all our teams operate to see how we can improve efficiency and productivity to save time and money. In addition to managing our costs and working smarter, we will also work hard to drive income – an increasingly challenging task in the current climate.

Challenges we face

Rising costs

The cost of living and the cost of pet ownership has increased significantly in recent years, making it harder for the people we're here to help, our supporters and teams. Alongside this, operational costs have increased for Blue Cross in the same way as they have for other charities. We are having to work hard and make tough decisions to control our costs in this environment, so that we can continue to have the greatest possible impact with the money our donors entrust us with.

It is vital that we continue to make sure we can have the greatest possible impact with the money our donors entrust us with.

Competition for income

The fundraising environment is increasingly competitive between charities, and we are having to work harder to maintain the amount of money we can raise based on the budget we have available to spend on fundraising. Areas like retail have also been impacted, with donations to charity shops dropping as a result of an increase in people selling second hand goods online themselves, rather than donating them to Blue Cross shops.

Demand for services

We are seeing an increased demand for all our services and we simply cannot help every person and pet that needs us. The increasing cost of veterinary treatment is driving more people to seek help through our hospitals and veterinary care fund. And, whilst we are committed to helping as many pets and people as possible, sadly we are seeing more pets being relinquished for adoption. In rehoming and fostering we are seeing a high number of people needing to rehome their pets and we are also seeing more dogs coming into our care with challenging behavioural issues and health issues. These pets need more specialist support and care before they can be rehomed, which further limits the number of other pets we can admit.

Cyber-attacks on our systems and infrastructure

We see a number of attempted attacks on our systems and information technology infrastructure each year. These are increasing year on year as scammers attempt to find ways to infiltrate our systems and extract data from them to then use for their criminal activities. We take the security of our systems very seriously and have invested more in this area in recent years to ensure that our supporters and customer data is kept securely. This was recognised when we were re-certified as compliant with Cyber Essentials + in 2025. Sadly, we anticipate this trend of cyber-attacks will continue and we will continue to be vigilant in this area.

Financial review and outturn

Financial outturn

The overall result for the year was a surplus of £1.6m (2024 loss of £331k). This was the result of a gain of £2.8m on our investment portfolio, as our charitable operations made a loss of £1.2m, primarily driven by our continued investments in a number of key strategic programmes. However, the operating loss was far smaller than expected due to a combination of legacy income being stronger than anticipated and costs in Fundraising and Retail in particular being lower than budgeted.

We expect to see another operational loss in 2026, where we have budgeted for a total operating loss (before any changes to our investment portfolio) of £2.1m, as we continue to invest further in our frontline services and their sites, as well as in areas such as technology platforms and brand awareness, all of which has been ongoing during 2025. These investments will ensure we can achieve key aims of growing our charitable impact, that we continue to be an efficient and productive charity and that we continue to be able to raise funds for our vital work.

Our subsidiary the Blue Cross Trading Company continued to trade successfully and it delivered a profit of £416k (2024: £301k) that was donated to the charity. The Blue Cross Trading Company handles the selling of new goods via our charity retail shops and also has a series of commission and royalty agreements with third parties, primarily for licensing of the Blue Cross Brand.

We are immensely grateful to our supporters for their donations, and our people for their efforts during 2025. Our teams have worked tirelessly to continue to bring in income and minimise costs wherever possible and it is through this work that we managed to end the year in a strong financial position which we can then invest in future years.

Income

We are dependent on donations for everything we do. On behalf of all the pets and people helped we would like to thank every one of our supporters for their generosity. We'd also like to thank our corporate partners, trusts and foundations, and individuals, especially those mentioned on page 63.

Our income streams overall performed in advance of our expectations for the year, though this was due to a strong legacy income performance with a number of other income streams coming in below budget. At £28.1m (2024 £29.2m), legacy income was down from the record high we saw in 2024 but still slightly ahead of budget.

Donations were at £10.8m (2024 £10.6m). This was a positive result in a hardening fundraising environment and in light of the fact there is greater competition between charities for donations. We expect it to be a similarly challenging fundraising market in the next few years but are looking at how we can continue to grow our fundraised income, which is vital for delivery of our work.

Our charity shops' income did increase to £5.3m (2024 £5.1m), which was pleasing in a tough retail environment. We also saw lower property related costs which meant our charity shops were more profitable than in 2024. It continues to be a tough retail environment, but we feel there will be continued demand for charity shops because of a combination of customers being focused on both the price and the environmental impact of what they purchase. Due to this we will continue to look for opportunities for new shops in strong locations around the UK, while also exiting locations that are no longer profitable which we did on four occasions in 2025.

Income from charitable services also increased to £4m (2024 £3.8m). This was primarily due to an increase in both our veterinary and rehoming income streams as new pricing models and higher pets helped numbers delivered additional income. However we also saw good income growth from our Pet Loss Support and Education services, via partnerships with commercial organisations for the delivery of training.

Expenditure

Our salary costs increased to £29.2m (2024 £28.2m). This was in line with the overall budget for the year, though in different areas of the charity we were over and under budget. The increase was driven by changes to the National insurance regime made by the UK government, which added £688k to our Employer's National Insurance bill, and also salary increases for employees, though these were below inflation at an average of 2 per cent as we sought to control costs across the business.

Operational costs and overheads overall decreased to £22m (2024 £22.5m). This was due to two main factors; firstly, in 2024 there were one off costs associated with our XL Bully scheme included in our Veterinary Services costs and so veterinary costs have dropped slightly this year; secondly, our Advice and Support costs have decreased due to changes in the way we operate our Pet Food Bank service.

Operating costs and overheads expenditure was below our budget for the year primarily because of underspends in Fundraising and Retail. We struggled to spend money on some face-to-face fundraising activities due to encountering problems with one of our fundraising agencies looking to switch their recurring donation collection method from direct debits to continuous card payments. Longer term this will have an impact on our fundraised income, as this activity is designed to help us engage with people and ask them to become regular, long-term donors. We did manage to resolve these problems before the end of 2025 and so believe recruitment of donors should be increased again in 2026.

We did not open as many new shops as expected in our Retail operation and this was the major factor in driving an underspend in this area, along with lower than expected property maintenance costs in existing stores.

During the year, Blue Cross spent £37.2m (2024 £37.3m) on charitable activities, which represents 72 per cent of total expenditure in the year (2024 74 per cent). For every £1 invested in raising funds, we received £7.44 back in donations and legacies (2024 £7.77).

Balance sheet

Our balance sheet comprises net assets of £76.4m (2024 £74.8m). The legacy debtor has increased at £28.5m (2025 £25.5m), as estates seem to be taking longer to make payments of amounts to beneficiaries, following grant of probate. We believe this is partly due to a slower property market as well as factors at HMCTS and executors.

Our cash holdings decreased to £2.8m at year end (2024 £6.1m). Last year's balance was unusually high due to the withdrawal of £5 million from our investment portfolio at the start of December 2024 to fund our planned investments in key strategic areas and also our day-to-day operations in 2025. We will need to withdraw further amounts in 2026 to fund our continued investments in key strategic projects. These are all planned withdrawals that are agreed by the trustee board, who believe it is right for the charity to be using some of its reserves to be investing in its future strategy at this stage.

The Investment portfolio value has risen from £28m to £30.7m, as the investments markets had a strong year in 2025.

We monitor cashflow very closely and have in place plans that will allow us to access additional funding if we encounter cashflow challenges, though none are anticipated at this point.

Investment policy and performance

The management of our investment portfolio was transferred to Cazenove in early 2025 after a competitive tender process where we interviewed a number of firms. We now have most of our investment portfolio invested in their Sustainable Multi Asset fund and that has performed well this year, resulting in a gain of £2.8m and a set income yield of 4 per cent, which was £1.2m. One of the reasons for transferring the portfolio to this fund was the set income yield to give us more certainty on amount of income we would receive each year to fund our operations. The historic performance of the fund and the alignment with our investment values policy were also key factors.

The target return for the overall portfolio is an average of consumer price inflation plus 4 per cent over the long-term (5 years+). The sustainable multi asset fund delivered an increase of 12 per cent in 2025, which was comfortably in advance of CPI +4 per cent and also ahead of the ARC Steady Growth ACI Peer Group than achieved 9.1 per cent.

The charity also holds cash as part of its liquid reserves and does seek to obtain a return on these amounts, while minimising the risk of any loss on these holdings.

2025 has been a strong year for investment portfolios in general. A number of large technology companies have continued to strongly lead global equity market indices in 2025. There has also been a wider uplift in stock market values, following a challenging 2024 for other sectors, and we saw the benefit of that after our transition to the Sustainable Multi Asset Fund.

We publish our investment policy on our website. This policy guides our investment decisions and makes sure we are considering the nature of our investments, to ensure that they reflect our values and principles, as well as driving a financial return for the organisation. The focus on sustainability investment has continued. At the end of 2025, all investments demonstrated strong social and environmental management and corporate governance, with clear positive ethical and sustainability attributes. During the year the Investment Committee reviewed the investment policy and made some small amendments. The policy aligns with Blue Cross's values while giving sufficient discretion to our investment managers.

Going concern

The directors are of the opinion that the company has adequate resources to continue to operate for the foreseeable future, for at least 12 months from the date of approval of the financial statements. They have formed this opinion after reviewing future forecasts, cash flows and debt level. The level of reserves and current cash-flow is sufficient to cover repayment of our existing loans. Future forecasts show the charity will be operating at a loss due to expenditure on its charitable services exceeding its regular income and also investment in charitable services, information systems and brand awareness. The charity has sufficient reserves held in cash and in our investment portfolio to cover these planned operating losses while it takes action to return to a sustainable financial position by 2027 as stated in our strategy. For these reasons, the directors believe it is a going concern and there are no material uncertainties.

Accounting policies

There have been no changes of accounting policies during the year. The 2025 annual report and financial statements have been prepared in accordance with current statutory requirements, the Memorandum and Articles of Association, Companies Act 2006, Charities SORP – issued 2019 and Charities and Trustee Investment (Scotland) Act 2005.

Planned expenditure

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

Reserves policy

The charity holds general reserves to support the organisation in countering short-term financial risks, while recognising the interaction between reserves and long-term strategic objectives and capital plans. The Board's policy is to maintain sufficient unrestricted liquid reserves to counter the most significant short-term financial risk to the organisation, which has been identified as a sudden fall in income. Liquid, unrestricted reserves is defined as the total balance of cash, debtors (excluding debtors related to legacies), investments and creditors that the charity holds, minus the balance of any restricted funds. This differs from the standard definition of free reserves due to the exclusion of the legacy debtor. This is excluded due to its potential for a high level of illiquidity, as it is dependent on the relevant estates being converted to cash for distribution by executors. The appropriate benchmark has been determined as the ratio of liquid, unrestricted reserves to the amount required to cover the following expenditure:

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

The Board reviews this measure annually and has decided that the minimum target ratio is 0.5, subject to minimum liquid, unrestricted reserves of £15m. At 31 December 2025 the charity was operating at a ratio of 0.82 (2024 0.86) with a liquid, unrestricted reserve of £23.9m (2024 £25.9m).

Free reserves at year end are £52.1m (2024 £51.4m), calculated as per the Charity Commission guidance. Reserves are expected to decrease in the next few years, as the charity continues to invest in its future via strategic investments in its much-needed services and areas such as new Customer Relationships Management (CRM) systems and its brand and fundraising activities.

The Board determined that there should be a balanced budget by the end of 2026 on the charity's day-to-day activities (excluding exceptional items and those that represent agreed, specific investments in the future of the charity) and this has been achieved in the 2026 budget through a combination of income growth and cost control. However, an overall budgeted operating loss of £2.1 million has been agreed for 2026 and drawdowns will be made from the investment portfolio to fund this deficit. A further

overall loss is currently forecasted in 2027, as there will still be a need to invest further in key areas beyond 2026. Further work is ongoing to grow income streams and limit the increase of costs in the future. The Board has confidence that through this strategy the reserves will remain above the minimum permissible ratio. These investments are very important for the future of the charity and to allow it to continue to deliver its wide range of vital services.

Given the illiquid nature of large parts of our free reserves, primarily due to our legacy income debtor, and the fact that we need to continue to invest in a number of strategically important areas in coming years, the trustees will in 2026 look at designating specific funds to better reflect the true nature of our reserves. The exact designated figure is yet to be determined but is expected to be between £20 million and £30 million of reserves.

Risk management

We are committed to ensuring risk management is a core element of our governance arrangements and that our risk management process supports us in fulfilling our charitable purpose, delivering our strategic priorities and achieving our operational objectives.

Our Board of Trustees retains overall responsibility for oversight of risk and are supported by the Audit and Risk Committee (ARC) and the Service and Delivery Committee (SEDCO) who, under delegated responsibility, provide deeper scrutiny of our systems and processes for governance, risk management and internal control across the charity's strategic risks and non-clinical (ARC), veterinary and animal welfare (SEDCO) related activities. The Chief Executive, assisted by the Executive Team, has been delegated day-to-day operational responsibility for risk management. This structure enables us to make informed decisions, whether that be the deployment of resources in our ongoing operations or making investment decisions as part of our strategy.

As mentioned in last year's annual report, we had identified risk management as an area of focus and development; seeking to strengthen our risk maturity, firmly embed risk management across the organisation and obtain value from our processes. To help us achieve this, during 2025 we recruited for a new Risk and Business Continuity Manager role. This has provided an experienced resource who, since joining, has undertaken a complete review of our risk management approach; this involving stakeholders from across the organisation and producing a comprehensive action plan to reframe risk management which the postholder is now leading delivery of with support from colleagues across the charity. We believe this will ensure that our risk management practices work to protect the organisation and help us maximise our impact, while also ensuring that teams are not spending unnecessary time on non-value adding risk management administration tasks.

We have not added any additional strategic risks in the year. We continue to review all our strategic risks regularly at both the Executive Team and the Board of Trustees levels; this includes discussing changes that affect our assessment of these risks, identifying required updates / revisions and any additional strategic risks that we should capture. This activity ensures that our risks are assessed, positioned correctly and that we have pragmatic and proportionate controls and mitigations in place to manage them

The charity trustees have considered the major risks to which the charity is exposed (titled strategic risks as below) and satisfied themselves that systems or procedures are established in order to manage those risks. Strategic risks are defined as those that would have a significant impact and are likely, or highly likely to occur. If they did happen, they would have an impact on some or all of the following areas – governance, operations, financial, environmental or external factors such as reputation or relationship with funders, and a charity's compliance with laws or regulations.

Strategic risks and how we are managing them

The following are the strategic risks facing the organisation at the end of 2025.

Risk	What are we doing?
Our welfare standards are either insufficient or not consistently upheld, leading to compromised animal care, reduced staff engagement and harm to our brand reputation.	We maintain a comprehensive framework of internal welfare standards aligned to sector best practice, including those set by the Association of Dogs and Cats Homes and the Royal College of Veterinary Surgeons. These are supported by clear policies for staff and volunteers and regular internal clinical audits to ensure consistent, high-quality animal care.
Significant adverse external media coverage arising from our more active public affairs and campaigning stance results in damage to Blue Cross' reputation.	We monitor customer feedback, complaints, media coverage and social channels to understand perception and manage reputational risk. Insights inform training, procedure updates and brand management while enabling us to pursue our advocacy agenda responsibly.
Blue Cross does not achieve its financial objective of a balanced budget by 2026 and does not set a course for longer term financial sustainability, which is required if it is to survive and grow its impact.	We maintain appropriate reserves and undertake regular short-, medium- and long-term financial forecasting, which is reported to Management and Trustees. We continue to diversify income and manage our costs to deliver both our Long-Term Financial Sustainability Programme objective of a balanced day to day budget in 2026 and ongoing financial sustainability in the longer term.
Blue Cross is unable to meet its purpose to help pets and people in the UK thrive together as it lacks the people, skills or culture to deliver its services.	We continuously review the overall level of reward and benefits we offer to our existing employees to minimise our staff turnover rate. We are continuing to strengthen recruitment and succession planning practices and have a strong ongoing focus on Equality, Diversity and Inclusion, which are all key steps to being a preferred employer. Volunteer recruitment, training and recognition also remain key priorities for us, as volunteers from such a large and vital part of our work force.
Weaknesses in corporate governance leads to legal or regulatory non-compliance, significant reputational damage, poor decision making and undermined strategy delivery.	We operate a clear Board and Committee structure with trustee induction and training to ensure that our trustees are well supported. We benchmark governance against best practice regularly and also regularly take time in trustee meetings to reflect upon whether there are any areas we need to improve upon. The Chair of the Board speaks to all trustees formally at least once a year to ensure that they have an opportunity to raise any concerns with them directly. We maintain an independent Internal Audit programme overseen by the Audit and Risk Committee and delivered by our co-sourced Internal Audit partner to help identify any risks or concerns that the board should be aware of.

Risk	What are we doing?
Unavailable technology and data services due to either system errors, or attacks from either hostile third parties or internal users, leading to significant and prolonged disruption to operations and income raising activities, as well as reputational damage.	We are embedding security by design for new technology solutions, and change processes are followed to maintain system integrity. Where appropriate and possible we follow security best practice, supported by policies and training for our users. Wherever feasible, we have ensured the implementation of multi-factor authentication is in place to manage and control access to our core systems and we have ongoing reviews by internal and external specialists to strengthen resilience. We maintain Cyber Essentials + certification to help ensure that our overall controls are appropriate.
Blue Cross fails to adapt to a changing external environment and delivers the wrong outcomes, leading to short and medium term financial, reputational and operational impairment and long-term irrelevance.	Delivery of our strategy is overseen by our Strategic Planning team and supported by robust governance. Major programmes and projects are underpinned by business cases, Executive and Trustee approval, and cross-functional steering groups who oversee the delivery.
The absence of an effective Customer Relationship Management (CRM) and Rehoming & Fostering technology solution could lead to a failure to understand and meet clients' needs, missed income opportunities, inefficiencies, and inconsistent adherence to defined business processes resulting in a reduced quality of service and fewer pets and people helped.'	Through our Central Platform programme, we are delivering a new Microsoft Dynamics CRM with Executive, Trustee and internal audit oversight. This programme will improve insight, efficiency and service quality. The new robust, resilient and flexible solution can and will evolve and adapt with the requirements of the organisation. Successful completion of this work will minimise and reduce this risk considerably.

Structure, governance and management

Consideration of Directors' responsibilities

Under Section 172 of the Companies Act 2006 the Board of Trustees, as Company Directors, have a duty to promote the long-term success of Blue Cross. They have done that during 2025 by duly considering the impact of the decisions they make on the future of the organisation. They have taken into account the view of different stakeholder groups who will be affected by the decisions and have weighed and considered the different options that were available to the organisation on each occasion. The Board will always consider the values and objects of the charity in the decision making process as adherence to these is essential for the long-term success of the charity. The Board believes they have acted throughout the year in the best interests of the charity and in a manner which will bring about long-term success.

The Directors consider the key stakeholder groups for Blue Cross to be its clients (pets and owners), supporters, employees and volunteers, its partners and its suppliers. Details on how we look to engage and listen to all these stakeholder groups are included on page 33.

During the year the Board has continued to focus on the delivery of the strategy and the key programmes within it, meeting regularly to discuss whether these are on track and understand where there may be challenges and risks to the delivery of the intended outcomes. Trustees have also where necessary discussed other matters that required their specific attention and approval and have also been heavily involved in developing the charity's strategy beyond 2026.

The key areas that the Board has discussed this year were:

- Development of the charity's strategy beyond 2026. The Board spent a number of dedicated strategy development days discussing a wide range of external and internal factors that need consideration in the development of our future strategy. They have worked closely with the Executive Team and other key stakeholders across the organisation to create a strategy that will deliver vital services for the charity's beneficiaries, make use of modern technology and partnerships and also ensure the charity remains financially sustainable.
- Continued monitoring of the brand and engagement activity after the approval (in 2023) of the business case for this initial two year investment across 2024 and 2025. At the end of the year the Board agreed to a further investment for 2026. The results of this work have been very pleasing from a brand awareness perspective, but it has not delivered the financial return that was anticipated. Specific assurance work was undertaken in 2025 to analyse the performance to date and make recommendations as to how financial performance could be improved in 2026. Therefore in 2026 the Board has agreed a further investment but with specific changes being made to aid the conversion of brand awareness increases to income streams. No decision has yet been taken on this activity post 2026.
- Monitoring progress of the Central Platform Programme as it progressed during the year, with the first phase successfully going live in November 2025. As this is the first part of a major programme of change it has continued to have considerable time devoted to it at Board and Committee meetings. It has also been subject to specific internal audits and reviews that have then been delivered to the Board to help Trustees gain assurance that the programme will deliver its planned outcomes. The first phase going live marks a considerable milestone for the charity and is a testament to all of those involved with the programme. The Board will continue to monitor the future phases of the project as it progresses.
- Reviewing the financial sustainability of the charity over the medium to long-term. The Board had set in 2024 the goal of there being a balanced budget on day-to-day activities in 2026, excluding certain pre agreed items which were considered, at that time, exceptional or strategic investments in the charity's future. The Board monitored the progress towards this goal during 2025 and discussed it regularly with the Executive Team. The Board also approved a plan to make a small number of redundancies during 2025, which were unfortunately a necessary part of the work undertaken to achieve this goal. The 2026 budget does deliver on this goal,

though the Board acknowledge that this budget needs to now be delivered and also further work is required to ensure that this situation continues in the future, especially given the need to invest further amounts in the charity which will put a strain on reserves.

- Discussing and agreeing the charity's new proposed single pricing model for veterinary services which will come into effect in January 2026. The Trustees made sure they fully understood the new proposed model and the different categories of clients who would be affected by the increased charges. They looked at how the charity was evaluating the ability of people to pay for their pet's treatment alongside the need of the charity to balance its own finances. It is important to the Board that the charity remains focused on pragmatic veterinary care and delivers this through its own services as well as championing this topic in the wider veterinary world.
- Discussing the performance of the charity against key targets in its Rehoming and Veterinary services. The Board spent time looking at how the charity was performing against its stated goals for Pets Helped numbers by the end of 2026 in its two key services. In both areas the Board feels the charity is slightly behind where they would like it to be but acknowledge that both services are working in a very challenging environment. The Board has signed off the 2026 budget which it believes contains sufficient financial resources to achieve the strategic goals and it will continue to monitor performance closely during 2026.
- Towards the end of the year the Board spent time looking at the results of the site condition surveys that took place during the year and making sure they understood the current status of our sites and the reasons why the costs associated with repairs and ongoing maintenance will be higher than expected. They approved an initial £1.1m of expenditure to carry out the most urgent actions across all sites and also asked the Executive team to ensure that full planned preventative maintenance schedules were drawn up for every site to maintain them in the future.

Engagement with stakeholders

Engagement with employees

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

During 2025 employees across the veterinary directorate were engaged with regarding the changes to the veterinary pricing model as the Trustees were keen to understand their views on the potential changes. There was also strong engagement from a wider range of employees on areas such as the development and implementation of our new fundraising customer relationship management (CRM) system and on achieving long term financial sustainability for the charity. There was a suggestion box established for any employees or volunteers to submit ideas regarding potential financial savings or income growth for the Long Term Financial Sustainability project.

Business relationships

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

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

Our customers constitute a wider body of people and other organisations, including customers in our shops, members of the public adopting pets in our rehoming centres, pet owners seeking veterinary care in our hospitals and the many thousands of donors who support our work every year. Indeed some people will be in a number of these groups of customers. We look to engage with all these groups through a variety of communication means, such as face-to-face conversations, emails and supporter magazines. We always welcome feedback and our Supporter Care team capture any complaints or compliments that are raised with them and then pass this information on to the relevant teams within the organisations so it can be considered as part of constantly reviewing working practices.

During 2025 we engaged with customers of our veterinary services to understand their views on the planned changes of the pricing model. Overall the response was positive, with customers understanding the need for us to charge more for our services and still felt they represented very good value.

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

We make use of supporter panels to understand whether pieces like our Brand Awareness campaign will resonate and also when we are planning changes to our services, such as with our veterinary charges. We also included specific questions regarding our veterinary pricing changes on a YouGov survey to understand how supporters and potential supporters would view it. This was very positive with 21 per cent of people saying they were more likely to support Blue Cross because of it, while only 6 per cent said they were less likely to.

Safeguarding

Safeguarding within Blue Cross is primarily managed via the Blue Cross Safeguarding Board. This Board is here to ensure that the charity works together to protect young persons and vulnerable adults from abuse or harm within its remit.

We remain committed to ensuring that:

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

The Safeguarding Board is committed to learning from experience and to a process of continuous improvement and undertake regular internal and external training. The aims of the Board are to:

- Promote and embed a sound and consistent safeguarding culture across the charity
- Encourage leaders and managers to fully embed safeguarding policies and procedures in the practice of front-line teams
- Review safeguarding incidents and implement any learnings
- Share learning and experience from conferences, workshops and best practice
- Review operational effectiveness of safeguarding policies and procedures and consider any amendments where necessary

During 2025, we've seen the safeguarding figures steadily increase, as well as the complexity and severity of reported cases. We firmly believe this to be a very positive outcome of increased awareness of safeguarding policies and processes throughout the organisation.

Governance

Blue Cross was founded in 1897 under our former name, Our Dumb Friends League. The organisation is a charitable company limited by guarantee, incorporated on 11 September 1940 and registered as a charity on 8 February 1965 (registration number in England and Wales 224392). Blue Cross, Shilton Road, Burford, Oxon OX18 4PF.

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

Meeting on 14 November 2012. The charity is registered in Scotland with the OSCR (registration number: SC040154). The primary focus of its work in Scotland is the delivery of educational talks and working with the Scottish government on a range of animal welfare measures, to try and improve the lives of pets in Scotland.

Trustees

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

During the year the actual number of Trustees was 12. In appointing Trustees, the Board is mindful of the need to ensure diversity and that a wide range of skills and experiences appropriate to the charity's activities are represented. Recruitment of Trustees is delegated to a committee of Trustees under the Chair's leadership, which makes recommendations to the Board. In its recent recruitment, the Board has sought to achieve greater diversity and to lower the average age of Trustees. It also aimed to ensure there are a sufficient number of potential future trustees by appointing a number of independent members and an observer.

No more than one third of Trustees at any time can serve beyond nine years where their skills and experience are desirable to be retained. The ongoing contribution of such Trustees is reviewed annually by the Board. The Chair is subject to an annual appraisal process by a senior Trustee based on feedback from each Trustee. The Chair discusses on an annual basis with each Trustee their current and future contribution and any development needs. The trustees are required to undertake internal training modules, including GDPR, equality and diversity and information security, and attend external professional development events.

The Trustees regularly review governance best practice and pay particular attention to the Charity Governance Code, using it as a benchmark to guide their activities as Trustees and ensuring that they are giving sufficient time and attention to the seven principles contained within it.

The Trustees also regularly commission external governance reviews to ensure that they are continuing to operate in line with best practice. A review was last done by Bayes Business school in 2022 and the next review is scheduled to be undertaken again in 2027.

Independent Board Members and observers

The Board can where it feels appropriate appoint independent members and observers, both to the full Board and to individual committees.

These are shown as part of the membership of the Board and its Committees on page 36.

Related parties and subsidiary charities

The charity has two subsidiary undertakings, Blue Cross Trading Company Limited and Blue Cross D&B Company Limited. The results of subsidiaries are included in the charity's consolidated financial statements, though Blue Cross D&B Limited is dormant and so it does not have financial results to consolidate.

Further information on these subsidiaries can be found in notes 17 and 18 of the financial statements. There are also a number of other related parties and subsidiary charities.

Full details of these can be found in note 19 of the financial statements.

Committees

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

These committees are:

Audit and Risk Committee (ARC): on behalf of the Board considers that adequate and effective systems of assurance, governance and risk management are in place across the organisation.

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

Finance and Support Committee (Fisco): primarily considers financial, people, estate, health and safety and information technology related matters for the charity and is focused on ensuring the charity is financially secure and operationally effective. It initially reviews and discusses matters such as the annual budget and longer-term forecasts before they go to the Board for full approval.

Investment Committee (IC): meets quarterly with our investment managers to review investment performance and ensure investments are held in accordance with Blue Cross's ethical investment policy.

Remuneration Committee (Remco): considers the remuneration of the Chief Executive and Executive Team (see page 37) and overall pay policy of the charity.

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

Membership of these committees and sub-committee at 31 December 2025 is as follows:

Trustees

Kerry Blackstock Comco, ARC (elected 2022)

Niki Brooks-Coppard Fisco (Chair), Remco (Chair), Sedco (elected 2020)

Clive Everest MA, FCA ARC (Chair), Fisco (elected 2017)

Alison Forrestal Comco, Sedco, IC (elected 2021)

Caroline Gosling Comco, Remco, Fisco (elected 2019)

Michele Jennings Comco, Sedco (elected 2023 – resigned 2025)

Chris Martin BSc Fisco (elected 2019), Sedco

Dr Nick Park BVetMed Sedco (elected 2020), Fisco

Beth Brook Chair of the Board (elected 2024)

Kath Qualtrough FCA, Fisco, ARC (elected 2022)

Dr Jeremy Stewart BVetMed CertVR MRCVS Comco, Remco, Sedco (Chair) (elected 2015)

Stephen Swift Vice Chair of Board, Comco (Chair), IC (Chair), Fisco, Remco (elected 2012 and 2015)

Independent Board members

Keillian Tai ARC, IC (appointed 2024)

Vikramaditya Ghosh Comco, Sedco (resigned 2025)

Independent members of Committees

Helen Wilkie FCA, ARC (appointed 2020)

Zair Berry FCA, IC (appointed 2021)

Azeem Zaman ARC (appointed 2024)

Michele Jennings Sedco (appointed 2025)

Laura Mock Sedco (appointed 2025)

Carli Baldasare IC (appointed 2025)

As Chair of the Board of Trustees, Beth Brook is an ex-officio Member of all committees.

Dr Jeremy Stewart is the Trustee overseeing safeguarding.

Any expenses reclaimed from the charity by Trustees are set out in note 6 to the accounts.

In recruiting Trustees and Independent Board/Committee Members a skills matrix is employed. They contribute veterinary, animal welfare, commercial, marketing, fundraising, strategy, communication, governance, banking, finance, HR, technology, education and advocacy skills.

Membership

On 31 December 2025 there were 66 Members of Blue Cross entitled to vote at the AGM. Admission to Membership requires approval of the Trustees.

Executive Team

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

Members of the Executive Team at 31 December 2025 were as follows:

Chief Executive **Chris Burghes** MBE

Chief Financial Officer and Deputy Chief Executive **Iain Heaton**

Director of Fundraising, Communication and Engagement **Julia McKechnie-Burke**

Director of People and People Services **Beth Verrechia**

Chief Information Officer **Phillip Edwards**

Director of Rehoming and Fostering Services **Alyson Jones**

Director of Veterinary Services **Paul Manktelow**

Remuneration Committee report

Composition and role

The remuneration committee met three times in 2025. Its members are the Chair, four Trustees and it is also attended by the Chief Executive and the Director of People and People Services, who are not present when their performance and remuneration are discussed. No other executives attend the committee.

The objectives of the committee are to:

- Review and recommend the remuneration of the Executive Team
- Review and approve Blue Cross's overall pay policy
- Conduct the Chief Executive's annual review and set their objectives for the forthcoming year
- Review and approve any proposed redundancy and settlement payment proposals to be made
- All recommendations made by the committee must then be approved by the Board

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

Remuneration policy

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

In assessing remuneration levels the committee considers the following factors:

- **Inflation** – keeping pay levels in line with movements in the cost of living
- **Market forces** – making sure pay levels are set so that they are compatible with the recruitment and retention objectives applicable to the role under consideration
- **Increased responsibility** – accommodating real changes in responsibility
- **Affordability** – ensuring Blue Cross has the financial resources to afford the proposed remuneration

The objective of this policy is to ensure that all Blue Cross employees are provided with appropriate remuneration and are rewarded in a fair and responsible manner in relation to the external pay market. All Blue Cross employees participate in a continuous performance engagement model which monitors, discusses and helps to improve employee performance and engagement throughout the whole year.

Details of settlement payments, redundancy payments and payments in lieu of notice can be found in note 6 on page 53.

Remuneration of Executive Team

Remuneration of the Executive Team comprises annual salary, life assurance, pension contribution and continuity of salary in the event of long term illness.

These benefit are available to all Blue Cross employees.

The remuneration of the Executive Team is reviewed annually based on sector Brightmine reward data. Blue Cross aims to pay the voluntary sector median salary for its senior executives. Total remuneration of the Executive Team is included in note 6 of the accounts.

The ratio of remuneration at December 2025 of the highest paid employee (£158,929) to the average remuneration of employees (£28,382 pa) was 5.5 times (5.53 times in 2024).

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Report, including the Strategic Report, the 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 in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity 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 applicable Charities SORP
- Make judgements 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 charity will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

At the time of approval of the report, as far as each of the Trustees are aware there is no relevant audit information of which the auditors are unaware and, the Trustees have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

BDO LLP acted as the charitable company's auditors during the year. They have expressed their willingness to continue in that capacity and a motion to propose their reappointment as our external auditors will be proposed at the AGM.

The Trustees' report and strategic report were approved by the Trustees in their capacity as Directors of the company on 14 May and are signed on their behalf by:



Beth Brook
Chair

Independent auditor's report

To the members and trustees of Blue Cross

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 December 2025 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

We have audited the financial statements of Blue Cross ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 December 2025 which comprise the specify the titles of all primary statements such as the (consolidated) statement of financial activities, the (consolidated and charity) 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).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

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 and the Parent Charitable Company'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 Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. 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 or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a

material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

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

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

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the sector in which it operates;
- Discussion with management and those charged with governance and the Audit and Risk Committee;
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations; and
- Review of internal audit reports.

we considered the significant laws and regulations to be the applicable accounting framework, UK tax legislation, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation and the Animal Welfare Act 2006.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of Internal Audit Reports.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance, the Audit and Risk Committee, and internal audit regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be existence and valuation of accrued legacy income and management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias, including accrued legacy income, by sample testing of recognition criteria and challenge of the discount applied.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including component engagement teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

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

DocuSigned by:
Jill Halford
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Jill Halford (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor
London, UK

Date: 14 May 2026

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

Financial statements

Consolidated statement of financial activities (incorporating an income and expenditure account)

for the year ended 31 December 2025

Income and endowments from	Note	Unrestricted Funds £'000	Restricted Funds £'000	2025 Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	2024 Total £'000
Donations and legacies		33,034	5,817	38,851	34,100	5,713	39,813
Charitable activities		4,042	–	4,042	3,780	–	3,780
Other trading activities		6,157	–	6,157	5,852	–	5,852
Investment income		1,163	–	1,163	1,191	–	1,191
Other income		103	–	103	–	–	–
Total income	3	**44,499**	**5,817**	**50,316**	**44,923**	**5,713**	**50,636**
Expenditure on							
Charitable activities:							
Veterinary		(13,206)	(1,068)	(14,274)	(13,360)	(1,729)	(15,089)
Rehoming		(9,758)	(4,078)	(13,836)	(10,001)	(3,312)	(13,313)
Raising awareness		(5,858)	–	(5,858)	(6,119)	–	(6,119)
Advice and support		(1,746)	(355)	(2,101)	(2,332)	(432)	(2,764)
Raising funds		(6,579)	–	(6,579)	(5,124)	–	(5,124)
Other trading activities		(8,848)	–	(8,848)	(8,310)	(5)	(8,315)
Total Expenditure	4	**(45,995)**	**(5,501)**	**(51,496)**	**(45,246)**	**(5,478)**	**(50,724)**
Net (expenditure)		(1,496)	316	(1,180)	(323)	235	(88)
Net gains/(losses) on investments	9	2,789	–	2,789	(243)	–	(243)
Net movement in funds		1,293	316	1,609	(566)	235	(331)
Reconciliation of funds							
Total funds brought forward at 1 January		72,921	1,874	74,795	73,487	1,639	75,126
Total funds carried forward at 31 December	15	74,214	2,190	76,404	72,921	1,874	74,795

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

Charity statement of financial activities (incorporating an income and expenditure account)

for the year ended 31 December 2025

Income and endowments from	Unrestricted Funds £'000	Restricted Funds £'000	2025 Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	2024 Total £'000
Donations and legacies	33,450	5,817	39,267	34,403	5,713	40,116
Charitable activities	4,042	–	4,042	3,780	–	3,780
Other trading activities	5,376	–	5,376	5,084	–	5,084
Investment income	1,163	–	1,163	1,191	–	1,191
Other income	103	–	103	–	–	–
Total income	**44,134**	**5,817**	**49,951**	**44,458**	**5,713**	**50,171**
Expenditure on						
Charitable activities:						
Veterinary	(13,206)	(1,068)	(14,274)	(13,360)	(1,729)	(15,089)
Rehoming	(9,758)	(4,078)	(13,836)	(10,001)	(3,312)	(13,313)
Raising awareness	(5,858)	–	(5,858)	(6,119)	–	(6,119)
Advice and support	(1,746)	(355)	(2,101)	(2,332)	(432)	(2,764)
						–
Raising funds	(6,579)	–	(6,579)	(5,124)	–	(5,124)
Other trading activities	(8,483)	–	(8,483)	(7,845)	(5)	(7,850)
Total Expenditure	**(45,630)**	**(5,501)**	**(51,131)**	**(44,781)**	**(5,478)**	**(50,259)**
Net (expenditure)	(1,496)	316	(1,180)	(323)	235	(88)
Net gains/(losses) on investments	2,789	–	2,789	(243)	–	(243)
Net movement in funds	1,293	316	1,609	(566)	235	(331)
Reconciliation of funds						
Total funds brought forward at 1 January	72,921	1,874	74,795	73,487	1,639	75,126
Total funds carried forward at 31 December	74,214	2,190	76,404	72,921	1,874	74,795

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

Consolidated and charity statements of financial position

as at year ended 31 December 2025

		As at 31 December 2025		As at 31 December 2024	
Fixed assets	Notes	Group £'000	Charity £'000	Group £'000	Charity £'000
Tangible assets	8	19,380	19,380	21,266	21,266
Investments	9	30,742	30,742	28,023	28,023
		50,122	**50,122**	**49,289**	**49,289**
Current assets					
Stocks	10	289	146	253	153
Debtors	11	31,501	31,652	28,107	28,143
Cash and cash equivalents		2,841	2,716	6,128	6,114
		34,631	**34,514**	**34,488**	**34,410**
Liabilities					
Creditors: Amounts falling due within one year	12	(6,321)	(6,204)	(4,856)	(4,778)
Provisions	12	(2,028)	(2,028)	(1,376)	(1,376)
Net Current Assets		**26,282**	**26,282**	**28,256**	**28,256**
Creditors: Amounts falling due after more than one year	13	–	–	(2,750)	(2,750)
Total Net Assets	15	**76,404**	**76,404**	**74,795**	**74,795**
The Funds	16				
Total restricted funds		**2,190**	**2,190**	**1,874**	**1,874**
Total unrestricted funds		**74,214**	**74,214**	**72,921**	**72,921**
Total funds		**76,404**	**76,404**	**74,795**	**74,795**

Total net profit for the parent entity during the year was £1.6m (2024 £0.3m Loss).

The notes 1 to 22 form part of these financial statements.

Approved by the Trustees on 14 May 2026 and signed on their behalf by



Beth Brook
Chair



Stephen Swift
Vice Chair

Company number: 363197

Consolidated cash flow statement

for the year ended 31 December 2025

	2025 £'000	2024 £'000	
Net cash (used in) operating activities	**(3,779)**	**(3,501)**	Table A
Cash flows from Investing activities			
Dividends and interest from investments	1,026	963	
Interest received	137	228	
Proceeds from sale of property, plant and equipment	1,200	-	
Purchase of property, plant and equipment	(708)	(1,275)	
Withdrawals from investments	30	7,395	
Net cash provided by investing activities	**1,685**	**7,311**	
Cash flows from financing activities			
Interest paid	(193)	(298)	
Repayment of borrowing	(1,000)	(1,000)	
Net cash used in financing activities	**(1,193)**	**(1,298)**	
Change in cash and cash equivalents in the year	**(3,287)**	**2,512**	
Cash and cash equivalents at beginning of year	6,128	3,616	
Cash and cash equivalents at end of year	**2,841**	**6,128**	Table B
Table A			
Net movement of funds for the year	**1,609**	**(331)**	
Depreciation of fixed assets	1,516	1,497	
Dividends and interest from investments	(1,026)	(963)	
Interest received	(137)	(228)	
Interest paid	193	298	
(Profit) on disposal of fixed assets	(122)	-	
(Gains)/losses on investments net of management fees	(2,749)	406	
	(716)	**679**	
Working capital movements			
(Increase)/decrease in stocks	(36)	100	
(Increase) in debtors	(3,394)	(5,363)	
Increase in creditors and provisions	367	1,083	
Net cash (outflow) from operating activities	**(3,779)**	**(3,501)**	
Table B			
Cash at bank and in hand	2,841	6,128	
Total cash and cash equivalents	**2,841**	**6,128**	

Analysis of changes in net debt are included in the note 14.

Notes to the financial statements

for the year ended 31 December 2025

1. Company status

Blue Cross is a registered charity constituted as a company limited by guarantee and does not have share capital. The liability of each member is limited to £1. It is registered in the United Kingdom under company registration number 00363197 and charity registration number 224392. Its registered address is Shilton Road, Burford, OX18 4PF.

2. Accounting policies

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

a) Basis of accounting

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

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

A separate Statement of cash flows for the Charity itself is not presented because the Charity has taken advantage of the exemptions afforded in FRS102.

b) Going concern

The directors are of the opinion that the company has adequate resources to continue to operate for the foreseeable future, being not less than one year from the date of approval of the financial statements. They have formed this opinion after reviewing future forecasts, cash flows and debt level. The level of reserves and current cash-flow is sufficient to cover repayment of our existing loans and liabilities as they fall due. Future forecasts show the Charity is expected to operate at a planned loss for the next two years due to continued investment in Services, Information systems and brand awareness. The Charity has sufficient reserves in our investment portfolio to cover these planned operating losses while it takes action to return to a sustainable financial position by the end of 2027 as stated in our strategy. For these reasons, the directors believe it is a going concern and there are no material uncertainties.

c) Critical accounting judgements and estimates

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

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

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

i. Income recognition – Blue Cross recognises income on a receivable basis where the amount can be reliably measured and is likely to be received. Income recognition policies are detailed in the accounting policy for income and legacies. When it is considered that the key criteria of entitlement, probability and measurement for income recognition are not fulfilled for a transaction, income recognition is delayed until these have been judged to have been met. Payments received in advance of income recognition are recorded as deferred income.

Residuary legacies are recognised as receivable once probate has been granted and they can be valued with reasonable certainty. Legacies are included at 98.8 per cent (2023: 95 per cent) of the estimated value to reflect the inherent uncertainty that exists, refer to note e for further detail. Judgement is also required in assessing whether estates contain sufficient assets to settle the legacy and whether any disputes or conditions exist that would prevent recognition.

ii. Tangible fixed assets – the charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life. Increasing an asset's expected life would result in a reduced depreciation charge.

Assets held for sale are valued at the lower of the carrying amount or fair value and not depreciated at the point they are reclassified.

The useful lives of Blue Cross' assets are determined at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology. Refer to note 2H for the depreciation accounting policy.

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

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

d) Income

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

- Raffle income is recognised when the cash is received, and sponsorship income is accounted for when receivable and lottery income is recognised when the draw has taken place.
- Income from Blue Cross Shops includes the sale of donated goods through shops and the income is recognised when the goods are sold.
- Income from trading subsidiaries is represented by the commission receivable and on goods sold during the year, excluding VAT.
- Investment income is accounted for when cash is received.
- Veterinary, Rehoming and Rehabilitation income is accounted for when the service is rendered and includes any associated donations.
- Gifts in kind are recognised when the service is rendered or item donated and valued at cost where material and quantifiable.
- The policy for legacy income is shown in note 2e below.

e) Legacies

Legacy income is recognised in the Statement of Financial Activities when the charity is entitled to the income, receipt is probable and there is a reliable measurement basis. Pecuniary legacies are recognised as receivable once probate has been granted and notification has been received. Residuary legacies are recognised as receivable once probate has been granted and they can be valued. Residuary legacies are included at 98.8 per cent (2024: 98.8 per cent) of their estimated value. This deduction of 1.2 per cent represents the best estimate of administration costs, legal fees, specific market volatility metrics. Due to the uncertainty associated with

these estimates, the final outcome may differ. For example, a 1 per cent decrease in the applied realisation rate would reduce the accrued legacy income by £285k. This rate is reviewed periodically with reference to historical realisation trends and current market indicators.

Blue Cross maintains a legacy pipeline system, that includes further estimated legacy values that do not meet the recognition criteria, and which therefore have not been included in the accounts. See note 3. Blue Cross is also entitled to receive income from approximately 124 legacies (2024:117), subject to life tenancies. The timing and amount of income expected from these legacies, is currently estimated at £4.4m (2024:£4.5m), remains uncertain and are therefore excluded from accrued legacy income. As these legacies do not meet the income recognition criteria detailed in the accounting policy, no income has been recognised.

f) Tangible fixed assets

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

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

Tangible fixed assets are regularly reviewed for impairment triggers and where deemed appropriate, the assets are written down.

g) Software costs

Software development and maintenance costs, including licenses and warranties, are expensed in the year of purchase.

h) Depreciation

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

Freehold properties – components	**15 - 50 years**
Leasehold improvements	**5 years**
Motor vehicles	**3 years**
Equipment including PC and other IT equipment	**4 years**
Software warranties and licenses	**4 years**

The land element of properties is not depreciated but is tested for impairment, if a trigger is identified.

i) Investments

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

j) Stocks

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

k) Expenditure

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

Costs of raising funds relate to those costs incurred in seeking voluntary donations or as incurred in publicising or marketing the Charity. All investment management charges, and the costs associated with the trading

company, Blue Cross Trading Company Limited, are also included. Charitable activities are all costs incurred in meeting the core objectives of the Charity.

Dilapidations have been calculated on all Retail properties based on the remaining lease term. Dilapidations are based on contractors' quotes or estimated costs to return the building to the condition that it was in when first leased. Irrecoverable VAT is included in relevant expense categories.

Redundancy and termination payments are recognised when there is a demonstrable commitment on an individual or group basis that cannot be realistically withdrawn.

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

	2025 %	2024 %
Cost of generating funds	5.93	8.31
Service delivery:		
- Veterinary	29.85	31.04
- Rehoming	35.43	30.65
Raising awareness	5.86	6.49
Blue Cross shops	18.39	18.83
Advice and support	4.54	4.42
Governance costs	0.00	0.26
	100.00	**100.00**

l) Operating leases

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

m) Pensions

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

n) Funds

Restricted funds represent funds which are to be used in accordance with the specific restrictions imposed by the donors or term of appeal. The aim and use of each restricted fund is set out in notes to the financial statements. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives and which have not been designated for other purposes.

o) Financial instruments

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

p) Volunteers' time

The charity does not attempt to put a financial value on the hours of work that it receives for free each year from its thousands of volunteers. Therefore, the accounts do not include any income or costs with respect to this time. Volunteers play a vital role in the charity. Volunteers directly help support all our services in a wide range of roles and also volunteers carry out essential work in our Retail shops and fundraising efforts.

3. Total income

Group and charity	2025 £'000	2024 £'000
Donations and legacies		
Donations and gifts	9,776	9,523
Legacies receivable	28,055	29,171
Events, raffle, and sponsorship	1,020	1,119
	38,851	**39,813**
Charitable activities		
Veterinary	2,379	2,429
Rehoming	1,150	872
Advice and support	181	196
Other income	332	283
	4,042	**3,780**
Other trading activities		
Income from Blue Cross shops	5,336	5,074
Income from trading subsidiaries	821	778
	6,157	**5,852**
Investment income		
Investment income received & receivable	1,026	963
Interest received & receivable	137	228
	1,163	**1,191**
Net profit on sale of asset	103	-
Total Income	**50,316**	**50,636**

At the year-end the charity was aware that it was a beneficiary of additional legacies which do not yet meet the recognition criteria detailed in the accounting policies. This is generally because either probate has not been granted and so it was not certain that the legacy would be received, or the value could not be reliably measured. The current estimate of the total amount concerned is £3.15m (143 cases) (2024:£3.49m (142 cases)). Blue Cross is also entitled to receive income from approximately 124 legacies (2024:117), subject to life tenancies. The timing and amount of income expected from these legacies, currently estimated at £4.4m (2024 £4.5m), remains uncertain and are therefore excluded from accrued legacy income. As these legacies do not meet the income recognition criteria detailed in the accountancy policy, no income has been recognised.

Four ex gratia legacy payments (2024: two) with a combined value of £4.1k (2024: £1k) were made in the year. These relate to payments that the Trustees are under no legal obligation to make, either from monies already received from legacy income or as a waiver of the Charity's entitlement to receive such monies. These payments were made because, in the Trustees' judgement, there existed a moral obligation to do so.

The Charity received £5,817k (2024: £5,713k) donations and legacies that were restricted. See note 16.

The Charity received £750k (2024: £930k) of gift in kind donations with the value included in donations and gifts.

Proceeds of the sale of asset of 2025 relates to the sale of our Lewknor centre.

4. Total expenditure

Group and charity	Raising funds £'000	Other trading activities £'000	Veterinary £'000	Rehoming £'000	Raising awareness £'000	Advice & support £'000	Governance £'000	Support costs £'000	Group 2025 Total £'000	Group 2024 Total £'000
Staff costs (note 6)	(1,615)	(3,356)	(8,501)	(7,323)	(2,174)	(1,084)	–	(5,181)	(29,234)	(28,182)
Other staff related costs	(39)	(22)	(44)	–	1	–	–	(41)	(145)	(550)
Service delivery	–	–	(1,762)	(1,069)	–	–	–	–	(2,831)	(3,112)
PR and marketing	(2,741)	(4)	(1)	(89)	(2,977)	(92)	–	–	(5,904)	(6,860)
Trading costs	–	(365)	–	–	–	–	–	–	(365)	(452)
Property	–	(2,737)	(530)	(711)	(4)	(23)	–	(1,364)	(5,369)	(4,869)
Equipment and IT	(1,200)	(76)	(147)	(94)	(98)	(14)	–	(1,675)	(3,304)	(2,114)
Depreciation	–	(105)	(217)	(851)	(4)	–	–	(339)	(1,516)	(1,497)
Transportation costs	(28)	(199)	(80)	(195)	(25)	(30)	–	(97)	(654)	(702)
Other operating costs	(396)	(246)	(171)	(154)	(23)	(426)	(5)	(750)	(2,171)	(2,361)
Grants	–	–	–	–	–	(3)	–	–	(3)	(25)
Total	**(6,019)**	**(7,110)**	**(11,453)**	**(10,486)**	**(5,304)**	**(1,672)**	**(5)**	**(9,447)**	**(51,496)**	**(50,724)**
Governance reallocation	–	(1)	(1)	(2)	(1)	–	5	–	–	–
Support costs reallocation	(560)	(1,737)	(2,820)	(3,348)	(553)	(429)	–	9,447	–	–
Total 2025	**(6,579)**	**(8,848)**	**(14,274)**	**(13,836)**	**(5,858)**	**(2,101)**	**–**	**–**	**(51,496)**	**–**
Total 2024	(5,124)	(8,315)	(15,089)	(13,313)	(6,119)	(2,764)	–	–		(50,724)

Comparative section from 2024 accounts

	Raising funds £'000	Other trading activities £'000	Veterinary £'000	Rehoming £'000	Raising awareness £'000	Advice & support £'000	Governance £'000	Support costs £'000	Group 2024 Total £'000	Group 2023 Total £'000
Staff costs (note 6)	(1,336)	(3,023)	(8,472)	(6,682)	(2,044)	(1,274)	(42)	(5,309)	(28,182)	(24,918)
Other staff related costs	(16)	(61)	(89)	(46)	(20)	(11)	(5)	(302)	(550)	(606)
Service delivery	–	–	(2,178)	(934)	–	–	–	–	(3,112)	(2,411)
PR and marketing	(2,829)	(35)	(1)	(107)	(3,260)	(95)	–	(533)	(6,860)	(5,240)
Trading costs	–	(452)	–	–	–	–	–	–	(452)	(328)
Property	–	(2,175)	(466)	(589)	–	(19)	–	(1,620)	(4,869)	(4,160)
Equipment and IT	(20)	(97)	(167)	(95)	(118)	(16)	(12)	(1,589)	(2,114)	(1,807)
Depreciation	–	(68)	(214)	(776)	(4)	–	–	(435)	(1,497)	(1,594)
Transportation costs	(29)	(197)	(80)	(230)	(27)	(60)	(1)	(78)	(702)	(608)
Other operating costs	(232)	(162)	(174)	(20)	–	(765)	(22)	(986)	(2,361)	(2,680)
Grants	–	–	–	–	–	(25)	–	–	(25)	(231)
Total	**(4,462)**	**(6,270)**	**(11,841)**	**(9,479)**	**(5,473)**	**(2,265)**	**(82)**	**(10,852)**	**(50,724)**	**(44,583)**
Governance reallocation	(5)	(16)	(24)	(28)	(5)	(4)	82	–	–	–
Support costs reallocation	(657)	(2,029)	(3,224)	(3,806)	(641)	(495)	–	10,852	–	–
Total 2024	**(5,124)**	**(8,315)**	**(15,089)**	**(13,313)**	**(6,119)**	**(2,764)**	**–**	**–**	**(50,724)**	**–**
Total 2023	(5,149)	(7,368)	(13,402)	(10,801)	(4,158)	(3,705)	–	–		(44,583)

Governance costs and support costs are allocated on a fulltime equivalent headcount basis see Accounting Policy (2k).

5. Net (expenditure) from the financial year is stated after charging

	Group 2025 £'000	Group 2024 £'000
Depreciation of fixed assets	1,516	1,497
Gain on disposal of fixed assets	103	–
Loans interest	193	298
Operating lease rentals:		
Buildings	1,614	1,582
Vehicles	318	238
Office Equipment	1	6
Auditor's Remuneration (incl. expenses, excl. VAT):		
Fees for the audit of the financial statements	62	60
Fees for the audit of the trading company financial statements*	9	12
Fees to group auditor for other services	13	13

**Subsidiary Trading company audit performed by Wenntownsend 2024 and 2025.*

6. Employees

Group and charity	Group 2025 £'000	Group 2024 £'000
Wages and salaries	(24,130)	(23,184)
Social security costs	(2,872)	(2,261)
Pension contributions	(2,232)	(2,277)
	(29,234)	**(27,722)**
Other staff costs	(145)	(460)
Total	**(29,379)**	**(28,182)**

In 2025 the remuneration committee approved total settlement payments of £25k to 1 individual (2024: £41k to 3 individuals); in addition, there were 15 redundancies, and 19 payments in lieu of notice (PILON) payments totalling £234k made to 25 individuals (2024: redundancy and PILON payments totalling £148k were made to 18 individuals). The amount approved by the remuneration committee but not settled at year end was nil.

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

Group and charity	2025 Average	2025 FTE	2024 Average	2024 FTE
Donations and legacies	71	67	69	64
Raising awareness	54	48	56	50
Blue Cross shops	203	162	185	145
Veterinary	260	225	268	239
Rehoming	285	245	273	236
Advice and support	44	37	40	34
Governance	1	1	2	2
Total	**918**	**785**	**893**	**770**

The Executive team, as defined in the Trustee Report, received total remuneration including pension contributions and employers National Insurance of £982k (2024: £954k).

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

	2025 Number	2024 Number
£60,001 - £70,000	16	16
£70,001 - £80,000	6	4
£80,001 - £90,000	3	3
£90,001 - £100,000	-	1
£100,001 - £110,000	3	2
£110,001- £120,000	2	2
£120,001 - £130,000	-	-
£130,001 - £140,000	1	1
£140,001 - £150,000	-	-
£150,001 - £160,000	1*	1*

**Denotes Chief Executive Officer.*

Contributions made in the year for the provision of defined contribution pension schemes totalled £347,258 for thirty two employees (2024: £313,031 for thirty employees).

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

Travel and subsistence expenses we reimbursed to trustees amounted to £3,107 (This was £3,411 in 2024).

Trustee Indemnity Insurance was provided in the year at a total cost of £10k to the Charity (2024: £10k).

During the year, Trustees donated a total amount of £4,005 (2024: £456) without conditions.

7. Taxation

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

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

8. Tangible fixed assets

	As at 31 December 2025								As at 31 December 2024
Group and charity	Freehold land and buildings £'000	Leasehold improvement £'000	Equipment £'000	Motor Vehicles £'000	Computers £'000	Assets under construction £'000	Assets Held for Sale £'000	**Total £'000**	**Total £'000**
Cost									
At 1 January	38,270	2,662	2,206	266	3,675	55	1,165	48,299	47,022
Additions	291	219	104	-	94	-	-	708	1,277
Disposals	(2,835)	-	(40)	-	-	-	-	(2,875)	-
Transfers	-	-	-	-	-	-	-	-	-
At 31 December	**35,726**	**2,881**	**2,270**	**266**	**3,769**	**55**	**1,165**	**46,132**	**48,299**
Depreciation									
At 1 January	(18,848)	(1,898)	(2,058)	(218)	(3,201)	-	(810)	(27,033)	(25,536)
Charge for the year	(1,001)	(199)	(75)	(20)	(221)	-	-	(1,516)	(1,497)
Eliminated in respect of disposals	1,757	-	40	-	-	-	-	1,797	-
At 31 December	**(18,092)**	**(2,097)**	**(2,093)**	**(238)**	**(3,422)**	**-**	**(810)**	**(26,752)**	**(27,033)**
Net Book Value At 31 December	**17,634**	**784**	**177**	**28**	**347**	**55**	**355**	**19,380**	**21,266**
Net Book Value At 1 January	19,422	764	148	48	474	55	355	21,266	21,486

Assets under construction in 2025 relate to build projects at the Hammersmith and Suffolk sites (2024: Hammersmith and Suffolk). The Cambridge site remained classified as held for sale during 2025. Disposals during 2025 include the Lewknor site and cattery equipment.

9. Investments

Group and charity	As at 31 December 2025 £'000	As at 31 December 2024 £'000
Market value at 1 January	**27,367**	**35,489**
Investment cash at 1 January	656	335
Disposals at brought forward market value	(26,568)	(18,007)
Acquisitions at cost	27,151	10,128
Cash (utilised)/realised	(653)	321
Unrealised gain/(loss) on revaluation	2,918	(691)
Realised (loss)/gain on disposal	(129)	448
Market value at 31 December	**30,742**	**28,023**

The above investments consist of:	As at 31 December 2025 £'000			As at 31 December 2024 £'000
	UK	Non-UK	Total	Total
Fixed Interest securities	1,751	1,826	3,577	4,894
Other listed shares and securities	5,693	21,468	27,161	22,473
Cash	4	-	4	656
	7,448	**23,294**	**30,742**	**28,023**
Historical cost as at 31 December			**28,023**	**25,720**

10. Stocks

Net receipts on sale	As at 31 December 2025		As at 31 December 2024	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Veterinary drugs for charitable purposes	146	146	153	153
Goods for resale	143	-	100	-
Total	**289**	**146**	**253**	**153**

11. Debtors

Due within one year	As at 31 December 2025 Group £'000	As at 31 December 2025 Charity £'000	As at 31 December 2024 Group £'000	As at 31 December 2024 Charity £'000
Gift aid receivable	881	881	860	860
Trade debtors	263	247	132	120
Amounts owed by group undertakings	-	167	-	48
Legacy debtors	28,523	28,523	25,458	25,458
Other debtors	662	662	606	606
Prepayments and accrued income	1,172	1,172	1,051	1,051
Total Debtors	**31,501**	**31,652**	**28,107**	**28,143**

Some accrued legacy income may be received more than one year after the balance sheet date, but it is not practical to estimate the amount due to uncertainty in the timing of the receipt of legacy income. Within debtors, there are no other amounts that fall due in more than one year (2024: £nil).

12. Creditors: Amounts falling due within one year

	As at 31 December 2025 Group £'000	As at 31 December 2025 Charity £'000	As at 31 December 2024 Group £'000	As at 31 December 2024 Charity £'000
Trade creditors	(977)	(975)	(986)	(980)
Social security and other taxes	(719)	(574)	(781)	(706)
Other creditors	(217)	(217)	(115)	(113)
Accruals and deferred income	(1,658)	(1,688)	(1,974)	(1,979)
Bank Loan (note 14)	(2,750)	(2,750)	(1,000)	(1,000)
Total	**(6,321)**	**(6,204)**	**(4,856)**	**(4,778)**

The deferred income balance at 1st January 2025 was £434k the amount released to income in the year was £466k and the amount deferred in the year was £99k.

The deferred income relates to the Ukraine Appeal, Community Projects (Foodbank) and Community Activity Sponsorship in 2026 (London Marathon)

Provisions

The provision balance relates to dilapidations of our leased properties £1.6m (2024; £1.1m) and amounts due to HMRC for over recovery of exempt VAT £0.3m (2024; £0.3m).

Group and charity	As at 31 December 2025 £'000	Additional Provisions Made £'000	Amounts Used £'000	Amounts Released £'000	As at 31 December 2024 £'000
Property dilapidations*	(1,646)	(566)	–	19	(1,099)
Merlin Debtor provision	(105)	(105)	–	–	–
HMRC provisions	(277)	–	–	–	(277)
Total	**(2,028)**	**(671)**	**–**	**19**	**(1,376)**

**Increase in property dilapidations is due to the average price for property repairs increasing in recent years.*

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

	As at 31 December 2025		As at 31 December 2024	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Bank loans	–	–	(2,750)	(2,750)
Total	**–**	**–**	**(2,750)**	**(2,750)**

The balance at the start of 2025 was £3.75m consisting of £2.75m remaining on a long-term loan and a remaining £1.0m CBIL loan, secured on the Victoria Properties (Sheppard House, 1-5, 7 & 9 Hugh Street, SW1V 1QQ).

The £5m loan was taken out in 2021 and is repayable in equal annual instalments over 5 year period with £500k annual repayments and a final payment of £2.5m. It accrues interest at a variable rate of Bank of England Base rate + 1.75 per cent and is secured against the same Victoria properties.

The additional £2.5m was borrowed as part of the government CBIL scheme taken out in 2021. This is repayable in equal annual instalments over 5 year period at a variable rate of Bank of England Base rate + 2.69 per cent and is secured against the same Victoria properties but with an additional guarantee from the UK Government under the CBIL scheme. This was paid off by October 2025.

Further payments of £500k have been made on both loans during 2025 and this leaves a balance of £2.75m at 31st December 2025.

14. Analysis of changes in net debt

Group and charity	As at 01 January 2025 £'000	Cash flows £'000	Non-cash changes* £'000	As at 31 December 2025 £'000
Cash and cash equivalents				
Cash at bank and in hand	6,128	(3,287)	-	2,841
	6,128	**(3,287)**	-	**2,841**
Borrowings				
Debt due within one year	(1,000)	(1,750)	-	(2,750)
Debt due after more than one year	(2,750)	2,750	-	-
	(3,750)	**1,000**	-	**(2,750)**
Total	**2,378**	**(2,287)**	-	**91**

** Reclassification of loan due date*

15. Analysis of net assets between funds

	As at 31 December 2025			As at 31 December 2024		
Group and charity	Restricted £'000	Unrestricted £'000	Total funds £'000	Restricted £'000	Unrestricted £'000	Total funds £'000
Tangible fixed assets	-	19,380	19,380	-	21,266	21,266
Investments	-	30,742	30,742	-	28,023	28,023
Long term liabilities	-	-	-	-	(2,750)	(2,750)
Net current assets	2,190	24,092	26,282	1,874	26,382	28,256
Net assets at the end of the year	**2,190**	**74,214**	**76,404**	**1,874**	**72,921**	**74,795**

16. Movement in funds

Purposes of restricted funds

The principal restricted funds are those held in respect of the following funds. These funds are specifically for the use at the centres named below.

Restricted funds:	As at 1 January 2025 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	As at 31 December 2025 £'000
With transactions above £250k:						
Burford Running Costs	634	1,745	(1,576)	-	-	803
Community Projects (Foodbank)	-	531	(191)	-	-	340
Hammersmith Capital	207	-	(9)	-	-	198
Southampton Running Costs	-	432	(432)			-
Linked Charities	427	-	-			427
Ukraine	-	2	(2)	-	-	-
Victoria Running Costs	-	763	(763)	-	-	-
Other Restricted Funds	606	2,344	(2,528)	-	-	422
Total restricted funds	**1,874**	**5,817**	**(5,501)**	**-**	**-**	**2,190**
Unrestricted funds	72,921	44,499	(45,995)	-	2,789	74,214
Total funds	**74,795**	**50,316**	**(51,496)**	**-**	**2,789**	**76,404**

Funds for Burford, Southampton and Victoria included numerous individual legacies towards financing operational activity of the veterinary and rehoming sites.

Other restricted income included £239k relating to special restrictions, £248k to veterinary services and £1,857k to rehoming sites, with majority being legacies.

Restrictions for our linked charities are currently being reviewed due to the length of time these funds have been held. See note 19 for linked charities.

Restricted funds:	At 1 January 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	At 31 December 2024 £'000
With transactions above £250k:						
Burford Running Costs	193	1,952	(1,511)	-	-	634
Community Projects	163	75	(238)	-	-	-
Hammersmith Capital	215	-	(8)	-	-	207
Southampton Running Costs	-	131	(131)	-	-	-
Linked Charities	427	-	-	-	-	427
Ukraine	-	25	(25)	-	-	-
Victoria Running Costs	-	1,027	(1,027)	-	-	-
Other restricted funds	641	2,503	(2,538)	-	-	606
Total restricted funds	**1,639**	**5,713**	**(5,478)**	**-**	**-**	**1,874**
Unrestricted funds	73,487	44,923	(45,246)	-	(243)	72,921
Total funds	**75,126**	**50,636**	**(50,724)**	**-**	**(243)**	**74,795**

17. Blue Cross Trading Company Limited

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

A summary of the trading result for 2025 is shown below:

Income Statement	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Turnover	**821**	**807**
Cost of Sales:		
Stock brought forward	100	126
Purchases	400	429
Stock carried forward	(144)	(100)
	356	**455**
Gross profit	**465**	**352**
Administrative Expenses	(9)	(12)
Management charge from Blue Cross	(40)	(39)
Profit on ordinary activities before taxation	**416**	**301**
Taxation	-	**-**
Profit on ordinary activities after taxation	**416**	**301**
Donation to parent charity	(416)	(301)
Retained profit for the financial year	**-**	-
Statement of Financial Position		
Total Assets	325	383
Total Liabilities	(325)	(383)
Net Assets	**-**	**-**
Total Funds	**-**	**-**

18. Blue Cross (D&B) Company Limited

Blue Cross (D&B) Company Limited (Company number 4879277, registered address Shilton Road, Burford, Oxfordshire OX18 4PF) is incorporated in the United Kingdom and has an accounting year end of 31 December. It is a wholly owned subsidiary whose main activity is to undertake the design and building of the charity's hospitals and rehoming centres in the most cost effective manner for the benefit of the charity. Its turnover is derived from invoicing the charity at cost for each major capital project as the costs are incurred. Any net profits would be transferred to Blue Cross by way of charitable donation. Blue Cross (D&B) Company Ltd. was dormant during 2025 and 2024.

19. Related parties, subsidiary, linked charities and welfare associates

Detail of subsidiary charities can be found in notes 17 and 18.

The Charity have disclosed any related parties that are included in the consolidated financial statements of Blue Cross as below.

Niki Brooks-Coppard (Trustee) became Chief People Officer for Medivet Group Limited on the 25 November 2024, making Medivet Group Limited a related party to Blue Cross. Blue Cross makes payments to Medivet Group Limited for veterinary services administrated to pets within Blue Cross' rehoming and fostering services by veterinary practices within the Medivet Group, and also makes payments for Veterinary Care Fund grants for the treatment of pets owned by people unable to afford their veterinary care. Since the 25 November 2024 these payments have totalled £18,205, of which £2,688 is for veterinary services direct to Blue Cross and £15,516 is for Veterinary Care Fund Grants on behalf of owners. The Veterinary Care Fund grant scheme is open to applications from veterinary practices across the United Kingdom and Blue Cross trustees play no role in deciding which individual practices are accepted. Veterinary practices are appointed to provide veterinary services to Rehoming and Fostering centres based on competitive tender processes organised by members of the Rehoming and Fostering team and these processes do not involve trustees.

Linked charities

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

- The War Horses Fund
- Annie Gordon Fund
- London Institute Mrs Morgan's Fund
- Bertie Copinger Prichard Fund (Captive and Performing Animals Fund)
- Mary Margaret Baroness Seaforth of Brahan (Sister Mabel's Free Dispensary for Sick Animals)
- Edith Alice Bromley-Bourne Fund
- Rosie May Hare Winton Fund
- Amy Alice Baldwin Fund
- Louisa Snow Fund
- Lucy Anne Fraser Oldfield Fund

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

20. Leases and other commitments

At 31 December 2025 the Group and Charity had the following future minimum lease payments under non-cancellable operating leases as follow:

	31 December 2025 £'000	31 December 2024 £'000
Leases for land and buildings:		
Expiring within one year	1,053	1,061
Expiring between one and five years	1,557	2,036
Expiring thereafter	201	295
Leases for vehicles:		
Expiring within one year	246	152
Expiring between one and five years	616	442
Expiring thereafter	-	-
Leases for equipment:		
Expiring within one year	6	6
Expiring between one and five years	15	15
Expiring thereafter	-	-
Total	**3,694**	**4,007**

There are no additional commitments at the accounting date.

21. Pensions

The Charity contributes to a defined contribution and private pension scheme for salaried employees. Payments made to the scheme and charged in the accounts comprise current contributions. These are allocated against the activity to which the related employee is engaged, and no allocations are made against restricted funds. These contributions payable by the Charity amounted to £2,232k (2024: £2,277k). All contributions were paid in the year.

22. Contingent liabilities

Blue Cross, on occasion, is required to give indemnities to the Executors of estates where Blue Cross is a beneficiary. The charity does not expect these indemnities to crystalise before expiry and aims to ensure that such indemnities are limited to the value of Blue Cross's share of the legacy, have the earliest possible expiry date, and are not given on a joint and several basis. The total value of the 27 (2024:30) indemnities given, but not provided in the accounts, outstanding as at 31st December 2025 is £322k (2024:£468k).

22. Post-Balance Sheet Events

The charity has sold the Cambridge site on the 6th February 2026 which was held for sale at year end 2025, the profit on sale of this site was £966k.

Reference and administrative details

For the year ended 31 December 2025

Company number: 363197
Charity number in England and Wales: 224392
Charity number in Scotland: SC040154

Registered office and operational address

- Shilton Road
  Burford
  Oxfordshire
  OX18 4PF

Honorary Members

- The Lord Kirkham CVO
- Mr and Mrs A Langton
- WJB Sneath
- Sir John Spurling KCVO OBE
- RT Vyner CBE

Ambassadors

- Pam Ferris
- Mary King MBE
- Chris Packham CBE
- Dr Ben Simpson-Vernon MA VetMB MRCVS

Trustees

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

- Beth Brook (Chair)
- Kerry Blackstock
- Niki Brooks-Coppard
- Clive Everest MA, FCA
- Alison Forrestal
- Caroline Gosling
- Michele Jennings (resigned 2025)
- Chris Martin BSc
- Dr Nick Park
- Kath Qualtrough
- Dr Jeremy Stewart BVetMed CertVR MRCVS
- Stephen Swift (Vice-Chair)

Independent Board Members

- Vikramaditya Ghosh
- Keillian Tai

Independent Audit Committee Members

- Helen Wilkie ACA
- Azeem Zaman

Independent Investment Committee Members

- Zair Berry FCA
- Carli Baldasare (appointed 2025)

Chief Executive

- Chris Burghes MBE

Company Secretary

- Iain Heaton

Banker

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

Solicitors

- BDB Pitmans LLP
  I Bartholomew Close
  London
  EC1A 7BL
- Bates Wells Braithwaite LLP
  10 Queen Street Place
  London
  EC4R 1BE
- Wilsons Solicitors LLP
  4 Lincoln's Inn Fields
  London
  WC2A 3AA

External auditor

- BDO LLP
  55 Baker Street
  London
  W1U 7EU

Investment Manager

- Cazenove Capital,
  a trading name of Schroder & Co. Limited,
  1 London Wall Place,
  London
  EC2Y 5AU

Thank you

We would like to pay particular acknowledgement and thanks to the following trusts, companies and individuals for their generous support during 2025.

Corporate partners

- Animal Friends Insurance
- Burgess Pet Care
- Greater Good
- Hills Pet Nutrition
- Lottoland
- PetPlan
- Untamed

Major supporters

We are ever grateful for the generosity of all our individual and Trust and Foundation supporters, including those who donated in memory of a loved one or made an anonymous gift. We thank the following for their significant contributions last year:

- Clapp Family Charitable Trust
- Dr Rosie Page
- Elise Pilkington Charitable Trust
- Joseph Gitter and Judith Flynn
- Pets Foundation
- The Dr Sheila Millar-Danks Charitable Trust
- The Hobson Charity
- The John William Hay Charitable Trust
- The Late Miss Doris Evelyn Clarke's Charitable Trust
- The Rose Animal Welfare Trust
- The Sylvia & Stanley Moss Trust
- The Tom Lethaby Memorial Trust

We would also like to thank our partners across the animal charity sector with whom we have worked closely throughout 2025 to share resources and knowledge, and as such make a positive impact on the lives of pets and their owners.

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Pets change lives
We change theirs


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